

IPR/SECL/EXCH/22-23

August 10, 2022

M/s. BSE Limited  
(Bombay Stock Exchange)  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400 001

**Sub: Proceedings (Outcome) of the 31<sup>st</sup> Annual General Meeting**

The 31<sup>st</sup> Annual General Meeting of the Company commenced at 12:30 PM on 08<sup>th</sup> August 2022 [Monday] by means of Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) on account of outbreak of COVID-19 (Coronavirus) pandemic and in accordance with the relevant circulars issued by the Ministry of Corporate Affairs, Government of India.

As per the provisions of the Articles of Association of the Company, the Managing Director, Mr. A. Venkataramani took the Chair. The requisite forum was present at the commencement and also throughout the meeting. The Notice to the 31<sup>st</sup> Annual General Meeting, the report of the Directors and the Auditors were taken as read.

The Chairman during his speech detailed the performance of the Company for the year under review and the related future prospects. The Chairman also answered to the queries raised by 4 (Four) Shareholders to their satisfaction.

The resolutions which were detailed in the notice to the 31<sup>st</sup> Annual General Meeting were subject to e-voting (which was also available during the time of the 31<sup>st</sup> Annual General Meeting). The results of the e-voting (along with the report of the scrutinizer) will be uploaded in the website of M/s. BSE Limited within 2 working days. Thereafter the voting results will also be uploaded in the Company’s website immediately. The meeting ended at 01:30 PM with a vote of thanks to all the participants. The draft excerpts of the entire proceedings of the 31<sup>st</sup> AGM have been enclosed herewith for the reference and records.

For **IP RINGS LIMITED**

**CS V ANANTHA SUBRAMANIAN**  
**COMPANY SECRETARY**  
**[ACS NO: 29770]**

Mr. A Venkataramani, Managing Director, took the Chair and welcomed the shareholders to the Thirty First Annual General Meeting at 12:30:00 hours. In all 62 members (representing 52.22% of the total Voting power) were present by logging into the AGM portal provided to the Company by NSDL through visual means.

All the relevant Registers and Statements required at the venue of the meeting were kept open and accessible to inspection by members during the meeting.

The Chairman confirmed that the requisite quorum is present, and the Meeting is in Order.

The Chairman introduced the other Directors viz. Mr M Govindarajan, Mr. Vikram Vijayaraghavan, Dr Sandhya Shekhar, Mr. Navin Paul and Mr. Ryosuke Hasumi, and also Mr. MS Murali, Partner, MSK&R, Mr. R Mukundan, Secretarial Auditor and Mr. R Venkataraman, Chief Financial Officer and Mr. CS Anantha Subramanian, Company Secretary to the shareholders.

### **Excerpts of the Chairman Speech:**

The year threw up several unexpected challenges. It began with the 2<sup>nd</sup> and more devastating wave of the COVID 19 pandemic with shortages of vaccines, O2 cylinders, hospital beds and the tragic loss of lives. The uneven state wise lock downs in Mar, Apr and May '21 caused several logistics issues with regards to labour and supply chain.

The Indian auto industry worked hard to combat several challenges - rising freight rates, commodity prices and general inflation. These topics caused serious affordability issues not only for consumers but also for corporates battling profitability challenges. The governments intervention by way of the PL 1 scheme to encourage new manufacturing investments and the OEM's continued efforts to deep localise their sub systems paid dividends.

The Indian auto industry registered a volume of 24 million units, which is similar to FY 21. However a deeper analysis shows that if you ignore 2 W that degrew by 3% at 17.71 Million units Vs 18.31 million in PY, other segments grew by 17%, M & HCV's grew by 50%, while LCV's and CV's grew by 20 and 29% respectively, although from a low base. PC and UV's registered a volume of 3.69 million, a growth of 19% over PY and Tractors remained flat at 961,000. The 3 W segment showed a growth of 24%, however the share of EV in this segment continues to pose a threat to companies exposed to the 3W ICE market. The point to observe here is that these volumes are still lower than the FY 19 numbers and in-fact are similar to what the industry had achieved 5 years ago.

The company performed well and registered a Sales Revenue of Rs 275 Cr; a growth of 37% Vs the domestic industry growth of 1%. The Piston Ring division continues to benefit from the thrust on cleaner engines and therefore the demand for sophisticated surface coatings. Therefore the utilisation of expensive capital equipment like PVD furnaces continues to grow. This led to a growth of 19% for this division. Demand for near net shaped cold forged products, driven by export demand primarily from NA led to the division growing by 47%, while the precision machined steel division and the speciality tooling division grew in healthy double digits.

Stringent emission norms will necessitate the usage of increasingly sophisticated coating technologies for piston rings. Your company's access to global state of the art technologies through its association with NPR of Japan and its locally developed design solutions augur well for the future. For example;

Innovative design thinking has directly led to a breakthrough and growth with a leading 2W maker in the country.

Similarly, the increasing NVH standards, demand for light weighting and the flexibility that the unique Orbital Cold Forging technology offers, continues to give the company an edge over the competition in global markets and has enabled your company to gain a breakthrough with a leading global EV maker.

Another highlight has been the setting up of a new JV with EminoX UK for the design and manufacture of sophisticated after treatment systems. The relationship is exciting since it marks your company's entry into the global design services market besides helping with India's vision for clean and green mobility.

The Indian auto industry continues to be the engine for the governments 'Make in India' program. Further incentives by way of the PLI scheme show the Governments keenness to ensure that the sector contributes more than 12% to the country's GDP.

With global growth returning to normalcy and the prudent approach to fiscal policy by GOI, India is expected to be one of the best performing economies in the world in FY23 and beyond.

The company's continued focus on future technology while maintaining a relentless focus on customer relationships and value engineering will enable your company to meet the shareholders expectations of sustained growth and profitability.

He placed on record the tremendous support that your company receives from its international technology partner NPR of Japan and from its promoter company India Pistons both of whom play a pivotal role in your companies continued growth in this ever changing automotive landscape.

He thanked our customers for their patronage, my colleagues on the BoD for their valued guidance, our bankers for their continued support, our shareholders and the Amalgamations Group for their understanding and support and most importantly our employees for their diligence and loyalty.

He concluded by reassuring the shareholders that the company is well placed for the future and the employees are fiercely committed to create a world class organisation, following the highest standards of excellence.

Thereafter, the Chairman invited clarifications from the Shareholders in respect of the Annual Accounts of the Company. The following Shareholders spoke on the occasion by logging live into the "speaker-shareholders login" provided by NSDL for the Company for the 31<sup>st</sup> Annual General Meeting.

Shareholder's Details	Folio No. / DPID – CD	Shares held
Mr Abhishek J	IN30163741359155	2
Mr. A V Mani Sundaram	IN30039418945055	2
Mr. Rajat Setiya	IN30021415928691	1
Mr. Sanjaykumar Kakkad	1203600003463686	7897

During their speech, they highlighted the profitability, future prospects of the Company, market conditions, Sales Mix, Impact of EV Vehicles, impact of the Joint Venture with Eminox and the action plans to improve the Profitability for 2022 – 23.

Thereafter the Chairman satisfactorily answered the queries raised by the members. He further requested Mr M Govindarajan Whole Time Director and Mr. R. Venkatraman to provide the technical capabilities of the Company and industry insight respectively.

The Chairman then took up the business items, viz.

### **ORDINARY BUSINESS:**

#### **1. AUDITED FINANCIAL STATEMENTS (INCLUDING CONSOLIDATED FINANCIAL STATEMENTS) OF THE COMPANY AND REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022:**

The Shareholders considered the IND-AS compiled Statement of Profit and Loss (including Consolidated Financial Statements) for the year ended on March 31, 2022, the Balance Sheet as on that date and annexure thereto and the Cash Flow Statement for the year ended on March 31, 2022, and the Reports of the Auditors and Directors' thereon.

The following **Ordinary Resolution** was placed before the Members:

**"RESOLVED THAT** the audited financial statements (including consolidated financial statements) including Statement of Profit and Loss for the year ended on 31 March 2022, the Balance Sheet as on that date, the annexures thereto, the Cash Flow Statement for the year ended on 31 March 2022, the Reports of Independent Auditors and Directors thereon be and are hereby received and adopted."

#### **2. DECLARATION OF DIVIDEND:**

The following **Ordinary Resolution** was placed before the Members:

**"RESOLVED THAT** a Dividend of Rs. 2.00/- 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 for the financial year 2021 – 22."

#### **3. RE-APPOINTMENT OF M/s. M.S. KRISHNASWAMI & RAJAN AS STATUTORY AUDITORS OF THE COMPANY FOR THE 2<sup>ND</sup> BLOCK OF FIVE YEARS:**

The following **Ordinary Resolution** was placed before the Members:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. M.S. Krishnaswami & Rajan, Chartered Accountants (Firm Registration No. 01554S) be and is hereby re appointed as Statutory Auditors of the Company for a Second Term to hold office from the conclusion of this Thirty First Annual General Meeting ("AGM") till the conclusion of the Thirty Sixth AGM to be held in the year 2027, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

**SPECIAL BUSINESS:**

**4. RE-APPOINTMENT OF MR A VENKATARAMANI, AS MANAGING DIRECTOR:**

The following **Special Resolution** was placed before the Members:

“**RESOLVED THAT**, pursuant to Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (the Act, 2013), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of the Central Government, if necessary, consent of the Company be and is hereby accorded to the re-appointment and remuneration of Mr. A. Venkataramani [DIN: 02277816], as Managing Director of the Company for a period of three years from **July 01, 2022** to **June 30, 2025** in terms of the Proviso to Section II, Part II of Schedule V of the Companies Act, 2013 on the terms and conditions as set out hereunder:

**TERMS & CONDITIONS:**

Salary	Basic Salary of INR 5,20,000/- per month with increments, as may be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee
Special Allowance	INR 3,25,000/- per month
Performance Allowance	Upto an amount of <b>INR 40 Lakhs</b> p.a. as decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee
Perquisites	
(i.) Housing:	Either Free furnished residential accommodation, owned or leased out by the Company. Or House Rent Allowance subject to a ceiling of 60% of the Salary Reimbursement of gas and electricity, water and furnishing shall be borne by the Company
(ii.) Medical Reimbursement:	Reimbursement of expenses incurred for self and family up to one month's basic salary
(iii.) Leave Travel Assistance:	One month's basic salary per annum
(iv.) Club Membership:	Fees of Clubs subject to a maximum of two clubs.
(v.) Personal Accident Insurance:	Personal Accident Insurance – Premium shall not exceed INR 30,000/- p.a.
(vi.) Entertainment Expense	Reimbursement of entertainment expenses actually and properly incurred for the business of the Company.
(vii.) Other perquisites	Company's contribution towards Provident Fund as per the Rules of the Company. Gratuity at one half monthly's salary for each completed year of service Company's contribution towards Superannuation Fund as per the Rules of the Company



(viii.) Income Tax	All the above perquisites shall be evaluated as per Income Tax Rules, 1962, wherever applicable. In the absence of any such rule, perquisites shall be evaluated at actuals.
(ix.) Leave	One month's annual privilege leave for every eleven months. Leave accumulated shall be encashable at the end of the tenure
(x.) Telephone & Car	Provision of telephone at residence. Provision of Mobile Phone and other communication facilities. Facility of Cars with Drivers.
(xi.) Minimum Remuneration	In the event of loss or inadequacy of profit, in any financial year, the Managing Director shall be paid remuneration by way of Salary, Performance Allowance and perquisites as specified above
(xii.) Termination	Either party may terminate the Agreement by giving to the other party six months' notice or six months' salary in lieu thereof.

**5. APPONTMENT OF MR. M. GOVINDARAJAN AS WHOLE TIME DIRECTOR OF THE COMPANY FOR A PERIOD OF THREE YEARS:**

The following **Special Resolution** was placed before the Members:

**“RESOLVED THAT**, pursuant to Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (the Act, 2013), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of the Central Government, if necessary, consent of the Company be and is hereby accorded to the Appointment and remuneration of Mr. M. Govindarajan [DIN: 09264840], as Whole – Time Director of the Company for a period of three years from August 02, 2021 to August 01, 2024 in terms of the Proviso to Section II, Part II of Schedule V of the Companies Act, 2013 on the terms and conditions as set out hereunder:

Salary	Basic Salary of INR 1,00,000/- per month with increments, as may be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee
Special Allowance	INR 3,02,300/- per month

- (i) The Whole Time Director shall be entitled to participate in provident fund, gratuity fund or such other schemes for the employees, as per Rules of the Company from time to time.
- (ii) Leave Travel Allowance for the Whole Time Director and his family once in a year in accordance with the Rules of the Company.
- (iii) Bonus for the financial year, as decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

**6. APPOINTMENT OF MR RYOSUKE HASUMI, NON-EXECUTIVE DIRECTOR:**

The following **Ordinary Resolution** was placed before the Members:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161, and other applicable provisions, if any, of the Companies Act, 2013 (the Act, 2013) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr Ryosuke Hasumi (holding DIN 09368134), who was appointed as an Additional Director [Non-Executive] and who holds office upto the date of this AGM, consent of members be and is hereby accorded for his appointment as a Director [Non-Executive], who is liable to retire by rotation in terms of applicable provisions of the Act, 2013.”

**7. RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITORS FOR THE FINANCIAL YEAR 2021 – 22:**

The following **Ordinary Resolution** was placed before the Members:

“**RESOLVED THAT** pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) remuneration of INR 1,50,000/- (Rupees One Lakh Fifty Thousands only) in addition to reimbursement of all applicable taxes, travelling and out-of-pocket expenses, payable to M/s. A N Raman & Associates, Practicing Cost Accountant, holding Membership No. 5359, allotted by the Institute of Cost Accountants of India, who was re-appointed as Cost Auditor of the Company for the financial year 2022 – 23 by the Board of Directors of the Company, as recommended by the Audit Committee be and is hereby ratified.”

The Chairman informed the meeting that Mr. V Anantha Subramanian, Company Secretary is authorized to take necessary steps to publish the complete compiled report on voting details (E-Voting and Poll at the AGM) in the website of the Company on or before the time specified as per the Act, after receipt of report from Mr. R Mukundan, Scrutinizer.

The Company has received the report from Mr. R. Mukundan, Scrutinizer. The details of the Voting Results are:

Sl. No.	Resolution Particulars	No. of Votes poled	Assenting Votes	% to Total Votes Cast	Dissenting Votes	% to Total Votes Cast	Invalid Votes
1.	Adoption of Financial Statements (Including Consolidated Financial Statements) for the Year Ended 31 <sup>st</sup> March 2022	7677224	7677224	100.00	0	0	0
2.	Declaration of Dividend	7676924	7676922	100.00	2	0	0
3.	Re-appointment of M/s. M.S. Krishnaswami & Rajan as Statutory Auditors for the 2 <sup>nd</sup> Block of 5 years	7676762	7676647	100.00	115	0	0
4.	Re-appointment of Mr. A Venkataramani, as Managing Director	7676762	7676568	99.99	194	0.01	0
5.	Appointment of Mr. M. Govindarajan as Whole Time Director of the Company	7676762	7676470	99.99	292	0.01	0
6.	Appointment of Mr. Ryosuke Hasumi as Non-Executive Director	7676762	7676570	99.99	192	0.01	0
7.	Ratification of Remuneration payable to Cost Auditors	7676762	7676647	100.00	115	0	0

All the above Resolutions as mentioned in the Notice convening the 31st Annual General Meeting have been passed with absolute majority.