

AMREP[®]

55TH ANNUAL REPORT 2022-23

Amalgamations Repco Limited



AMALGAMATIONS REPCO LIMITED

CIN No. U35999TN1967PLC005566

BOARD OF DIRECTORS	
Shri A. KRISHNAMOORTHY	Chairman
Shri A.VENKATARAMANI	Non-Executive Director
Shri VIKRAM VIJAYARAGHAVAN	Independent Director
Shri NAVIN PAUL	Independent Director
Shri M. DEVARAJAN	Whole time Director
Shri N. SIVASAILAM	Non-Executive Director (UP TO 22.12.2022)

REGISTERED OFFICE	AUDITORS
136, 'J' GARDENS G.N.T. ROAD CHENNAI – 600 110	M/s. RGN PRICE & CO, CHARTERED ACCOUNTANTS LLP (Firm Registration No: 002785S)

PLANTS AT	BANKER
136, 'J' GARDENS, G.N.T. ROAD CHENNAI – 600 110 CHENNAI 2C, INDUSTRIAL ESTATE KAKKALUR – 602 003 THIRUVALLUR DISTRICT	CENTRAL BANK OF INDIA ADDISON BUILDINGS, HDFC BANK RK SALAI, CHENNAI
	SOLICITORS
	M/s. KING & PARTRIDGE, CHENNAI

CITY OFFICE	REGISTRAR AND TRANSFER AGENTS
2E, ELDORADO 112, MAHATMA GANDHI SALAI CHENNAI - 600 034 CHENNAI – 600 002	M/s. CAMEO CORPORATE SERVICES LTD. “SUBRAMANIAM BUILDING” NO. 1, CLUB HOUSE ROAD
	DEMAT CODE: ISIN NO: INE079E010

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AMALGAMATIONS REPCO LIMITED

Registered Office: "J" Gardens, G.N.T. Road, Chennai-600 110

(CIN: U35999TN1967PLC005566)

**NOTICE TO SHAREHOLDERS
OF THE FIFTY-FIVE ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the 55th Annual General Meeting of **AMALGAMATIONS REPCO LIMITED** will be held on Wednesday the 27th September 2023 at 10.30 A.M through video conferencing ("VC")/ other audio-visual means ("OAVM), to transact the following business:

ORDINARY BUSINESS:

Item No 1 – Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements for the year ended on March 31st, 2023 together with the Report of the Directors and the Auditors thereon and to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Statement of Profit and Loss for the year ended on 31st March, 2023, the Balance Sheet as on that date and annexure thereto, the statement of changes in Equity, the Cash Flow Statement for the year ended on 31st March, 2023, the Reports of Auditors and Directors thereon be and are hereby considered and adopted."

Item No 2 – Declaration of Dividend

To declare Dividend on Equity Shares and to consider and if thought fit, to pass the following resolution as an **Ordinary resolution**:

"RESOLVED THAT a dividend of Rs. 7.50 /- per equity share of the face value of Rs. 10/- each on the paid-up Equity Share Capital of the company as recommended by the Board of Directors be and is hereby declared and paid for the financial year 2022-23."

Item No 3 – Re-appointment of Mr. M. Devarajan (DIN: 03572960)

To elect a Director in place of Mr. M. Devarajan (DIN: 03572960), who retires by rotation and being eligible, offers himself for re-election and to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. M. Devarajan (DIN: 03572960), who retires by rotation from the Board pursuant to the provision of Section 152 of the Companies Act, 2013 be and is hereby re-elected as a Director of the Company."

SPECIAL BUSINESS:**Item No 4 – To approve revision in remuneration payable to Mr. M Devarajan, Whole Time Director.**

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

“RESOLVED THAT in supersession of all the earlier resolutions passed for payment of remuneration to Mr. M Devarajan, Whole Time Director and pursuant to the provisions of Section 197 read with schedule V and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision in the remuneration payable to Mr. M Devarajan, Whole Time Director of the Company with effect from 01st March 2023 for the remaining period of his present term of appointment which will expire on 05th December 2023, including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period, as detailed in the explanatory statement is hereby approved with the other terms and conditions of his appointment remaining the same, and with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or remuneration, in such manner as may be agreed to between the Board of Directors and Mr. M Devarajan, within and in accordance with the Act or such other applicable provisions or any amendment thereto.

Item No 5 - Ratification of Cost Auditor's Remuneration

To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2023-24 pursuant to Section 148 and all other applicable provisions of Companies Act, 2013, by passing with or without modification(s), the following resolution as **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the appointment of M/s. Ramachandran & Associates, Practicing Cost Accountant, holding Membership No.4341 as Cost Auditor of the Company for FY 2023-24 on a remuneration of Rs.75000 /- (Rupees Seventy Five Thousand only) plus out of pocket expenses and applicable taxes be and is hereby ratified.”

(By Order of the Board)

Place: Chennai
Date: 14th August 2023

M.DEVARAJAN
Whole Time Director
DIN - 03572960

EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013 AND SECRETARIAL STANDARD II ON
GENERAL MEETINGS)

Item No 4

The Board of director at the meeting held on 29th March 2023 on the recommendation of Nomination Remuneration Committee has approved the revision in the remuneration of the Whole Time Director with effect from 01st March 2023 for the remaining period of his present term of appointment which will expiry on 05th December 2023 as under:

Particulars	Amount (Rs.)
Basic	182250
HRA	109350
Other allowances	177309
Monthly Gross Salary	468909
Annual Gross Salary (A)	5626903
Fuel Reimbursement	240000
Cash benefits (C)	240000
Performance Bonus	650000
Annual Benefits (D)	650000
Company Car	648000
Car Driver	180000
White Goods (E)	828000
CTC per annum	7344903

The Members of the Company at the Annual General Meeting held on 26th September 2022 had re-appointed Mr. M.Devarajan as the Whole-time Director (DIN: 03572960) for a further period of two years from 06th December 2021 till 05th December 2023 of the Company. Keeping in view of the increased responsibilities and challenges involved, the revision is proposed in the remuneration for the Financial year 2023-24 with effect from 01st March 2023, in accordance with norms laid down in Schedule V and other applicable provisions of Companies act, 2013 and rules made thereunder.

None of the Directors of the Company and their relatives, are concerned or interested in the above Resolution.

Your Directors recommend the Resolution set out in Item No.4 as an Ordinary Resolution for your approval.

Item No - 5

As recommended by the Audit Committee, the Board at its meeting held on 14th August 2023, re-appointed Ms. Ramachandran and Associates, Practising Cost Accountant, having Membership No. 004341, as Cost Auditor of the Company, in terms of Section 148 of the Act, 2013, and fixed a sum of

₹75,000 /- as remuneration payable to him for the financial year 2023-24, subject to ratification by the Shareholders of the Company.

In terms of Section 148 (3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the shareholders of the Company, at the ensuing AGM of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution as set out in Item No.4 of this Notice.

The Directors, therefore, recommend the ordinary resolution, as set out in Item No.5 of the Notice.

NOTE

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2022 dated 05.05.2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. Notice of the AGM is being sent through electronic mode to those Members whose email addresses are registered with the Company/Registrars/ Depositories. Members may note that the Notice and Annual Report 2022-23 will be available on the Company's website www.amrep.in.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.amrep.in. The AGM Notice is also disseminated on the website of CDSL (agency for

providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. The Register of Members and the Share Transfer Book of the Company will remain closed between Thursday, the 21st September, 2023 to Wednesday, the 27th September, 2023 both days inclusive for the purpose of Annual General Meeting.
9. The Company has appointed Mr. R. Mukundan, Practicing Company Secretaries, Chennai, who have consented to act as Scrutinizer to conduct and scrutinize the remote e-voting process as well as the e-voting process on the date of the AGM in a fair and transparent manner
10. If the Final Dividend, as recommended by the Board of Directors, is approved at the Annual General Meeting, payment of such dividend will be made after 27th September 2023 and will be paid to beneficial owners of the Shares, whose name appear in the Register of Members of the Company, at the end of business hours on 20th September, 2023.
11. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of Shareholders with effect from April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their PAN with the Company/Registrar and Share Transfer Agent (in case of shares held in Physical mode) and Depository Participant (in case of shares held in Dematerialized mode).
12. A Resident Individual Shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form 15G/H, to avail the benefit of non-deduction of tax at source by email to priya@cameoindia.com. Shareholders are requested to note that, in case their PAN is not registered, tax will be deducted at a higher rate of 20%. The aforesaid declarations and documents should reach the said e-mail address from the Shareholders on or before 20th September, 2023.
13. Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 ('the Act') read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), the Company is in the process of transferring of unclaimed and unpaid dividend for the financial year 2014-15 and 2015-16. Shareholder is requested to claim their unencashed dividends for the financial year 2014-15 by making request to M/s Cameo Corporate Service Limited, Registrar and Transfer Agent of the Company ('RTA'), on or before October 13, 2023.
14. Members holding Shares in dematerialized form are requested to intimate all changes pertaining to their Bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail-id, address, contact numbers, etc., to their Depository Participant (DP). Members holding Shares in physical form are requested to intimate such changes to M/s.

Cameo Corporate Services Limited. "Subramanian Building ,5th Floor,1 Club House , Road Chennai - 600002.

15. Members holding Shares in electronic form are requested to submit their Permanent Account Number (PAN) to their Depository Participants, with whom they maintain their demat accounts. Members holding Shares in physical form should submit their PAN to the Company.
16. Members who have not registered their e-mail address are requested to forward their e-mail addresses to the Registrar and Share Transfer Agent priya@cameoindia.com with copy to vijayramachandran@amrep.in.
17. All Beneficial Owners whose names are recorded in the Register of Members of the Company, as on the cut-off date, i.e. 20th September, 2023 are eligible to cast their vote, by availing the facility of remote e-voting.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

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

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

- (i) The voting period begins on Saturday ,23rd September,2023 at 09.00 AM and ends on Tuesday 26th September 2023 at 05.00 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 20th September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

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

- (iii) Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

For Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp

	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

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

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

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

- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
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"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (ix) 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.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at rmmukund@gmail.com (email id) and to the Company at the email address viz; vijayramachandran@amrep.in and priya@cameoindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to register themselves as speaker may send their request from their registered e-mail address mentioning their name, DP ID and Client ID / Folio number, PAN, email id, and mobile number to priya@cameoindia.com and vijayramachandran@amrep.in on or before 5.00 p.m. on Wednesday, the 20th September, 2023. Those shareholders who have registered themselves as speakers will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
8. Members desiring any information relating to the annual accounts for the year ended 31st March 2023 of the Company are requested to send an email to the company at vijayramachandran@amrep.in on or before 5.00 p.m. on Wednesday, the 20th September, 2023 mentioning their name, Complete 16 digits demat account number/ folio number, email address and mobile number.
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the

votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

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

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

AMALGAMATIONS REPCO LIMITED
CIN NO. U35999TN1967PLC005566

DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting to you the 55th Annual Report, together with the Audited Financial Statements for the year ended 31st March, 2023.

FINANCIAL RESULTS:

Particulars	(Rs in Lakhs)	
	2023	2022
Total Income	21,552.72	19,285.15
Profit before Interest, Depreciation and tax	808.59	976.90
Less Finance Charges	76.75	89.84
Depreciation and Amortization	214.26	200.74
Profit/(Loss) before tax	517.58	686.32
Provision for taxation (Net)	160.46	173.87
Profit after tax	357.12	512.45
Other comprehensive Income	40.49	9.42
Total comprehensive Income for the year	316.63	521.87

OPERATIONS

The total revenue generated by the company for the year ended 31st March 2023, was Rs. 21,552.72 Lakh as against Rs. 19,285.15 Lakhs of the previous year 2021-22 registering growth of 11.76 %.

OUTLOOK FOR THE CURRENT YEAR:

The company primarily services the agricultural and automotive segments. The governments continue focus on farm mechanization and the regulators emphasis on cleaner and safer vehicles for the automotive sector augurs well for the company's products. Moreover, the government views the automotive sector as a key driver of manufacturing growth and employment and is expected to contribute almost 12% to the country's GDP over the next decade. The company's continued focus on technology and manufacturing standard to make products that satisfy international requirements will ensure a continuous and profitable growth.

DIVIDEND

The Directors recommend a dividend of Rs.7.5/- per share (75%) {Previous Year: Rs.5/- per share (50%)} on the paid-up capital for the financial year ended 31st March 2023. The payment of dividend is subject to the approval of shareholders at the ensuing Annual General Meeting.

Your director do not recommend any amount for transfer to general reserves for the year ended 31st March 2023.

DIRECTORS' REponsibility STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Sec 134(3)(c) read with 134(5) of The Companies Act 2013 in the preparation of Financial Statements for the year ended 31st March,2023 and your Directors hereby confirm;

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. 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 the affairs of the company at the end of the financial year and of the profit and loss of the Company for that period.
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The directors had prepared the annual accounts on a going concern basis.
- e. 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 has put in place proper internal financial controls with reference to the financial statements as required under section 134(3)(9) of the Companies Act 2013 and Rule 8 of the Companies (Accounts) Rules,2014.

DECLARATION GIVEN BY INDEPENDENT DIRECTOR

The Independent Directors have given declaration that they meet the criteria specified under section 149(6) of the Companies Act, 2013 and relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

DIRECTOR AND KMP

With profound sorrow your directors wish to inform you that Shri. N Sivasailam, who has been the Director of this company passed away on 22.12.2022 and your Directors offer their condolences and place on record the valuable services rendered by him during his tenure as a Director of the company.

Mr. M. Devranjan (DIN: 03572960), Whole Time Director retires by rotation and is eligible for re-election.

SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATOR OR COURT

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

ANNUAL RETURN

The Annual Return as on 31st March 2023 has been uploaded in the Company's website i.e, <http://www.amrep.in/>.

NUMBER OF MEETINGS OF THE BOARD:

During the year 2022-23, 3 Board meetings were held on 16th August, 2022, 14th December, 2022, 29th March, 2023.

AUDIT COMMITTEE

The Audit Committee consists of the three members namely Mr. Vikram Vijayaraghavan, Chairman, Mr. A.Venkataramani and Mr. Navin Paul, Directors. The committee met Three times during the year 2022-23 viz., 16th August 2022, 14th December 2022 and 29th March 2023.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration committee consists of the three members namely Mr. Vikram Vijayaraghavan, Chairman, Mr. A.Venkataramani and Mr. Navin Paul, Directors. The committee met Three times during the year 2022-23 viz., 16th August 2022, 14th December 2022 and 29th March 2023.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The company has put in place proper internal financial controls with reference to the Financial Statements as required under Sec 134(3) of Companies Act 2013 and Rule 8 of the Companies (Accounts) Rules 2014.

CORPORATE SOCIAL RESPONSIBILITY

The details about the development of CSR Policy and initiatives taken by the Company on Corporate Social Responsibility during the year as per Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as **Annexure- 2** to this Report.

AUDITORS AND AUDITORS' REPORT**STATUTORY AUDITORS**

M/S. R.G.N. Price & Co, Chartered Accountants (Registration No. 002785S) was appointed as the Statutory Auditors of the company for a period of 5 years at the 54th annual general meeting held on 26th Sep 2022 and will hold office till the close of the 59th Annual General Meeting to be held in 2027.

COST AUDITORS

Pursuant to section 148 of the Companies Act 2013, the Board of Directors on the recommendation of Audit Committee appointed M/s. Ramachandran & Associates, (Membership No.4341) Practicing Cost Accountant as the Cost Auditors of the Company for the Financial Year 2023-24 and has recommended

their remuneration to the Shareholders for ratification at the ensuing Annual General Meeting. M/s. Ramachandran & Associates, Cost Accountants have given their consent to act as Cost Auditors and also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

No Loans and guarantees covered under the provisions of Section 186 of the Companies Act 2013 were given during the financial year ended 31st March 2023. The details of the investments made by company are given in the financial statements.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

PUBLIC DEPOSIT

The Company has not accepted any public deposits during the year under review.

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

The additional information required under the provisions of Sec 134(3) (m) and Rule 8 of the Companies (Accounts) Rules, 2014 of the Companies Act, 2013, is given in **Annexure-1** to this Report.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has zero tolerance policy towards sexual harassment at the workplace. During the year, the Company has not received any complaint of sexual harassment. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arms-length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the company with the Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. The details of transactions with related parties are given in the Financial Statements.

RISK MANAGEMENT POLICY

The Company has an adequate Risk Management Policy commensurate with its size and operations. The major risks identified by the Company are systematically addressed through mitigating actions on a continuous basis.

DISCLOSURE UNDER INSOLVENCY BANKRUPTCY CODE

During the year under review there are no applications made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

DISCLOSURE UNDER ONE TIME SETTLEMENT

During the year under review your Company has not made any one-time settlement with any of its Banks or Financial Institutions.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation of the continued support and assistance extended by our Customers, Dealers, and Banks, suppliers, Government authorities, Employees and other Business associates.

Place - Chennai
Date- 14th August 2023

For and on Behalf of the Board

A Krishnamoorthy
CHAIRMAN

ANNEXURE – 1 OF THE DIRECTORS' REPORT TO THE SHAREHOLDERS

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO FOR THE YEAR 2022-23

A. CONSERVATION OF ENERGY

Energy saving devices where ever feasible and productivity improvement measures undertaken to save consumption of Power and Fuel.

Due to conservation measures undertaken, per unit cost of power and fuel has been reduced.

B. TECHNOLOGY ABSORPTION

- Continued efforts in achieving low cost automation in some manufacturing process, high transmission efficiency and improved life expectancy of clutches and ring gears.
- Products developed and produced are comparable to global standards.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- Foreign Exchange earned 2409.67 Lakhs being the FOB value of exports
- Foreign Exchange outgo: 88.28 lakhs

ANNEXURE – 2 TO THE DIRECTORS' REPORT TO THE SHAREHOLDERS**PARTICULARS OF CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES CARRIED OUT BY THE COMPANY IN TERMS OF SECTION 135 OF THE COMPANIES ACT, 2013**

1. A brief outline of the Company's CSR Policy:

This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the transformation and sustainable development of the rural communities at large.

2. Overview of projects or programs proposed to be undertaken:

Focus areas relate to Rural and Urban Development Projects, Economic Development, quality education, health care, conservation of environment and the creation, maintenance of infrastructure, art, culture and protection of places of public and historical importance.

3. Composition of CSR Committee – **Not Applicable**

4. Provide the web-link where CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

CSR policy is available on the Company's website at www.amrep.in

5. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). **Not applicable.**

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

SI No	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1	2021-22	NIL	

7. Average net profit of the Company as per Section 135(5) of the Act: Rs. 561.04 Lakhs
8. (a) Two percent of average net profit of the Company as per Section 135(5) of the Act: Rs. 11.22 Lakhs
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
 (c) Amount required to be set off for the financial year, if any: Nil
 (d) Total CSR obligation for the financial year (8a+8b-8c): Rs. 11.22 Lakhs

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

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
11.22 Lakhs	NA	NA	NA	NA	NA

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S N o	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (Rs Lakhs)	Mode of implementation – Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State / Union Territories	District			Name	CSR registration Number
1	Promoting Education	Promoting Education	Yes	Tamilnadu	Chengalpatu	10.97	No	Sri Paramakal yani Education Society	CSR00003037
2	Donation to Chennai Corporation	Development of slum Area	Yes	Tamilnadu	Chennai	0.25	No	NA	NA

(d) Amount spent in Administrative Overheads: **NA**

- (e) Amount spent on Impact Assessment, if applicable: **NA**
(f) Total amount spent for the Financial Year (9b+9c+9d+9e): Rs. 11.22 Lakhs
(g) Excess amount for set off, if any: **NA**

10. (a) Details of Unspent CSR amount for the preceding three financial years: **NA**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding Financial year(s): **NA**

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

12. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Act: **NA**

For and on behalf of the Board

For and on behalf of the Board

M.Devarajan
(DIN 03572960)
Whole Time Director

A Venkataramani
(DIN 00277816)
Director

Chennai
August 14, 2023

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF AMALGAMATIONS REPCO LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of **Amalgamations Repco Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss (including other comprehensive income), Statement of changes in Equity, Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

When we read the other information identified, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- i. planning the scope of our audit work and in evaluating the results of our work; and
- ii. to evaluate the effect of any identified misstatements in the financial statements.

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

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

Other Matter

The financial statements of the company for the year ended 31st March 2022 were audited by another auditor who expressed an unmodified opinion on those statements on August 16th 2022. Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2020 ("Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the Order.
2. (A) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended; In our opinion and to the best of our information and according to the explanations given to us, the provisions of Section 197 of the Act is applicable and the managerial remuneration is paid in accordance with the requisite approvals read with Schedule V to the act.
- (B) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;
- (b) The Company was not required to recognize a provision as at March 31st 2023 under the applicable law or accounting standards, as it does not have material foreseeable losses on any long term contracts The Company did not have any derivative contracts as at 31st March 2023;
- (c) Refer note 38 to the financial statements for the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023. The Management is in the process of transferring the same to Investor Education and Protection Fund.
- (d) (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or

- provide any guarantee, security, or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material misstatement.
- (e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act. (Refer note 37(b) of the Financial Statements)
- (f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to company with effect from April,1 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31,2023.

Place: Chennai
Date: 14th August 2023

For R.G.N. Price & Co.,
Chartered Accountants

Mahesh Krishnan
Partner
M.No.206520
UDIN:23206520BGXGGY6706S

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Amalgamations Repco Limited of even date)

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

- (b) The property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification

- (c) The title deeds of all the immovable properties, as disclosed in note 3 to the financial statements, are held in the name of the Company except for the following:

Description of property	Gross carrying value (INR Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in the name of the Company
Mysore Land	4.67	India Pistons Repco Limited	No	February 22, 2007 till date	The land was part of the assets belonging to erstwhile India Pistons Repco Limited which was merged with the Company by virtue of the amalgamation order passed by the Honorable High Court on February 22, 2007. The name change in the records of registrar has to be effected..

- (d) The Company has chosen cost model for its property, plant and equipment and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment or intangible assets does not arise.

- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

- (b) During the year, the Company has been sanctioned any working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account.
- iii. A.)a) The Company has not provided guarantee/granted any loans, secured or unsecured to subsidiaries, joint ventures and associates. Accordingly, paragraph 3(iii)(A)(a) of the Order is not applicable.
- b) During the year, the Company has granted advances in the nature of loans to Companies other than subsidiaries, joint ventures, and associates as listed below.

Particulars	Amount (In Lakhs)
Aggregate amount granted/provided during the year	20.00
Balance outstanding as at balance sheet date in respect of above cases	20.00

- B) The terms and conditions of the above-mentioned advance in the nature of loan are not prejudicial to the Company's interest.
- C) In our opinion and according to information and explanation given to us, in respect of these advances in nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of interest are regular.
- D) In our opinion and according to information and explanation given to us, there are no amounts of interest which are overdue for more than ninety days as at balance sheet date.
- E) In our opinion and according to information and explanation given to us, no loans has been renewed during the year.
- F) In our opinion and according to information and explanation given to , the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services, cess as applicable, with the appropriate authorities. Also, refer note 31 to the financial statements regarding management's assessment on certain matters relating to provident fund. There are no arrears of undisputed statutory dues outstanding as on 31st March 2023 for a period of more than six months from the date when they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance,

goods and services tax, duty of customs, duty of excise and cess which have not been deposited on account of any dispute except as below:

The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows.

Name of the statute	Nature of dues	Amount in INR Lakhs	Period to which the amount relates	Forum where the dispute is pending
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	*16.47	F.Y.2014-15	Assistant Commissioner, Madhavaram Assessment Circle
The Central Sales Tax Act, 1956	Central Sales Tax	#1.19	F.Y. 2010-11	Appellate Deputy Commissioner of Commercial Taxes
Service Tax Act,1994	Service Tax	0.18	F.Y. 2016-17 and 2017-18	Assistant Commissioner of GST and Central Excise
Income Tax Act, 1961	Income Tax	1.05	F.Y. 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	40.65	F.Y. 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	3.31	F.Y. 2018-19	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2.29	F.Y. 2019-20	Commissioner of Income Tax (Appeals)

(*) Paid under protest - INR 5.49 Lakhs

(#) Paid under protest - INR 1.25 Lakhs

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer 40(v) to the financial statements)
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year and therefore reporting under Clause 3(ix)(e) and 3(ix)(f) of the order are not applicable to the Company.

- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
 - (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
 - (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
 - (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. The Company is not mandated to have internal audit system during the year.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
 - (b) The Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
 - (d) The Company is not a Core Investment Company (CIC) within the meaning of group as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer note 39 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

Place: Chennai
Date: 14th August 2023.

For R.G.N. Price & Co.,
Chartered Accountants

Mahesh Krishnan
Partner
M.No.206520
UDIN:23206520BGXGGY6706S

Annexure B to the Independent Auditors' Report

Report on the Internal financial controls with reference to financial reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to financial reporting of **Amalgamations Repco Limited** ('the Company') as of 31st March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial reporting and their operating effectiveness.

Our audit of internal financial controls with reference to financial reporting included obtaining an understanding of internal financial controls with reference to financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial reporting.

Meaning of Internal financial controls with reference to Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance

with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal financial controls with reference to Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to 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

According to the information and explanations given to us and based on our audit, the Company has in all material respects, adequate internal financial controls with reference to financial reporting and such internal financial controls with reference to financial reporting were operating effectively as at 31st March 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Place: Chennai
Date: 14th August 2023

For R.G.N. Price & Co.,
Chartered Accountants

Mahesh Krishnan
Partner
M.No.206520
UDIN:23206520BGXGGY6706S

ACCOUNTS

AMALGAMATIONS REPCO LIMITED

BALANCE SHEET AS AT MARCH 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,068.29	1,819.62
Capital work-in-progress	3	72.00	-
Intangible assets	4	1.19	1.15
Intangible assets under development	4	3.30	
Financial assets			
(i) Investments	5	100.87	98.79
(ii) Other financial assets	6	56.38	47.47
Other non-current assets	8	46.56	10.77
Total non-current assets		2,348.59	1,977.80
Current assets			
Inventories	9	2,697.05	2,096.10
Financial assets			
(i) Trade receivables	10(a)	4,245.43	3,826.05
(ii) Cash and cash equivalents	10(b)	110.67	98.70
(iii) Other bank balances	10(c)	170.60	86.18
(iv) Loans	10(d)	20.00	
(iv) Other financial assets	10(e)	26.03	31.09
Income tax assets (net)	7	29.64	48.93
Other current assets	8	490.33	446.48
Total current assets		7,789.75	6,633.54
Total assets		10,138.34	8,611.34
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	94.70	94.70
Other equity	12	3,303.17	3,033.89
Total equity		3,397.87	3,128.60
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13	563.74	380.02
Provisions	14	62.95	36.69
Deferred tax liabilities (net)	15	30.34	30.18
Total non-current liabilities		657.03	446.89
Current liabilities			
Financial liabilities			
(i) Borrowings	16	393.09	261.10
(ii) Trade payables	17		
Total outstanding dues of micro and small enterprises		385.04	320.34
Total outstanding dues of creditors other than micro and small enterprises		4,374.53	3,815.75
(iii) Other financial liabilities	18	285.45	250.18
Provisions	14	124.28	59.13
Current tax liabilities (net)	18A	140.81	63.30
Other current liabilities	19	380.23	266.05
Total current liabilities		6,083.43	5,035.85
Total liabilities		6,740.46	5,482.74
Total equity and liabilities		10,138.34	8,611.34

The above Balance Sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred to in our report of even date.

For R G N Price & Co

Firm Registration Number: 002785S

Chartered Accountants

Mahesh Krishnan

Partner

Membership Number: 206520

UDIN: 23206520BGXGGY6706

Place : Chennai

Date : 14th August, 2023

For and on behalf of the Board of Directors

A. Krishnamoorthy, Chairman
(DIN: 00001778)

Vikram Vijayaraghavan, Director
(DIN: 01944894)

M. Devarajan, Whole-Time Director
(DIN: 03572960)

AMALGAMATIONS REPCO LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	20	21,450.94	19,177.46
Other income	21	101.78	107.69
Total income		21,552.72	19,285.15
EXPENSES			
Cost of materials consumed	22	17,456.20	14,864.62
Changes in inventories of finished goods, work-in-progress	23	(466.41)	0.42
Employee benefits expense	24	1,713.32	1,468.37
Finance costs	25	76.75	89.84
Depreciation and amortisation expense	26	214.26	200.74
Other expenses	27	2,041.02	1,974.84
Total expenses		21,035.14	18,598.84
Profit before tax		517.58	686.32
Income tax expense/(credit):	28		
Current tax		146.68	204.85
Deferred tax		13.78	(30.98)
Total tax expense		160.46	173.87
Profit for the year		357.12	512.45
Other comprehensive (income)/loss			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		54.11	(12.59)
Income tax relating to the above item	15	(13.62)	3.17
Other comprehensive (income)/loss for the year, net of tax		40.49	(9.42)
Total comprehensive income for the year		316.63	521.86
Basic earnings per share (in INR)	29	37.71	54.06

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss referred to in our report of even date.

For R G N Price & Co

Firm Registration Number: 002785S

Chartered Accountants

Mahesh Krishnan

Partner

Membership Number: 206520

UDIN: 23206520BGXGGY6706

Place : Chennai

Date : 14th August, 2023

For and on behalf of the Board of Directors

A.Krishnamoorthy, Chairman

(DIN: 00001778)

Vikram Vijayaraghavan, Director

(DIN: 01944894)

M. Devarajan, Whole-Time Director

(DIN: 03572960)

AMALGAMATIONS REPCO LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
Cash flows from operating activities:		
Profit before tax	517.58	686.32
Adjustments for:		
Depreciation and amortisation expense	214.26	200.74
OCI Impact in Current Liability	(54.11)	-
(Profit)/loss on disposal of property, plant and equipment (net)	(13.96)	(1.81)
Liabilities no longer required written back	-	(12.68)
Provision for warranty written back	(6.17)	(31.90)
Interest income on deposits with banks and others	(12.79)	(14.71)
Interest expense on borrowings	69.53	78.92
Dividend income	(5.16)	(9.50)
Loss allowance on trade receivables	3.76	13.06
Adjustment towards fair value of investments (net)	(1.38)	(2.01)
Loss allowance on supplier advance	-	6.85
Tax on dividend	-	6.93
Loss allowance on capital advance	-	12.56
Write back of export incentive	-	23.28
Provision for warranty	14.69	12.54
Unrealised foreign exchange (gain)/loss (net)	(7.21)	(10.42)
Operating profit before working capital changes	719.05	958.17
Changes in operating assets and liabilities:		
Increase in inventories	(600.95)	(95.30)
(Increase) in trade receivables	(415.93)	(79.68)
(Decrease) in other financial assets	(3.86)	(19.66)
Increase in other assets	(79.32)	(135.86)
Increase in trade payables	623.48	(889.97)
Increase in other financial liabilities	35.27	20.71
Increase in provisions	91.41	(76.89)
Increase in other current liabilities	114.18	96.45
Sub-total (2)	(235.71)	(1,180.20)
Cash (used in)/ generated from operations	483.34	(222.03)
Income taxes paid (net of refunds)	(55.54)	(180.33)
Net cash (outflow)/ inflow from operating activities (A)	427.80	(402.36)
Cash flows from investing activities:		
Purchase of property, plant and equipment (net)	(545.07)	(68.54)
Proceeds from sale of property, plant and equipment (net)	20.76	9.63
Trade finance to Tech Power train	(20.00)	
Payments for purchase of investments	(0.87)	2.01
Bank deposits made during the year (net)	(84.42)	136.34
Interest received	12.79	13.52
Dividend received	5.16	9.50
Net cash inflow/(outflow) from investing activities (B)	(611.65)	102.46

AMALGAMATIONS REPCO LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
Cash flows from financing activities:		
Proceeds from term loan from bank	540.00	-
Repayment of borrowings	(256.90)	(257.20)
Buy-back of equity shares including tax paid	-	(8.39)
Proceeds from Cash credit	29.61	-
Dividends paid	(47.35)	(50.70)
Interest paid	(69.53)	(81.17)
Net cash outflow from financing activities (C)	195.83	(397.46)
Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)	11.98	(697.37)
Cash and cash equivalents as at the beginning of the year	98.70	796.06
Cash and cash equivalents as at the end of the year	110.67	98.70
<i>Reconciliation of cash and cash equivalents as per the statement of cash flows</i>		
Cash and cash equivalents as per above comprise of the following:	As at March 31, 2023	As at March 31, 2022
Balances with banks		
– in current accounts	110.49	98.55
Deposits with original maturity of less than three months	-	-
Cash on hand	0.18	0.15
Balances per Statement of Cash Flows	98.70	98.70

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

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

For R G N Price & Co
Firm Registration Number: 002785S
Chartered Accountants
Mahesh Krishnan
Partner
Membership Number: 206520
UDIN: 23206520BGXGGY6706
Place : Chennai
Date : 14th August, 2023

For and on behalf of the Board of Directors

A.Krishnamoorthy, Chairman (DIN: 00001778)	Vikram Vijayaraghavan, Director (DIN: 01944894)
M. Devarajan, Whole-Time Director (DIN: 03572960)	

AMALGAMATIONS REPCO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
A. Equity share capital			
Balance as at the beginning of the year	11	94.70	94.87
Less: Buyback of shares during the year		-	0.17
Balance as at the end of the year		<u>94.70</u>	<u>94.70</u>

B. Other equity

	Notes	As at March 31, 2022				As at March 31, 2021			
		Reserves and surplus			Total other equity	Reserves and surplus			Total other equity
		General reserve	Retained earnings	Capital redemption reserve		General reserve	Retained earnings	Capital redemption reserve	
Balance as at the beginning of the year	12	2,115.69	917.57	0.63	3,033.89	2,022.53	544.60	0.46	2,567.59
Profit for the year		-	357.12	-	357.12	-	512.45	-	512.45
Other comprehensive income/(loss)		-	(40.49)	-	(40.49)	-	9.42	-	9.42
Total comprehensive income for the year		-	316.63	-	316.63	-	521.87	-	521.87
Transactions with shareholders in their capacity as owners:									
Dividends paid		-	(47.35)	-	(47.35)	-	(47.35)	-	(47.35)
Utilised towards buy back of shares		-	-	-	-	(6.67)	-	-	(6.67)
Transfer to capital redemption reserve		-	-	-	-	(0.17)	-	0.17	-
Transfer to general reserves		-	-	-	-	100.00	(100.00)	-	-
Tax paid on buy back of shares		-	-	-	-	-	(1.55)	-	(1.55)
Balance as at the end of the year		2,115.69	1,186.85	0.63	3,303.17	2,115.69	917.57	0.63	3,033.89

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Statement of Changes in Equity referred to in our report of even date.

For R G N Price & Co

Firm Registration Number: 002785S

Chartered Accountants

Mahesh Krishnan

Partner

Membership Number: 206520

UDIN: 23206520BGXGGY6706

Place : Chennai

Date : 14th August, 2023

For and on behalf of the Board of Directors

A.Krishnamoorthy, Chairman
(DIN: 00001778)

Vikram Vijayaraghavan, Director
(DIN: 01944894)

M. Devarajan, Whole-Time Director
(DIN: 03572960)

AMALGAMATIONS REPCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

1 General information

Amalgamations Repco Limited (referred to as the "Company") was incorporated in December 15, 1967 in Chennai, India. The Company operates in manufacture and sale of clutch and brake systems (i.e. clutch driven plates, clutch cover assemblies and clutch carbon release bearing assemblies) and flywheel starter ring gears/assemblies (manufacture of auto components). The Company has manufacturing plants at Madhavaram (Chennai) and Kakkalur (Thirvallur district). The Company is an unlisted public limited company.

2 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Ind AS financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(i) **Compliance with Ind AS** The Ind AS financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) **Historical cost convention**

The Ind AS financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value; and
- defined benefit plans - plan assets are measured at fair value.

(iii) **Estimates**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Ind AS financial statements. The areas involving significant estimates or judgements are: i) Estimation of defined benefit obligation (Refer note 32); ii) Estimation of provision for warranty claims (Refer note 14.1); iii) Recognition of deferred tax liabilities (Refer note 15); and iv) Contingent liabilities (Refer note 31). Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(iv) **Current/Non-current classification**

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 Schedule III (Division II) 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 and non-current classification of assets and liabilities.

2.2 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's 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 the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

2.3 Depreciation methods, estimated useful life and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets specified by Schedule II to the Companies Act, 2013 except for certain plant and machinery which are depreciated over their estimated useful life of 14 years based on technical evaluation. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses). Assets costing individually upto INR 5,000 are fully depreciated in the year of addition.

AMALGAMATIONS REPCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

The estimate of useful life of tangible assets are as follows:

Block of Assets	Useful life (Years) as per Company policy	Useful life specified by schedule II of the Companies Act, 2013 (Years)
Buildings	30	30
Plant and machinery	7/10/14	15
Furniture and fixtures	10	10
Vehicles (including leased)	8	10
Office equipments	3/5/14	5

2.4 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised over their individual respective estimated useful lives on a straight-line basis. If the expected useful life of the asset is significantly different from the previous estimates; the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised within other income/(expenses) in the statement of profit and loss. Amortisation period and the amortisation method are reviewed at least at each financial year end.

The Company amortises intangible assets (computer software) with a finite useful life using the straight-line method over a period of 3 years.

2.5 Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.6 Inventories

Raw materials and stores, work-in-progress and finished goods

Raw materials and stores are valued at cost, work-in-progress and finished goods are stated at lower of cost or net realisable value. Cost of raw materials comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.7 Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and⁹
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

AMALGAMATIONS REPCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

• **Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective rate interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

• **Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.⁹

• **Fair value through profit and loss:**

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVOCI) are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Derecognition of financial assets

A financial asset is derecognised only when⁹ The Company has transferred the rights to receive cash flows from the financial asset; or⁹ Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not

AMALGAMATIONS REPCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

derecognised. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income recognition

Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest rate method is recognised in the statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

2.8 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.9 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at amortised cost. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method, less loss allowance.

2.10 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

2.11 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

AMALGAMATIONS REPCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

(ii) Post-employment obligations

Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due.

Defined benefit plan

Gratuity obligations:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method. The Company's gratuity plan is funded and is administered by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iv) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.12 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the period agreed with the vendors. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

2.13 Provisions and contingent liabilities

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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.

AMALGAMATIONS REPCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

2.14 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Amalgamations Repco Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

2.15 Revenue recognition

Revenue towards satisfaction of performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract.

Revenue from contract with customers is recognised when control of the goods are transferred to the customer. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

The Company recognises revenue from sale of goods based on a five step model as set out in Ind AS 115, Revenue from contracts with customers.

The Company accounts for a contract when it has a approval and commitment from the customer, the rights if the parties are identified, payment terms are identified, the contract has a commercial substance and collectability of the consideration is probable. The Company apply judgement in determining the customer's ability and intention to pay based on variety of factors including the customer's historical payment experience.

Revenue from sale of goods/products is recognised at the point in time when control of the asset is transferred to the customer, generally at the point of receipt of the product or otherwise at the point of delivery depending on contractual conditions.

Financing components The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Contract assets A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Company performs by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2.16 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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Notes forming part of the financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.17 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

2.18 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.19 Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

2.20 Product warranty provision

Product warranty expenses are accounted based on the claims received and accepted during the year and estimated likely claims in accordance with the warranty policy of the Company, having regard to the past trend of such claims.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of Amalgamations Repco Limited assesses the financial performance and position of the Company, and makes strategic decisions. The Board of Directors have been together identified as being the chief operating decision maker. Refer note 34 for segment information presented.

AMALGAMATIONS REPCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

2.22 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year (note 29).

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.23 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.24 Rounding of amounts

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

2.24 Recent accounting pronouncements: Standards issued but not yet effective

Certain standards and related amendments to existing standards has been published and is mandatory for the Company's accounting periods beginning after April 1, 2019 or later periods but have not been early adopted by the Company.

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Notes forming part of the Ind AS financial statements as at and for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

3. Property, Plant and equipment and Capital Work-in-progress Reconciliation of carrying amounts as at March 31, 2023

	Gross carrying amount			Depreciation			Net carrying amount As at March 31, 2023
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	For the year	Disposals	
Own assets:							
Freehold land	22.47	-	-	22.47	-	-	22.47
Buildings							
- on freehold land	462.48	33.77	-	496.25	15.30	-	381.86
- on leasehold land	5.64	-	-	5.64	0.18	-	4.20
Plant and machinery	2,349.72	371.24	69.55	2,651.41	180.75	63.52	1,575.19
Furniture and fixtures	8.28	-	-	8.28	0.58	-	6.03
Vehicles	17.96	-	0.77	17.19	2.76	-	14.43
Office equipments	44.79	64.49	-	109.28	14.46	-	64.11
Capital Work in Progress		72.00	-	72.00	-	-	72.00
Total	2,911.34	541.50	70.32	3,382.52	214.03	63.52	2,140.29

Reconciliation of carrying amounts as at March 31, 2022

	Gross carrying amount			Depreciation			Net carrying amount As at March 31, 2022
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	For the year	Disposals	
Own assets:							
Freehold land	22.47	-	-	22.47	-	-	22.47
Buildings							
-on freehold land	461.73	0.75	-	462.48	17.88	-	363.39
-on leasehold land	5.64	-	-	5.64	0.18	-	4.38
Plant and machinery	2,342.10	66.46	58.84	2,349.72	176.06	51.38	1,390.73
Furniture and fixtures	3.44	4.84	-	8.28	0.18	-	6.61
Vehicles	22.53	2.51	7.08	17.96	2.87	6.39	17.96
Office equipments	40.64	4.15	-	44.79	3.21	-	14.08
Total	2,898.55	78.71	65.92	2,911.34	200.38	57.77	1,819.62

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Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Capital work-in-progress (CWIP)		
Particulars		
Balance at the beginning of the year	-	-
Add: Additions during the year	541.50	78.71
Less: Capitalised during the year	469.50	(78.71)
Balance at the end of the year	<u>72.00</u>	<u>-</u>

- 3.1 Refer to notes 2.2 and 2.3 for information on significant accounting policies.
- 3.2 Refer to note 16.1 for information on property, plant and equipment pledged as security by the Company.
- 3.3 Refer to note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 3.4 There are no projects where completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023 and March 31, 2022.
- 3.5 Title deeds of Freehold land not held in the name of the Company (Additional regulatory information required by Schedule III):

Property Description	Assets Class	Address	Gross carrying value	Reason for not in the name of the Company	Property in the name of
Mysore Land	Freehold Land	Plot no. 10, Belavadi Industrial Area, Survey No. 288 & 299, Yelwal Hobli, Mysore	4.67	The land was acquired from India Pistons Repco Limited by the Company by virtue of the amalgamation order passed by the High Court on February 22, 2007. The name change in the records of registrar has to be effected.	India Pistons Repco Limited

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements as at and for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

4. Intangible assets

Reconciliation of carrying amounts as at March 31, 2023

	Gross carrying amount			Amortisation			Net carrying amount	
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	For the year	Disposals	As at March 31, 2023	As at March 31, 2023
Computer software(Purchased)	8.27	0.27	-	8.54	0.23	-	7.35	1.19
Intangible assets under development	-	3.30	-	3.30	-	-	-	3.30
Total	8.27	3.57	-	11.84	0.23	-	7.35	4.49

Reconciliation of carrying amounts as at March 31, 2022

	Gross carrying amount			Amortisation			Net carrying amount	
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	For the year	Disposals	As at March 31, 2022	As at March 31, 2021
Computer software	8.27	-	-	8.27	0.36	-	7.12	1.15
Total	8.27	-	-	8.27	0.36	-	7.12	1.15

Intangible assets under development

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	-	-
Add : Additions during the year	3.57	-
Less : Capitalised during the year	0.27	-
Balance at the end of the year	3.30	-

4.1 Refer to note 2.4 for information on significant accounting policies.

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Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

5	Financial assets – Investments (Non-current)	As at March 31, 2023		As at March 31, 2022	
		Number of units	INR	Number of units	INR
	Investment in equity instruments (fully paid up)				
	Unquoted (at cost)				
	KRV Green Private Limited - 170 Shares(2022: 30 units) of INR 100/-Each	170	0.17	30	0.03
	Investment in mutual funds				
	At fair value through statement of profit or loss (FVPL)				
	Unquoted				
	UTI Mastershares Unit Scheme - Dividend Payout	41,500	16.41	41,500	17.63
	ICICI Prudential Regular Savings Fund - Monthly Dividend	6,14,278	84.20	5,90,049	81.13
	Total		100.87		98.79
	Total non-current investments		100.87		98.87
	Aggregate amount of unquoted investments		100.87		98.87
	Aggregate amount of impairment in the value of investments		–		–
6.	Financial assets – Other financial assets (Non-current) (Unsecured, considered good unless otherwise stated)	As at March 31, 2023		As at March 31, 2022	
	Security deposits		56.38		47.47
			56.38		47.47
7.	Income tax assets (net) (Non-current)	As at March 31, 2023		As at March 31, 2022	
	Advance income tax and tax deducted at source (Net off Provision)		29.64		48.92
			29.64		48.92
8.	Other assets (Unsecured, considered good unless otherwise stated)	Non-current		Current	
	Capital advances	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	Considered good	39.82	4.03	–	–
	Considered doubtful	12.56	12.56	–	–
	Less: Loss allowance	(12.56)	(12.56)	–	–
		39.82	4.03	–	–
	Deposits with government authorities*	6.74	6.74	–	–
	Prepaid expenses	–	–	41.65	29.19
	Advances to suppliers				
	Considered good	–	–	121.12	57.53
	Considered doubtful	–	–	6.85	6.85
	Less: Loss allowance	–	–	(6.85)	(6.85)
		–	–	121.12	57.53
	Balances with government authorities (Goods and services tax receivable)	–	–	311.20	258.58
	Export incentives receivable	–	–	14.90	55.69
	Return asset (contractual right to recover the good from a customer)	–	–	–	45.49
	Others	–	–	1.46	–
		46.56	10.77	490.33	446.48

* Deposits with government authorities includes amount paid under protest to the extent of INR 6.74 (March 31, 2022: INR 6.74)

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
9. Inventories		
Raw materials and components in Stock	914.15	883.47
Raw materials and components in Transit	200.91	96.29
Work-in-progress	923.42	514.01
Finished goods	644.05	541.56
Stores and spares	8.87	47.65
Packing materials	5.64	13.12
	<u>2,697.05</u>	<u>2,096.10</u>

9.1 Written down Inventories to Net Realisable value during the year is INR 12.40

9.2 Work-in-progress includes stock at third party location amounting to INR 323.27 (March 31, 2022: INR 173.30).

10(a) Trade receivables

(Unsecured)

Trade receivables from contract with customers - billed	2,539.98	2,709.68
Trade receivables from contract with customers - unbilled	-	124.36
Trade receivables from contract with customers - related parties	1,763.55	1,046.35
Less: Loss allowance	(58.10)	(54.34)
Total receivables	<u>4,245.43</u>	<u>3,826.05</u>

Break-up of security details

Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	4,245.43	3,826.05
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	58.10	54.34
Total	4,303.53	3,880.39
Loss allowance	(58.10)	(54.34)
Total trade receivables	<u>4,245.43</u>	<u>3,826.05</u>

AMALGAMATIONS REPCO LIMITED

**Notes forming part of the Ind AS financial statements as at and for the year ended March 31, 2022
(Amount in INR Lakhs, unless otherwise stated)**

10(a) Trade receivables

Aging of trade receivables: March 31, 2022

Particulars	Outstanding for the following periods from the due date							Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
– considered good	-	3,476.45	724.38	37.83	6.54	0.23	-	4,245.43
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	0.80	1.07	3.74	5.61
Disputed trade receivables								
– considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	52.49	52.49
Loss allowance	-	3,476.45	724.38	37.83	7.34	1.30	56.23	4,303.53
	-	-	-	-	(0.80)	(1.06)	(56.23)	(58.10)
Total	-	3,476.45	724.38	37.83	6.54	0.24	(0.00)	4,245.43
Particulars	Outstanding for the following periods from the due date							Total
	Unbilled	Not due	Less than 1 year	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
– considered good	124.36	2,569.78	1,098.38	3.83	14.69	14.79	0.22	3,826.05
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	0.23	1.88	23.05	4.63	29.79
Disputed trade receivables								
– considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	-	-
Loss allowance	124.36	2,569.78	1,098.38	4.06	16.57	37.84	29.40	3,880.39
	-	-	-	(0.23)	(1.88)	(23.05)	(29.18)	(54.34)
Total	124.36	2,569.78	1,098.38	3.83	14.69	14.79	0.22	3,826.05

Notes: (i) The receivable is 'unbilled' because the Company has not yet issued an invoice. However, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

(ii) The trade receivables of the Company do not contain a significant financing component and accordingly, the Company has adopted the simplified approach under Ind AS 109 for recognition of impairment of losses on trade receivables. Consequently, the disclosure of trade receivables into 'Trade receivables which have significant increase in credit risk' has not been given since it is not relevant in the context of the Company.

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
10 (b) Cash and cash equivalents		
Balances with banks		
– in current accounts	110.49	98.55
Deposits with original maturity of less than three months	–	–
Cash on hand	0.18	0.15
	<u>110.67</u>	<u>98.70</u>
Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.		
(c) Other bank balances		
Deposits with maturity more than 3 months but less than 12 months	161.59	77.15
Unpaid dividend account (earmarked)	9.01	9.03
	<u>170.60</u>	<u>86.18</u>
Note: Includes INR 61.16 Lakhs (March 31, 2022: INR 73.07 Lakhs) held as lien by bank against bank guarantees issued on behalf of the Company.		
(d) Loans		
(Unsecured, considered good unless otherwise stated)		
Related Parties	–	–
Others(Trade Advance)	20.00	–
	<u>20.00</u>	<u>–</u>
(e) Other financial assets - current		
(Unsecured, considered good unless otherwise stated)		
Security deposits	4.84	4.21
Interest accrued on deposits with banks	0.38	1.63
Advances to employees	7.83	12.28
Others: (Advance for ERP)		
Considered good	12.97	12.97
Considered doubtful	12.98	12.98
Less: Loss allowance	(12.98)	(12.98)
	<u>26.03</u>	<u>31.09</u>
11. Equity share capital		
Authorised		
10,00,000 (March 31, 2022: 10,00,000) equity shares of INR 10 each	<u>100.00</u>	<u>100.00</u>
Issued		
9,46,995 (March 31, 2022: 9,48,750) equity shares of INR 10 each	<u>94.70</u>	<u>94.87</u>
Subscribed and paid-up		
9,46,995 (March 31, 2022: 9,48,750) equity shares of INR 10 each fully paid-up	<u>94.87</u>	<u>94.87</u>
	<u>94.70</u>	<u>94.87</u>
(a) Reconciliation of number of equity shares		
Balance as at the beginning of the year	9,46,995	9,48,750
Less: Shares buy back during the year	–	1,755
Balance as at the end of the year	<u>9,46,995</u>	<u>9,46,995</u>
(b) Terms and rights attached to equity shares		
The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
(c) At the meeting of the Board of Directors of the Company held on March 29, 2017, the Company had passed a resolution to carry out a buy back of equity shares of the Company in accordance with Sections 68, 69 and 70 and other applicable provisions of the Companies Act, 2013 of upto 48,076 fully paid-up equity shares of INR 10 each at a price of INR 130 per equity share payable in cash. Pursuant to this, 4,583 equity shares were buy back during 2017-2018.		

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

11. Equity share capital

(d) At the meeting of the Board of Directors of the Company held on March 25, 2021, the Company had passed a resolution to carry out a buy back of equity shares of the Company in accordance with Sections 68, 69 and 70 and other applicable provisions of the Companies Act, 2013 of upto 44,298 fully paid-up equity shares of INR 10 each at a price of INR 390 per equity share payable in cash. Pursuant to this, 1,755 equity shares were buy back during 2021-2022.

(e) Details of shares held by holding company, ultimate holding company and their subsidiaries

Name of the shareholder	Relationship	As at March 31, 2023		As at March 31, 2022	
		Number of shares	Amount	Number of shares	Amount
Amalgamations Private Limited	Ultimate holding company	1,21,217	12.12	1,21,217	12.12
Simpson & Company Limited	Holding company	497,235	49.72	497,235	49.72
Bimetal Bearings Limited	Subsidiary of Amalgamations Private Limited	120,750	12.08	120,750	12.08
Tractors and Farm Equipment Limited	Subsidiary of Simpson and Company Limited	77,900	7.79	77,900	7.79
Sri Rama Vilas Service Limited	Subsidiary of Simpson and Company Limited	60,000	6.00	60,000	6.00
Addison & Company Limited	Subsidiary of Simpson and Company Limited	22,500	2.25	22,500	2.25
Wheel & Precision Forgings India Limited	Subsidiary of Simpson and Company Limited	5,10	0.51	5,100	0.51

(f) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
Amalgamations Private Limited	1,21,217	12.80%	1,21,217	12.78%
Simpson & Company Limited	4,97,235	52.51%	4,96,985	52.38%
Bimetal Bearings Limited	1,20,750	12.75%	1,20,750	12.73%
Tractors and Farm Equipment Limited	77,900	8.23%	77,900	8.21%
Sri Rama Vilas Service Limited	60,000	6.34%	60,000	6.32%

(g) Details of shareholding of promoters

Name of promoter	Number of shares	Percentage of total number of shares	Percentage of change during the year #
As at March 31, 2022			
Amalgamations Private Limited	121,217	12.80%	0.00%
Simpson & Company Limited	497,235	52.51%	0.03%
Bimetal Bearings Limited	120,750	12.75%	0.00%
Tractors and Farm Equipment Limited	77,900	8.23%	0.00%
Sri Rama Vilas Service Limited	60,000	6.34%	0.00%
Addison & Company Limited	22,500	2.38%	0.00%
Wheel & Precision Forgings India Limited	5,100	0.54%	0.00%
	904,702	95.54%	0.03%
As at March 31, 2023			
Amalgamations Private Limited	121,217	12.80%	0.00%
Simpson & Company Limited	497,235	52.51%	0.00%
Bimetal Bearings Limited	120,750	12.75%	0.00%
Tractors and Farm Equipment Limited	77,900	8.23%	0.00%
Sri Rama Vilas Service Limited	60,000	6.34%	0.00%
Addison & Company Limited	22,500	2.38%	0.00%
Wheel & Precision Forgings India Limited	5,100	0.54%	0.00%
	904,702	95.54%	0.00%

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
12. Other equity		
General reserves	2,115.69	2,115.69
Capital redemption reserve	0.63	0.63
Retained earnings	1,186.85	917.57
Total	3,303.17	3,033.89
(i) General reserves		
Balance as at the beginning of the year	2,115.69	2,022.53
Add: Transfer from retained earnings	–	100.00
Less: Utilised towards buy back of shares	–	6.67
Less: Transfer to capital redemption reserve	–	0.17
Balance as at the end of the year	2,115.69	2,115.69
(ii) Capital redemption reserve		
Balance as at the beginning of the year	0.63	0.46
Add: Transfer during the year	–	0.17
Balance as at the end of the year	0.63	0.63
(iii) Retained earnings		
Balance as at the beginning of the year	917.57	544.60
Profit for the year	357.12	512.45
	1,274.69	1,057.05
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	40.49	(9.42)
Less: Appropriations		
Dividends paid	47.35	47.35
Transfer to general reserves	–	100.00
Tax paid on buy back of shares	–	1.55
Balance as at the end of the year	1,186.85	917.57
Nature and purpose of reserves		
(i) General reserves		
General Reserve is created from time to time by transferring profits from retained earnings and can be utilized for the purposes such as payments of dividends		
(ii) Capital redemption reserve		
As per the Companies Act, 2013, capital redemption reserve is created when the Company purchases its own shares out of free reserves or securities premium account. A sum equal to the nominal value of the shares so purchased is transferred to the capital redemption reserve.		
(iii) Retained earnings		
Retained earnings is generally available for dividend distribution subject to the provisions of the Companies Act 2013		
13. Borrowings		
(Non-current)		
Secured		
Term loan from banks	914.99	625.00
Less: Current maturities of term loan from banks (included in note 16)	(351.25)	(250.00)
	563.74	375.00
Loan against purchase of vehicle	5.02	11.91
Less: Current maturities of loan against purchase of vehicle (included in note 16)	(5.02)	(6.90)
	0.00	5.02
	563.74	380.02
13.1	The term loan is availed from the bank and is secured by plant and machinery. The term loan carries interest rate of 8% (March 31, 2022: 8.25%) per annum with a tenure of 59 months and is repayable in 16 equal quarterly installments after one year of moratorium.	
13.2	The loan against purchase of vehicle is availed from the Simpson & General Finance Co. Ltd. by the way of hypothecation of vehicle. The loan carries interest rate of 10.5% (March 31, 2022: 10.5%) per annum with a tenure of 36 months and is repayable in equal monthly installments starting from December 21, 2020.	
13.3	These are carried at amortised cost.	

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

14. Provisions	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Non-current		Current	
Provision for employee benefits:				
– compensated absences	45.23	28.46	10.50	2.15
– gratuity (Refer note 32)	–	–	59.74	0.63
Provision for warranty	17.71	8.23	10.51	16.46
Provision for employee claims	–	–	43.54	39.89
	62.95	36.69	124.28	59.13
14.1 Provision for warranty				
Balance as at the beginning of the year			24.69	50.48
Add: Provision for the year			14.69	12.54
Less: Utilised for the year			4.99	6.43
Less: Reversed during the year			6.17	31.90
Balance as at the end of the year			28.22	24.69
Current portion			10.51	16.46
Non-current portion			17.71	8.23
Note: Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of reporting period. These claims are expected to be settled in the next 18 months. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.				
14.2 Provision for employee claims				
Balance as at the beginning of the year			39.89	31.29
Add: Provision made during the year			3.65	8.60
Balance as at the end of the year			43.54	39.89
Note: In the ordinary course of business, the Company faces claims from various employees. The Company assesses such claims and monitors the legal status on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and is capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.				
15 Deferred tax liabilities (net)				
(Non-current)				
Deferred tax assets:				
Disallowances under Section 40(a)(i), 40A(7) and 43B of the Income Tax Act, 1961			53.28	17.85
Provision for doubtful assets			45.53	47.76
Sub-total (A)			98.81	65.61
Deferred tax liabilities:				
On difference between book balance and tax balance of property, plant and equipment			124.13	87.92
On reserve for debt and equity instruments through profit and loss others			5.02	4.70
Others			–	3.17
Sub-total (B)			129.15	95.79
Deferred tax liabilities (net) (A-B)			30.34	30.18

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

Movement in deferred tax liabilities	Opening balance	Charged/ (credited) to profit or loss	Charged/ (credited) to other comprehensive income	Closing balance
As at March 31, 2023				
Deferred tax assets:				
Disallowances under Section 40(a)(i), 40A(7) and 43B of the Income Tax Act, 1961	14.68	24.98	13.62	53.28
Provision for doubtful assets	47.76	(2.24)	–	45.53
Deferred tax liabilities:				
On difference between book balance and tax balance of property, plant and equipment	87.92	36.21	–	124.13
Difference on account of Financial assets measured at fair value through profit or loss	4.70	0.31	–	5.02
Others	–	–	–	–
	30.18	13.78	(13.62)	30.34
As at March 31, 2022				
Deferred tax assets:				
Disallowances under Section 40(a)(i), 40A(7) and 43B of the Income Tax Act, 1961	44.20	(26.35)	(3.17)	14.68
Provision for doubtful assets	29.63	18.13	–	47.76
Deferred tax liabilities:				
On difference between book balance and tax balance of property, plant and equipment	126.27	(38.35)	–	87.92
Difference on account of Financial assets measured at fair value through profit or loss	5.55	(0.85)	–	4.70
Others	–	–	–	–
	57.99	(30.98)	3.17	30.18

Note: Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

16. Borrowings (current)	As at March 31, 2023	As at March 31, 2022
Secured (Refer note 16.1 and 16.2)		
Current maturities of term loan from banks (Refer note 13 and 16.1)	351.25	250.00
Current maturities of loan against purchase of vehicle (Refer note 13)	5.02	6.90
Cash credit (Refer note 16.2)	29.61	–
Interest accrued but not due on borrowings	7.21	4.20
	393.09	261.10
16.1 Collateral security for the entire borrowings: First charge by way of hypothecation of entire plant and machinery, electrical installations, furniture, fittings, equipments and vehicles both present and future.		
16.2 The cash credit and vendor bill discounting [limit being INR 1,625.00] is secured by a first charge on all current assets by way of hypothecation of stocks, stores, book debts and other current assets and collaterally also secured by first charge on property, plant and equipment (excluding land and buildings) of the Company at an interest rate of MCLR plus 0.50%. However, there are no outstanding liability as at March 31, 2023 (March 31, 2022 - INR NIL).		

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

Net debt reconciliation

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings (including Current maturities and interest)	Current borrowings including vendor bill discounting facility	
Net debt as at April 1, 2021	796.06	(900.57)	–	(104.51)
Cash flows	(697.36)	257.20	–	(440.16)
Interest expense	–	(61.70)	(17.22)	(78.92)
Interest paid	–	63.95	17.22	81.17
Net debt as at March 31, 2022	98.70	(641.12)	–	(542.43)
Cash flows	11.98	(283.10)	(29.61)	(300.73)
Interest expense	–	(69.53)	–	(69.53)
Interest paid	–	66.52	–	66.52
Net debt as at March 31, 2023	110.67	(927.23)	(29.61)	(846.17)

17. Trade payables (Current)

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro and small enterprise	385.04	320.34
Total outstanding dues of creditors other than micro and small enterprises	4,180.40	3,701.92
Trade payables to related parties	194.13	113.83
	<u>4,759.57</u>	<u>4,136.09</u>

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements as at and for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

17 Trade payables – (Contd.)
Aging of trade payables: March 31, 2023

Particulars	Unbilled	Not due	Outstanding for the following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	385.04	-	-	-	-	385.04
Others	-	3,577.38	759.09	12.07	6.64	19.35	4,374.53
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	3,962.42	759.09	12.07	6.64	19.35	4,759.57

Aging of trade payables: March 31, 2022

Particulars	Unbilled	Not due	Outstanding for the following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	16.29	278.89	25.16	-	-	-	320.34
Others	181.65	2,777.92	840.15	4.84	9.36	1.83	3,815.75
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	197.94	3,056.81	865.31	4.84	9.36	1.83	4,136.09

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
17.1 The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:		
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	385.04	320.34
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	20.33	18.21
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	814.98	1,854.59
Interest paid, other than under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	0.23
Interest accrued and remaining unpaid at the end of each accounting year	2.12	5.95
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act	20.33	12.03
18. Other financial liabilities (Current)		
Employee benefits payable	215.93	162.37
Interest payable on micro and small enterprises	20.33	18.21
Unpaid dividends	9.01	9.03
Capital creditors	40.19	60.57
	285.45	250.18
18A Current tax liabilities (net) (Current)		
Current tax liabilities (Net off Advance Tax: an Tax deducted at source)	140.81	63.30
	140.81	63.30
19. Other current liabilities		
Statutory dues i	50.46	41.16
Advane from Customers	17.81	-
Others	311.96	224.89
	380.23	266.05
19.1 Other balances includes refund liabilities recognised for sales returns amounting to INR Nil (March 31, 2022: INR 57.16) and discounts payable to customers amounting to INR Nil (March 31, 2022: INR 162.48).		

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
20. Revenue from operations		
Sale of products		
Finished goods	20,386.87	18,309.32
Other operating revenue		
Export incentives	77.41	50.01
Scrap sales	986.65	818.12
	<u>21,450.94</u>	<u>19,177.46</u>
Notes:		
1	No element of financing is deemed present as the sales are made with a credit term which is one year or less.	
2	The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2023 is INR Nil (March 31, 2022: INR Nil).	
21. Other Income		
Interest income on deposits with banks	6.02	10.92
Interest income on deposits with others	5.07	3.79
Interest on income tax refunds	1.70	–
Dividend income	5.16	9.50
Net gain on foreign currency transactions and translation (net)	63.71	35.08
Insurance claims received	–	–
Provision for warranty written back	6.17	31.90
Liabilities no longer required written back	–	12.68
Net gain on financial assets measured at fair value through profit or loss	–	2.01
Profit on disposal of property, plant and equipment (net)	13.96	1.81
	<u>101.78</u>	<u>107.69</u>
22. Cost of materials consumed (Refer note 22.1)		
Raw materials and components consumed		
As at the beginning of the year	979.76	844.14
Add: Purchases	17,200.57	14,487.40
	<u>18,180.33</u>	<u>15,331.54</u>
Less: As at the end of the year	1,115.06	979.76
	<u>17,065.27</u>	<u>14,351.78</u>
Packing materials consumed		
As at the beginning of the year	13.12	8.12
Add: Purchases	383.45	517.84
	<u>396.57</u>	<u>525.96</u>
Less: As at the end of the year	5.64	13.12
	<u>390.93</u>	<u>512.84</u>
	<u>17,456.20</u>	<u>14,864.62</u>

22.1 Cost of materials consumed disclosed is on the basis of derived figures rather than actual records of issue.

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
23. Changes in inventories of finished goods and work-in-progress		
Inventory as at the beginning of the year		
Finished goods	541.56	545.74
Work-in-progress	514.01	555.74
Right to recover returned goods	45.49	–
Total (A)	1,101.06	1,101.48
Inventory as at the end of the year		
Finished goods	644.05	541.56
Work-in-progress	923.42	514.01
Right to recover returned goods	–	45.49
Total (B)	1,567.47	1,101.06
Increase/(decrease) in inventories (A - B)	(466.41)	0.42
24. Employee benefits expense		
Salaries, wages and bonus	1,502.40	1,269.92
Contribution to provident and other funds	68.69	65.86
Gratuity (Refer note 32)	10.67	12.08
Staff welfare expenses	131.56	120.51
	1,713.32	1,468.37
25. Finance costs		
Interest on borrowings	69.53	61.70
Interest on vendor bill discounting	–	17.22
Interest on dues to micro and small enterprises	2.12	6.18
Others(Processing Charges)	5.10	4.74
	76.75	89.84
26. Depreciation and amortisation expense		
Depreciation of property, plant and equipment (Refer note 3)	214.03	200.38
Amortisation of intangible assets (Refer note 4)	0.23	0.36
	214.26	200.74

AMALGAMATIONS REPCO LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2023		Year ended March 31, 2022	
27. Other expenses				
Consumption of stores and spares		313.50		258.94
Contract labour charges		462.01		538.05
Power and fuel		288.34		272.55
Rent [Net of recoveries INR 2.67 (March 31, 2022: INR 2.67)] *		24.51		24.51
Repairs and maintenance				
Plant and machinery	139.57		99.28	
Buildings	10.07		9.10	
Others	25.62	175.26	51.54	159.92
Insurance		22.49		37.86
Rates and taxes		8.61		18.61
Travelling expenses		54.48		19.08
Freight outwards [Net of recoveries INR NIL (March 31, 2022: INR 4.34)]		389.42		367.23
Directors' sitting fees		2.19		0.96
Payments to auditors (Refer note 27.1)		17.09		18.01
Loss on disposal of property, plant and equipment (net)		–		–
Net gain on financial assets measured at fair value through profit or loss		1.38		–
Professional fees		85.42		46.35
Printing and stationery expenses		14.93		8.73
Communication expenses		7.53		8.14
Advertisement expenses		2.36		1.30
Bad debts written off			65.22	
Less: Loss allowance on trade receivables no longer written required back		–	65.22	–
Loss allowance on trade receivables		3.76		13.06
Loss allowance on supplier advance		–		6.85
Loss allowance on capital advance		–		12.56
Provision for warranty		14.69		12.54
Corporate Social Responsibility (CSR) expenditure - (Refer note 27.2)		11.22		9.03
Donation		–		–
Export incentives written off		–		23.28
Miscellaneous expenses		141.81		117.28
		2,041.02		1,974.84
* Rent includes lease expense classified as short-term lease expenses aggregating to INR 24.51 (March 31, 2022 - INR 24.51) which are not required to be recognised as part of the practical expedient under Ind AS 116 'Leases'.				
27.1 Payments to auditors:				
As auditor:				
– Statutory audit		14.30		14.30
– Tax audit		1.05		1.00
– Certification fees		–		1.50
– Reimbursement of expenses		1.74		1.21
		17.09		18.01

27.2 Disclosures in relation to corporate social responsibility expenditure

Particulars	March 31, 2023	March 31, 2022
Contribution to Greater Chennai Corporation	0.25	2.00
Contribution to Sri Paramakalyani Education Society	10.97	7.03
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	-	-
Total	-	-
Amount required to be spent as per Section 135 of the Act	11.22	9.02
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	11.22	9.03

Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at April 1, 2022		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2023	
With the company	In separate CSR unspent account		From the company's bank account	From separate CSR unspent account	With the company	In separate CSR unspent account
-	-	-	-	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 1, 2022	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2023
-	-	-	-	-

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2023
-	-	-	-

Amalgamations Repco Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
28 Income tax expense		
(a) Income tax expense recognised in the statement of profit and loss		
Current tax on profits for the year	146.68	204.85
Total current tax expense	146.68	204.85
Deferred tax		
Decrease/(increase) in deferred tax assets	(22.74)	8.22
(Decrease)/Increase in deferred tax liabilities	36.52	-42.37
Total deferred tax (credit)/expense	13.78	(34.15)
Income tax expense	160.46	170.70
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	517.58	686.32
Tax at the applicable tax rate of 25.17% (March 31, 2022: 25.17%)	130.27	172.73
Net income tax expense for the year	130.27	172.73
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Inadmissible u/s 36(1)(va) of Income Tax Act, 1961	-	3.03
Corporate Social Responsibility (CSR) expenditure	2.82	2.27
Change in tax rates		(5.56)
Others (net)	27.37	(1.77)
	30.19	(2.03)
Income tax expense	160.46	170.70

Amalgamations Repco Limited**Notes forming part of the Ind AS financial statements for the year ended March 31, 2023****(Amount in INR Lakhs, unless otherwise stated)**

	Year ended March 31, 2023	Year ended March 31, 2022
29 Earnings per share (EPS)		
(a) Earnings per share (Basic) (INR)	37.71	54.06
(b) Profit attributable to the equity shareholders used in calculating Basic earnings per share	357.12	512.45
(c) Number of equity shares outstanding as at the beginning of the year	9,46,995	9,48,750
(d) Number of equity shares outstanding as at the end of the year	9,46,995	9,46,995
(e) Weighted average number of equity shares of INR 10 each used as denominator in calculating Basic earnings per share	9,46,995	9,47,873
(f) Nominal value of each equity share (INR)	10	10

Note: There is no dilution to the Basic Earnings per share as there are no dilutive potential equity shares.

30 Capital commitments

Estimated value of contracts in capital account remaining to be executed [Net of capital advances INR 52.38 (March 31, 2022: INR 16.59)]	17.88	20.00
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31 Contingent liabilities

Claims against the Company not acknowledged as debts:

Sales tax related matters [Amount already paid INR 1.25 (March 31, 2022: INR 1.25)]	2.44	2.44
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Value added tax related matters [Amount already paid INR 5.49 (March 31, 2022: INR 5.49)]	21.95	21.95
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Income tax matters under appeal (Refer notes below)	7.80	7.80
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Notes:

(a) The Company will continue to assess the impact of further developments relating to retrospective application of Supreme Court judgement dated February 28, 2019 clarifying the definition of 'basic wages' under Employees' Provident Fund and Miscellaneous Provisions Act 1952 and deal with it appropriately accordingly.

(b) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(c) The Company does not expect any reimbursements in respect of the above contingent liabilities.

32 Employee benefit obligations

Defined contribution plans

The Company has recognised the contributions made to the following defined contributions plans in the statement of profit and loss:

	As at March 31, 2023	As at March 31, 2022
Provident fund(includes Gratuity)	79.36	77.94
	79.36	77.94

Defined benefit plan - Gratuity

The Company operates a gratuity plan through the "Amalgamations Repco Limited Employees' Gratuity fund" (the "Scheme") which is being managed by Life Insurance Corporation of India (LIC). Every employee is entitled to a benefit (lump sum payment) equivalent to 15 days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

An independent actuary (a Fellow member of the Institute of Actuaries of India) has carried out an actuarial valuation of the Scheme as at March 31, 2022, using the projected unit credit method. This plan is exposed to actuarial risk such as investment risk, salary risk and interest risk. Since the benefits are lump sum in nature, the plan is not subject to any longevity risk.

i) Investment risk (Asset volatility):

The Scheme's present value of defined benefit obligation is calculated using a discount rate determined with reference to Government of India bond rate. If the return on the Scheme's assets underperform this rate, the accounting deficit will increase.

ii) Salary risk:

The Scheme's present value of defined benefit obligation is linked to the future salaries, therefore, increase in salary escalation rate will increase the Scheme's liability.

iii) Interest risk (Changes in bond yields):

A decrease in the bond rates will increase the Scheme's liability, although this will be partially offset by an increase in the value of the plans' bond holdings.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation and plan assets over the year are as follows:

	Present value of obligations	Fair value of plan assets	Net amount
Balance as at March 31, 2022	227.30	(226.67)	0.63
Current service cost	10.83	-	10.83
Interest expense/(income)	16.10	(16.26)	(0.16)
Total amount recognised in the statement of profit or loss	26.93	(16.26)	10.67
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.35	0.35
Gain from change in financial assumptions	2.86	-	2.86
Experience losses	50.90	-	50.90
Total amount recognised in other comprehensive income	53.76	0.35	54.11
Employer contributions	-	(5.06)	(5.06)
Benefits paid	(14.14)	13.53	(0.61)
Balance as at March 31, 2023	293.85	(234.11)	59.74

32 Employee benefit obligations (contd)

	Present value of obligations	Fair value of plan assets	Net amount
Balance as at March 31, 2021	248.78	(229.65)	19.13
Current service cost	11.36	-	11.36
Interest expense/(income)	15.95	(15.25)	0.70
Total amount recognised in the statement of profit or loss	27.31	(15.25)	12.06
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.41)	(0.41)
Loss from change in financial assumptions	(8.28)	-	(8.28)
Experience losses	(3.89)	-	(3.89)
Total amount recognised in other comprehensive income	(12.17)	(0.41)	(12.58)
Employer contributions	-	(17.98)	(17.98)
Benefits paid	(36.62)	36.62	-
Balance as at March 31, 2022	227.30	(226.67)	0.63

Major category of plan assets as a % of total plan assets:

	As at March 31, 2023	As at March 31, 2022
Funds managed by LIC	100%	100%

Significant actuarial assumptions were as follows:

Discount rate	7.20%	7.31%
Salary escalation rate	4.50%	4.50%
Attrition rate	1%-3%	1%-3%

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

The significant actuarial assumptions to which the defined benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The sensitivity analysis below have been calculated based on reasonable changes in the significant actuarial assumptions to show the movement in defined benefit obligation in isolation and assuming that there are no other changes in market conditions at the balance sheet date.

Assumptions	As at March 31, 2023		As at March 31, 2022	
	Discount rate		Discount rate	
Sensitivity level (50 base points)	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	12.66	13.59	9.95	10.70
Assumptions	As at March 31, 2023		As at March 31, 2022	
	Future salary escalation rate		Future salary escalation rate	
Sensitivity level (50 base points)	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	13.89	13.03	10.94	10.26

Expected contribution to gratuity plan for the year ended March 31, 2023 is INR 59.74 (March 31, 2022: INR 0.63).

The expected maturity analysis of undiscounted gratuity is as follows:

	March 31, 2023	March 31, 2022
Within the next 12 months (next annual reporting period)	6.41	5.14
Between 2 and 5 years	112.41	76.42
Beyond 5 years	130.18	128.14
	249.00	209.70
Weighted average duration of the defined benefit obligation (Years)	13.18	13.58

Amalgamations Repco Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

33 Related party transactions

A. Name of related parties and nature of relationship

Ultimate holding company	Amalgamations Private Limited
Holding company	Simpson and Company Limited
Fellow subsidiaries	Addison & Company Limited Alpump Limited Amco Batteries Limited Associated Printers (Madras) Private Limited Associated Publishers (Madras) Private Limited Bimetal Bearings Limited George Oakes Limited Higginbothams Private Limited India Pistons Limited IP Pins & Liners Limited IP Rings Limited IPL Engine Components Private Limited IPL Shaw solutions Private Limited IPL Green Power Limited LM Van Moppes Diamond Tools India Private Limited Precision Ag Tech Technologies B V Simpson & General Finance Company Limited Southern Tree Farms Limited Speed-A-Way Private Limited Sri Rama Vilas Service Limited Stanes Amalgamated Estates Limited Stanes Motors (South India) Limited T.Stanes & Company Limited TAFE Access Limited TAFE International Traktor Ve Tarim Ekipmani Sanayi Ve Ticaret Limited Sirketi TAFE Motors & Tractors Limited TAFE Reach Limited TAFE Tractors Chungshu Company Limited, China TAFE Properties Limited TAFE Advanced AG Solutions Limited The Madras Advertising Company Private Limited Tractors and Farm Equipments Limited Vidagara Tech Park private Limited Wallace Cartwright and Company Limited WJ Groom and Company Limited

Enterprises in which ultimate holding company is a joint venturer

Amalgamations Valeo Clutch Private Limited

Enterprises in which significant influence is exercised by ultimate holding company

The United Nilgiris Teas Estates Company Limited
 BBL Daido Private Limited

Key management personnel

Mr. A. Krishnamoorthy (Director)
 Mr. A. Venkataramani (Director)
 Mr. N. Sivasailam (Director) - 01.04.2022 to 22.12.2022
 Mr. Vikram Vijayaraghavan (Independent Director)
 Mr. Navin Paul (Independent Director)
 Mr. M. Devarajan (Whole-Time Director)

Amalgamations Repco Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

33B. Transaction during the year with related parties are set out in the table below :

Transactions	Ultimate Holding Company		Holding Company		Fellow Subsidiaries and Significant Influence		Key Management Personnel	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products								
Simpson and Company Limited	-	-	7.29	10.57	271.03	-	-	-
Addison & Company Limited	-	-	-	-	591.97	250.50	250.50	496.02
George Oakes Limited	-	-	-	-	10.64	13.19	13.19	3.97
Speed-A-Way Private Limited	-	-	-	-	25.13	1,129.91	1,129.91	5,322.80
Stanes Motors (South India) Limited	-	-	-	-	1,142.93	-	-	-
TAFE Motors & Tractors Limited	-	-	-	-	7,012.99	-	-	-
Tractors and Farm Equipments Limited	-	-	-	-	-	-	-	-
Purchase of goods (including freight charges)								
Simpson and Company Limited	-	-	-	-	18.45	1.84	1.84	113.10
Addison & Company Limited	-	-	-	-	164.84	0.03	0.03	0.64
Associated Printers (Madras) Private Limited	-	-	-	-	-	-	-	-
India Pistons Limited	-	-	-	-	-	-	-	-
Speed-A-Way Private Limited	-	-	-	-	-	-	-	-
Purchase of property, plant and equipment								
Addison & Company Limited	-	-	-	-	15.74	6.48	6.48	-
Receiving of services								
Sri Rama Vilas Service Limited	-	-	-	-	37.24	21.03	21.03	-
Simpson and Company Limited	-	-	66.73	49.28	0.46	0.03	0.03	-
The Madras Advertising Company Private Limited	-	-	-	-	-	-	-	-
Rent								
Simpson & General Finance Company Limited	-	-	-	-	21.84	21.84	21.84	-
Interest								
Simpson & General Finance Company Limited	-	-	-	-	0.90	1.58	1.58	-
Managerial remuneration *								
Mr.N. Sivasailam	-	-	-	-	-	-	-	25.00
Mr. A. Venkataramani	-	-	-	-	-	-	-	55.92
Mr. M. Devarajan	-	-	-	-	-	-	-	-

* As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to key managerial personnel cannot be individually identified.

Amalgamations Repco Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

33B. Transaction during the year with related parties are set out in the table below (contd.):

Transactions	Ultimate Holding Company		Holding Company		Fellow Subsidiaries and Significant Influence		Key Management Personnel		
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	
Directors' Sitting Fees Mr. A. Krishnamoorthy Mr. A. Venkataramani Mr. N. Gowrishankar Mr. M.H.J. Messiahdas Mr. N.Sivasallam Mr. Vikram Vijayaraghavan Mr. Navin Paul								0.23 0.49 - - 0.09 0.69 0.69	0.09 0.21 0.09 0.06 0.18 0.18 0.15
Commission Mr. N. Gowrishankar Mr. M.H.J. Messiahdas Mr. N.Sivasallam Mr. Vikram Vijayaraghavan Mr. Navin Paul									1.00 1.00 1.00 1.00 1.00
Dividends paid (on the basis of payments) Amalgamations Private Limited Simpson and Company Limited Addison & Company Limited Bimetal Bearings Limited Sri Rama Vilas Service Limited Tractors and Farm Equipments Limited Wheel & Precision Forgings Limited	6.06	6.06	24.86	24.86	1.13 6.04 3.00 3.90 0.26	1.13 6.04 3.00 3.90 0.26			
Professional fees Amalgamations Private Limited	11.35	7.82							
Reimbursement/recovery of expenses Simpson and Company Limited Bimetal Bearings Limited IP Rings Limited Simpson & General Finance Company Limited Sri Rama Vilas Service Limited			5.15		4.63 3.30 1.19	4.26 3.30 7.81			

Amalgamations Repco Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

33C. Balances at the end of the year with related parties are set out in the table below:

Transactions	Ultimate Holding Company		Holding Company		Fellow Subsidiaries and Significant Influence		Key Management Personnel		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
	Balance as at year end									
Trade receivables										
Simpson and Company Limited	-	-	6.42	0.94	-	-	-	-	6.42	0.94
George Oakes Limited	-	-	-	-	106.57	108.19	-	-	106.57	108.19
Speed-A-Way Private Limited	-	-	-	-	0.07	2.46	-	-	0.07	2.46
Stanes Motors (South India) Limited	-	-	-	-	6.05	-	-	-	6.05	-
Addison & Company Limited	-	-	-	-	59.57	27.44	-	-	59.57	27.44
TAFE Motors & Tractors Limited	-	-	-	-	274.46	243.19	-	-	274.46	243.19
Tractors and Farm Equipments Limited	-	-	-	-	1,310.44	663.09	-	-	1,310.44	663.09
Amalgamations Valeo Clutch Private Limited	-	-	-	-	-	1.04	-	-	-	1.04
Total	-	-	6.42	0.94	1,757.16	1,045.41	-	-	1,763.58	1,046.35
Other financial assets										
Simpson and Company Limited	-	-	-	-	-	-	-	-	-	-
Amalgamations Valeo Clutch Private Limited	-	-	-	-	0.94	0.94	-	-	0.94	0.94
Bimetal Bearings Limited	-	-	-	-	0.63	0.98	-	-	0.63	0.98
Shardlow India limited	-	-	-	-	-	-	-	-	-	-
Tractors and Farm Equipments Limited	-	-	-	-	-	3.83	-	-	-	3.83
Stanadyne Amalgamations Pvt. Ltd	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	1.57	5.75	-	-	1.57	5.75
Borrowings										
Simpson & General Finance Company Limited (Inclusive of outstanding interest)	-	-	-	-	5.02	11.91	-	-	5.02	11.91
Total	-	-	-	-	5.02	11.91	-	-	5.02	11.91
Trade payables										
Amalgamations Private Limited	5.89	1.74	-	-	-	-	-	-	5.89	1.74
Simpson and Company Limited	-	-	31.27	19.81	-	-	-	-	31.27	19.81
Addison & Company Limited	-	-	-	-	16.43	3.49	-	-	16.43	3.49
Associated Printers (Madras) Private Limited	-	-	-	-	99.57	66.69	-	-	99.57	66.69
India Pistons Limited	-	-	-	-	2.35	2.35	-	-	2.35	2.35
IP Rings Limited	-	-	-	-	-	-	-	-	-	-
Simpson & General Finance Company Limited	-	-	-	-	16.05	6.68	-	-	16.05	6.68
Sri Rama Vilas Service Limited	-	-	-	-	22.55	17.92	-	-	22.55	17.92
Total	5.89	1.74	31.27	19.81	156.95	97.13	-	-	194.11	118.68
Other financial liabilities (current)										
Dividend payable										
Amalgamations private limited	-	-	-	-	-	-	-	-	-	-
Simpson and Company Limited	-	-	-	-	-	-	-	-	-	-
Addison & Company Limited	-	-	-	-	-	-	-	-	-	-
Tractors and Farm Equipments Limited	-	-	-	-	-	-	-	-	-	-
Bimetal Bearings Limited	-	-	-	-	-	-	-	-	-	-
Sri Rama Vilas Service Limited	-	-	-	-	-	-	-	-	-	-
Wheel & Precision Forgings Ltd	-	-	-	-	-	-	-	-	-	-
Other financial liabilities (current)	-	-	-	-	-	-	-	-	-	-

Amalgamations Repco Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
 (Amount in INR Lakhs, unless otherwise stated)

33C. Balances at the end of the year with related parties are set out in the table below (contd.):

Transactions	Ultimate Holding Company		Holding Company		Fellow Subsidiaries and Significant Influence		Key Management Personnel		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Balance as at year end										
Commission and salary and wages payable										
Mr. A. Krishnamoorthy	-	-	-	-	-	-	10.00	26.00	10.00	-
Mr. A. Venkataramani	-	-	-	-	-	-	-	1.00	-	26.00
Mr. N. Gowrishanker	-	-	-	-	-	-	-	1.00	-	1.00
Mr. M.H.J. Messiahdas	-	-	-	-	-	-	-	1.00	-	1.00
Mr. N. Sivasailam	-	-	-	-	-	-	2.50	1.00	2.50	-
Mr. Vikram Vijayaragavan	-	-	-	-	-	-	2.50	1.00	2.50	-
Mr. Navin Paul	-	-	-	-	-	-	15.00	30.00	15.00	1.00
Total							15.00	30.00	15.00	30.00

Amalgamations Repco Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

34 Segment information

A The board of directors as chief operating decision maker (CODM) of the Company for the purpose of resource allocation and segment performance focuses on single business segment as 'manufacture and sale of clutch and brake systems and flywheel starter ring gears/assemblies' and hence, there is only one reportable business segment in terms of Ind AS 108: Operating Segment.

B Information about revenue from major products

	Year ended March 31, 2023	Year ended March 31, 2022
Clutch and brake systems	16,003.13	14,114.17
Flywheel starter ring gears/assemblies	5,447.80	5,063.29
	<u>21,450.94</u>	<u>19,177.46</u>

C Information about revenue from major geographies

	Year ended March 31, 2023	Year ended March 31, 2022
Within India	19,041.27	17,236.50
Outside India	2,409.67	1,940.96
	<u>21,450.94</u>	<u>19,177.46</u>

Note:

1. Information on revenue from major customers: One customer has contributed more than 10% of the total revenue of the Company. The share of revenue was 26% (March 31, 2022: 35.89%).

2. The timing of revenue for the all the contracts is recognised at a point of time.

D Reconciliation of revenue with contract price

	Year ended March 31, 2023	Year ended March 31, 2022
Contract price	21,661.88	18,493.97
Adjustments:		
Discounts given	210.94	184.65
Revenue from operations as per Statement of Profit and Loss	<u>21,450.94</u>	<u>19,177.46</u>

35 Fair value measurements

Financial instruments by category

Particulars	Note	Hierarchy		As at March 31, 2023	As at March 31, 2022
Financial assets					
Investments	5	Level 2	FVPL	100.87	98.79
Security deposits	6	Level 3	Amortised cost	56.38	51.68
Trade receivables (net of allowance)	10(a)	Level 3	Amortised cost	4,245.43	3,826.05
Cash and cash equivalents	10(b)	Level 3	Amortised cost	110.67	98.70
Other bank balances	10(c)	Level 3	Amortised cost	170.60	57.31
Others (net of allowance)	10(d)	Level 3	Amortised cost	26.03	61.50
Total financial assets				4,709.99	4,194.02
Financial liabilities					
Borrowings	13/16	Level 3	Amortised cost	956.83	641.12
Trade payables	17	Level 3	Amortised cost	4,759.57	4,136.09
Other financial liabilities	18	Level 3	Amortised cost	285.45	250.18
Total financial liabilities				6,001.86	5,027.39

Financial assets (other than investments) and financial liabilities are short-term in nature. Hence, the carrying amounts of the financial assets and liabilities are considered to be the same as their fair values.

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- (a) recognised and measured at fair value and
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

(ii) Valuation process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

(iii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, borrowings, other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flow using a current borrowing rate which approximates the rate considered in determining the amortised cost of the borrowings.

(iv) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and makes assumptions that are mainly based on market conditions existing at the end of each reporting period.

Amalgamations Repco Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022

(Amount in INR Lakhs, unless otherwise stated)

36 Financial risk management

The Company's business activities exposes it to a variety of financial risks such as credit risk, liquidity risk and market risk. The Company's senior management under the supervision of the board of directors has the overall responsibility for establishing and governing the Company's risk management and have established policies to identify and analyse the risks faced by the Company. They help in identification, measurement, mitigation and reporting all risks associated with the activities of the Company. These risks are identified on a continuous basis and assesses for the impact on the financial performance. The below table broadly summarises the sources of financial risk to which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost and fair value through profit or loss	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	No significant risk
Market risk - Interest rate	Long term borrowings at variable rates	Sensitivity analysis	No significant risk
Market risk - Prices	Investments in equity instruments	Sensitivity analysis	No significant risk

(i) **Credit risk**

- (a) "Credit risk is a risk where the counterparty will not meet its obligations under a financial instrument leading to a financial loss. Credit risk primarily arises from cash and cash equivalents and trade receivables measured at amortised cost. With respect to cash and cash equivalents, the Company deposits surplus cash only with banks holding high credit ratings."

For trade receivables, the primary source of credit risk is that all of these are unsecured. The Company considers the probability of default upon initial recognition of trade receivables and whether there has been a significant increase in the credit risk on an on-going basis throughout each reporting period. The credit risk is managed based on continuous monitoring of credit worthiness of customers, ability to repay and their past track record. The Company estimates the expected credit loss of trade receivables based on a provision matrix underpinned by historical data of default rates and experience.

The Company investments in mutual fund instruments are considered to be low risk investments. Investments are measured at fair value through Profit and Loss account. The credit ratings of the investments are monitored for credit deterioration.

Security deposits and other advances are given by the Company when below conditions are satisfied

- there is low risk of default and the counterparty has sufficient capacity to meet the obligations
- and when there has been low frequency of defaults in the past.

Assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, a counterparty declaring bankruptcy, failure of a counterparty to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 3 years past due.

Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Company has 2 parties who owes dues in excess of 10% of the total trade receivables for the current year.

(b) **With respect to March 31, 2023, the expected credit loss for trade receivables under simplified approach is tabulated below:**

Ageing	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount of trade receivables	4,200.83	37.83	7.34	1.30	56.23	4,303.53
Expected credit loss rate	0.00%	0.00%	10.87%	81.54%	100.00%	1.35%
Expected credit loss (Loss allowance provision)	-	-	(0.80)	(1.06)	(56.23)	(58.10)
Carrying amount of trade receivables (net of impairment)	4,200.83	37.83	6.54	0.24	(0.00)	4,245.43

With respect to March 31, 2022, the expected credit loss for trade receivables under simplified approach is tabulated below:

Ageing	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount of trade receivables	3,792.52	4.06	16.57	37.84	29.40	3,880.39
Expected credit loss rate	0.00%	5.67%	11.35%	60.91%	99.25%	1.40%
Expected credit loss (Loss allowance provision)	-	(0.23)	(1.88)	(23.05)	(29.18)	(54.34)
Carrying amount of trade receivables (net of impairment)	3,792.52	3.83	14.69	14.79	0.22	3,826.05

The gross carrying amount of trade receivables is INR 4,303.53 as at March 31, 2023 (March 31, 2022: INR 3,880.39). During the year, the Company has written off debts to the extent of INR NIL (March 31, 2022 is 65.22).

(c) **Reconciliation of loss allowance provision – trade receivables**

Particulars	Amount (INR Lakhs)
Loss allowance on March 31, 2021	106.50
Changes in loss allowance	(52.16)
Loss allowance on March 31, 2022	54.34
Changes in loss allowance	
Add: Loss allowance made during the year	3.76
Less: Bad debts	-
Loss allowance on March 31, 2023	58.10

(d) **Expected credit loss for advances as on March 31, 2023**

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and credit-impaired	Advances	25.95	50%	12.98
					12.97

Expected credit loss for advances as on March 31, 2022

Particulars	Classified under	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision

Amalgamations Repco Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022

(Amount in INR Lakhs, unless otherwise stated)

Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and credit-impaired	Advances	25.95	50%	12.98	12.97
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36 Financial risk management (Contd.)

Credit risk (Contd.)

(e) **Reconciliation of loss allowance provision on advances**

Particulars	Amount (INR Lakhs)
Loss allowance on March 31, 2021	12.98
Changes in loss allowance	-
Loss allowance on March 31, 2022	12.98
Changes in loss allowance	-
Loss allowance on March 31, 2023	12.98

(f) **Financial assets at fair value through profit or loss**

The Company is also exposed to credit risk in relation to investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments INR 100.87 (31 March 2022: INR 98.79).

(ii) **Liquidity risk**

Liquidity risk is a risk where an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability of required funds.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. Liquidity risk of the Company is considered not significant based on past history of meeting its financial liabilities without default. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	March 31, 2023	March 31, 2022
Floating rate		
- Expiring within one year (cash credit and other facilities)	2,095.00	2,635.00

The bank credit facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the borrowing facilities may be drawn at any time.

Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

	Less than six months	6-12 months	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Year ended March 31, 2023						
Non-derivatives						
Borrowings	158.75	192.50	226.25	337.50	-	915.00
Interest on borrowings	40.36	31.71	30.85	40.50	-	143.42
Trade payables	4,759.57	-	-	-	-	4,759.57
Other financial liabilities	285.45	-	-	-	-	285.45
Total	5,244.14	224.21	257.10	378.00	-	6,103.46
Year ended March 31, 2022						
Borrowings	133.13	128.57	254.41	125.00	-	641.12
Interest on borrowings	23.67	18.19	21.18	2.22	-	65.26
Trade payables	4,136.09	-	-	-	-	4,136.09
Other financial liabilities	250.18	-	-	-	-	250.18
Total	4,543.07	146.76	275.59	127.22	-	5,092.64

Amalgamations Repco Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022

(Amount in INR Lakhs, unless otherwise stated)

36 Financial risk management (Contd.)

(iii) **Market risk**

Market risk arises from foreign exchange risk arising from export of goods.

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency (i.e., INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company has not hedged any of the foreign currency transactions as at year end March 31, 2023 (March 31, 2022 - INR Nil). The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR Lakhs are as follows:

Particulars	March 31, 2023		March 31, 2022	
	USD	Euro	USD	Euro
Financial assets				
Trade receivables	410.07	69.71	588.31	110.11
Financial liabilities				
Trade payables	16.26	3.80	77.90	-

Impact on profit after tax

March 31, 2023 March 31, 2022

USD sensitivity

INR/USD - Increase by 5%	14.73	19.10
INR/USD - Decrease by 5%	-14.73	-19.10

Euro sensitivity

INR/Euro - Increase by 5%	2.47	4.12
INR/Euro - Decrease by 5%	-2.47	-4.12

(iv) **Interest rate risk**

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to interest rate risk.

Interest rate risk exposure

As at the end of the reporting period, the Company has the following variable rate borrowings outstanding:

Particulars	March 31, 2023	March 31, 2022
Variable rate borrowings	915.00	625.00
Weighted average interest rate	9.24%	8.05%
% of total borrowings	99.45%	98.13%

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	March 31, 2023	March 31, 2022
Interest rate		
Increase by 0.5%	(3.18)	(1.92)
Decrease by 0.5%	3.18	1.92

Amalgamations Repco Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

(v) **Price risk**

The Company's exposure to price risk arises from investments held by the Company and classified in the balance sheet as fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio, which is done in accordance with the limits set by the Board of Directors.

Sensitivity

The table below summarises the impact of increase/decrease of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the equity index had increased by 5% or decreased by 5% with all other variables held constant, and that the Company's investments in equity linked mutual fund instruments moved in line with the index.

Particulars	Impact on profit after tax	
	March 31, 2023	March 31, 2022
NSE Nifty 50 - increase by 5%	2.74	3.26
NSE Nifty 50 - decrease by 5%	(2.74)	(3.26)

Profit for the year would increase/decrease as a result of gains/losses on mutual funds classified as at fair value through profit or loss.

Amalgamations Repco Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

36 Financial risk management (Contd.)**(vi) Assets pledged as security**

Particulars	Note	March 31, 2023	March 31, 2022
First charge			
Non-current			
(i) Plant and machinery	3	1,575.19	1,390.73
(ii) Furniture and fixtures	3	6.03	6.61
(iii) Vehicles	3	14.43	17.96
(iv) Office equipments	3	64.11	14.08
Total non-current assets pledged as security		1,659.76	1,429.38
First charge			
Current			
Non-financial assets			
(i) Inventories	9	2,697.05	2,096.10
Financial assets			
(i) Trade receivables	10(a)	4,245.43	3,826.05
(ii) Cash and cash equivalents	10(b)	110.67	98.70
(iii) Other bank balances	10(c)	170.60	57.31
(iv) Other financial assets	10(d)	26.03	65.71
(v) Other current assets	8	490.33	440.73
Total current assets pledged as security		7,740.11	6,584.60
Total assets pledged as security		9,399.87	8,013.98

37 Capital management

(a) Risk Management

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

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

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) divided by Total 'equity' (as shown in the balance sheet).

The Company's policy is to maintain a gearing ratio within 50%. The gearing ratios were as follows:

The below table depicts the Company's net debt to equity ratio:

Particulars	As at March 31, 2023	As at March 31, 2022
Net debt (Refer note 16.2)	846.17	542.42
Total equity	3,397.87	3,128.59
Net debt to equity ratio	25%	17%

The net debt to equity ratio for the current year increased from 17% to 25% as a result of increase in availment of term loans which resulted in an increase in operating cash flows and cash held by the Company at the end of the year.

(i) Loan covenants

Under the terms of the borrowing facilities, the Company is required to comply with the following financial covenants:

- a. Debt service coverage ratio greater than 1.9x
 - b. Minimum total networth of the Company to be INR 20 crores
 - c. Total liability/total networth should be less than 3x
- and the same has been complied by the Company.

(b) Dividends:

(i) Dividends recognised in the financial statements

Final Dividend for the year ended March 31, 2022: INR 5 per equity share (March 31, 2020: INR 5 per equity share)

	47.35	47.35
Total	47.35	47.35

(ii) Dividends not recognised at the end of the reporting period

Subsequent to the year end, the directors have recommended the payment of a final dividend of INR 7.50 per fully paid equity share (March 31, 2022 - INR 5). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and are not recognised as a liability as at the respective balance sheet date.

Proposed dividend for March 31, 2023: INR 7.50 per equity share (March 31, 2022: INR 5 per equity share)

	71.02	47.35
Total	71.02	47.35

38 There are slight delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company amounting to INR 0.13 (F.Y. 2014-15) during the year ended March 31, 2023.

Amalgamations Repco Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

39 Analytical Ratios

Sl. No.	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance	Remarks (More than 25%)
1	Current ratio	Current assets	Current liabilities	1.28	1.29	-0.43%	Not a significant variance
2	Debt-equity ratio	Total debt	Shareholder's equity	0.28	0.20	37.42%	Increase is due to increase in availment of Term Loan
3	Debt service coverage ratio	Earnings available for debt service	Debt service	1.92	2.35	-18.26%	Not a significant variance
4	Return on equity ratio	Net profits after taxes	Average shareholder's equity	0.11	0.18	-38.16%	The ratio has decreased to the lower profit during the period
5	Inventory turnover ratio	Cost of material consumed and changes in inventories of finished goods and work-in-progress	Average inventories	7.09	7.26	-2.31%	Not a significant variance
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	5.32	5.06	4.96%	Not a significant variance
7	Trade payables turnover ratio	Net credit purchases	Average trade payables	3.95	3.27	20.94%	Not a significant variance
8	Net capital turnover ratio	Revenue from operations	Working capital	12.57	13.10	-4.09%	Not a significant variance
9	Net profit ratio	Net profits after taxes	Revenue from operations	0.02	0.03	-37.70%	The ratio has decreased due to drop in contribution
10	Return on capital employed	Earnings before interest and tax	Total equity, total debt plus deferred tax liability	0.14	0.20	-33.65%	The ratio is decreased due to lower profit during the period
11	Return on investment	Earnings before interest and tax	Closing total assets	0.06	0.09	-34.32%	The ratio is decreased due to Asset Capitalisation during the period and reduced lower profit during the period.

40 Additional regulatory information required by Schedule III

(i) Details of benami property held

There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(iii) Wilful Defaulter*

The Company is not declared wilful defaulter by any bank or financial institution or other lender during the year.

* wilful defaulter” here means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(iv) Compliance with number of layers of companies

The Company does not have any layer of investments.

(v) Utilisation of borrowings availed from banks

Borrowings were availed by the Company from banks during the year and were utilised for the purpose for which the same was availed.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of Borrowed funds and share premium

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (“Intermediaries”) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) The Company has not received any fund from any persons or entities, including foreign entities (“Funding Party”) with the understanding (whether recorded in writing or otherwise) that the Company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) Undisclosed income

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-Tax Act, 1961). Further, there was no previously unrecorded income and no additional assets were required to be recorded in the books of account during the year.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(x) Valuation of property, plant and equipment and intangible asset

The Company has not revalued its property, plant and equipment and intangible assets during the current or previous year.

(xi) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xii) Relationship with struck off Companies

The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

(xiii) Loans or advances to specified persons

The Company does not granted any loans or advances to its specified persons during the year.

Amalgamations Repco Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

41 Events occurring after the reporting period

No significant event is to be reported between the closing date and that of the meeting of the Board of Directors.

42 Approval of financial statements

The financial statements has been approved by the Board of Directors in their meeting held on _____

43 Previous year figures

Previous year figures have been regrouped/reclassified wherever necessary to conform to current years' classification which also includes Ind AS requirements.

For R G N Price & Co
Firm Registration Number: 002785S
Chartered Accountants

For and on behalf of the Board of Directors

Mahesh Krishnan

Partner

Membership Number: 206520

UDIN: 23206520BGXGGY6706

Place : Chennai

Date : 14th August, 2023

A. Krishnamoorthy
Chairman
DIN: 00001778

Vikram Vijayaraghavan
Director
DIN: 01944894

M. Devarajan
Whole Time Director
DIN: 03572960