

Date: 21.06.2021

Ref.: SPRL: CS/ 2021/ 028

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
1<sup>st</sup> Floor, Dalal Street,  
Mumbai- 400 001.

Dear Sir,

**Sub.: Outcome of Board Meeting- Reg**  
**Script Code: 520075**

The Board of Directors at the meeting held on 21<sup>st</sup> June, 2021 at 11:00 a.m. and concluded 12:30 p.m. at the registered office of the Company have inter-alia transacted/approved the following businesses:

- 1- Approved the Audited Financial Results of the Company for the Quarter and year ended on 31<sup>st</sup> March, 2021. Pursuant to provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, we are enclosing herewith the following:
  - a- Audited Financial Results for the Quarter and year ended 31<sup>st</sup> March, 2021 along with Statement of Assets and Liabilities and Cash Flow Statement of the company as on that date.
  - b- Auditors Report on the Audited Financial Results for the Quarter and year ended 31<sup>st</sup> March, 2021.
  - c- Declaration in respect of Audit Report with unmodified opinion.
- 2- Recommended final dividend of Rs.5/- (Rupees Five) per Equity Share for the financial year 2020-21 subject to the approval of Shareholders at ensuing 35<sup>th</sup> Annual General Meeting.

This is for your kind information and records.

Thanking you,

For SAMKRG PISTONS AND RINGS LIMITED

  
DINKER MISHRA  
COMPANY SECRETARY & COMPLIANCE OFFICER



## AUDITED STAND ALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2021

Rs.in lakhs

SL.NO	PARTICULARS	Quarter Ended			Year Ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	<b>Income</b>					
1	Revenue from operations	7170.65	7716.72	5353.32	22476.06	23551.32
2	Other Income	57.13	59.54	76.61	196.28	171.72
3	<b>Total Revenue (1+2)</b>	<b>7227.78</b>	<b>7776.26</b>	<b>5429.93</b>	<b>22672.34</b>	<b>23723.04</b>
4	<b>Expenses</b>					
	a) Cost of material consumed	3541.58	2937.81	2582.51	9299.37	10090.28
	b) Change in inventories of finished goods, work-in-progress and stock-in-trade	-63.86	162.97	-408.43	551.95	-780.18
	c) Employees benefits expenses	1371.45	1690.80	1398.57	4501.27	5392.55
	d) Finance cost	35.37	32.53	18.61	104.76	103.17
	e) Depreciation	373.41	325.00	327.29	1298.41	1276.29
	f) Power & fuel	432.49	507.01	264.57	1529.47	1591.61
	g) Stores & Spares consumption	121.00	206.25	160.69	514.23	397.64
	h) Other expenditure	500.57	1017.44	722.67	2539.64	3056.51
	<b>Total Expenses (a...h)</b>	<b>6312.00</b>	<b>6879.81</b>	<b>5066.48</b>	<b>20339.10</b>	<b>21127.87</b>
5	<b>Profit before exceptional and tax (3-4)</b>	<b>915.78</b>	<b>896.45</b>	<b>363.45</b>	<b>2333.25</b>	<b>2595.17</b>
6	Exceptional items					
7	<b>Profit before tax (5-6)</b>	<b>915.78</b>	<b>896.45</b>	<b>363.45</b>	<b>2333.25</b>	<b>2595.17</b>
8	<b>Tax Expense</b>					
	Current Tax	231.87	150.00	144.36	606.87	659.36
	Deferred Tax	-6.05	0	-57.75	-6.05	-24.00
9	<b>Profit/Loss for the period/year (7-8)</b>	<b>689.96</b>	<b>746.45</b>	<b>276.84</b>	<b>1732</b>	<b>1959.81</b>
10	<b>Other comprehensive income/ (expense)</b>	<b>689.96</b>	<b>746.45</b>	<b>276.84</b>	<b>1732.42</b>	<b>1959.81</b>
11	<b>Paid-up equity share capital (Face Value of the Share Rs.10)</b>	<b>982.05</b>	<b>982.05</b>	<b>982.05</b>	<b>982.05</b>	<b>982.05</b>
12	<b>Reserves excluding Revaluation Reserves as per balance sheet</b>				<b>15447.24</b>	<b>13767.39</b>
13	<b>Earnings Per Share (EPS) - in Rs.10/-each</b>					
	a) Basic	7.03	7.60	2.82	17.64	19.96
	b) Diluted	7.03	7.60	2.82	17.64	19.96

FOR AND ON BEHALF OF THE BOARD

*S.D.M. RAO*

**S.D.M. RAO**

Chairman & Managing Director

Place : Hyderabad

Date : 21.06.2021

## STATEMENT OF ASSETS AND LIABILITIES ( AUDITED)

Rs. in Lakhs

	Particulars	For the year ended	
		31st March, 2021	31st March, 2020
		Audited	Audited
<b>I</b>	<b>ASSETS</b>		
	<b>NON-CURRENT ASSETS</b>		
	(a) Fixed Assets	13663.28	14076.52
	(b) Capital Work in progress	0.00	0.00
	(c) Non Current investments	0.00	0.00
	(d) Defered Tax assets (Net)	0.00	0.00
	(e) Long-term loans and advances	332.53	325.65
	(f) Other non-current assets	0.00	0.00
	<b>Sub-Total -Non- Current Assets</b>	<b>13995.81</b>	<b>14402.17</b>
	<b>CURRENT ASSETS</b>		
	(a) Inventories	2289.62	2730.19
	(b) Trade Receivables	4721.76	3839.35
	(c) Cash and Cash equivalents	71.60	35.64
	(d) Short - term loans and advances	259.13	216.12
	(e) Other current assets	0.00	0.00
	<b>Sub-Total -Current Assets</b>	<b>7342.12</b>	<b>6821.30</b>
	<b>TOTAL - ASSETS</b>	<b>21337.93</b>	<b>21223.46</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>1. EQUITY</b>		
	a) Equity Share Capital	982.05	982.05
	b) Other Equity	15602.45	13922.60
	<b>Sub-Total -Share holders' funds</b>	<b>16584.50</b>	<b>14904.65</b>
	<b>2. Non-Current Liabilities</b>		
	a) Long - term borrowings	0.00	0.00
	b) Defered tax liabilities (Net)	345.96	352.01
	c) Other long - term liabilities	238.03	357.22
	d) Long- term provisions	548.74	542.71
	<b>Sub-Total -Non-Current Liabilites</b>	<b>1132.73</b>	<b>1251.94</b>
	<b>2. Current Liabilities</b>		
	a) Borrowings	417.98	1472.26
	b) Trade Payables	1306.81	1816.14
	c) Other Current Financial liabilities	40.69	39.69
	d) Provisions	1855.23	1738.79
	<b>Sub-Total -Current Liabilites</b>	<b>3620.71</b>	<b>5066.88</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>21337.93</b>	<b>21223.46</b>

*SHY Raw*

**Notes:**

- 1 The above financial results were reviewed by the Statutory auditors, Audit Committee and approved by the Board of Directors at their meeting held on 21st June 2021.
- 2 Figures of the quarter ended 31st March 2021 and 31st March 2020 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter ended December 31, 2020 respectively
- 3 Figures for the previous period have been regrouped wherever necessary to correspond with the figures of the current period
- 4 Reconciliation between the Net Profit reported in accordance with Indian GAAP (previous GAAP) and the Ind AS for the quarter and year ended March 31,2020 is as follows:

Particulars	Rs. In Lakhs	
	Quarter Ended 31.03.2020 (Audited)	Year Ended 31.03.2020 (Audited)
Net Profit After tax as reported as per previous GAAP	276.84	1959.81
Net Profit After tax for the period / year as per Ind AS	276.84	1959.81
Other comprehensive income		
<b>Total Comprehensive Income for the period / year as per Ind A</b>	<b>276.84</b>	<b>1959.81</b>

Particulars	Rs in lakhs	
	As at 31.03.2020	
Equity under previous GAAP		982.05
Other Equity under previous GAAP		13922.60
		<b>14904.65</b>
Adjustments		
<b>Equity under Ind As</b>		<b>14904.65</b>

- 6 The Board of Directors recommended for Dividend @ Rs.5.00 per share (50%) of Rs.10/- each for the financial year 2020-21

FOR AND ON BEHALF OF THE BOARD



**S.D.M. RAO**

**Chairman & Managing Director**

**Place : Hyderabad**

**Date : 21.06.2021**

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

Rs. In Lakhs

Particulars	Year Ended march 2021	Year Ended march 2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and exceptional items	2333.25	2595.17
<b>ADJUSTMENTS FOR:</b>		
Depreciation	1298.41	1276.29
provision written back	0.00	0.00
Sales Tax Deferment	-124.26	-141.14
Interest	104.75	103.17
Interest earned	8.31	18.53
Gratuity provision	50.00	50.00
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>3670.46</b>	<b>3902.02</b>
<b>ADJUSTMENTS FOR:</b>		
Increase in receivables	-882.41	382.95
Decrease in inventories	440.57	-780.06
Increase in loans and advances	-40.49	-6.72
Decrease in payables	-508.33	-151.85
<b>CASH GENERATED FROM OPERATIONS</b>	<b>2679.79</b>	<b>3346.34</b>
Interest paid	104.75	103.17
Payment of IncomeTax	540.00	735.00
Gratuity paid	43.97	68.75
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>1991.08</b>	<b>2439.42</b>
Net Increase in Bank Borrowings		
Net Increase in Cash Flow	1991.08	2439.42
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PPE AND INTANGIBLE ASSETS	885.18	997.05
Interest received	8.31	18.53
Term Loans	0.00	0.00
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>893.49</b>	<b>1015.59</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
increase in long term loans and advances	-7.33	0.00
Increase (Decrease) in Working Capital Loan (net of payments)	-1054.29	-274.64
Dividend and Dividend tax	0.00	-1183.91
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>-1061.62</b>	<b>-1458.55</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>35.96</b>	<b>-34.72</b>
CASH AND CASH EQUIVALENTS AS AT THE COMMENCEMENT OF THE YEAR	35.64	70.36
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>	<b>71.60</b>	<b>35.64</b>

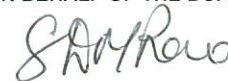
**NOTES:**

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

THE PREVIOUS FIGURES WERE RE-GROUPED AS PER CURRENT YEAR

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

FOR AND ON BEHALF OF THE BOARD



**S.D.M. RAO**

Chairman & Managing Director

Place :Hyderabad

Date :21st JUNE 2021

Plant I (Pistons & Rings) :  
Sy. No. 537, Temple Road,  
Bonthapally (P.O.), Gummadidala (mdl.)  
Sangareddy (Dist) - 502 313, T.S.  
Ph : 08458-282000  
E-mail : plant1@samkrg.com

Plant II (Rings) :  
Sy. No. 33, Varisam (Vig),  
Pydibhimavaram (P.O.)  
Srikakulam (Dist.) - 532 409, A.P.  
Ph: 08942-288129 Fax : 08942-288128  
E-mail : mis@samkrg.com

Plant III (Pistons) :  
Sy. No. 232, Arinama Akkivalasa (Vig.)  
Allinagaram (P.O.) Etcherla (Mdl.)  
Srikakulam (Dist.) - 532 140, A.P.  
Ph: 08942-231197 Fax : 08942-231196  
E-mail : p3mis@samkrg.com

Branch Office :  
47-10-14, Dwarakanagar,  
Visakhapatnam - 530 016, A.P.  
Ph: 0891-2747051 Fax:0891-2746155  
E-mail: branch@samkrg.com



# SRIDHARA CHARY V & CO.,

## Chartered Accountants

1-8-526, Flat No. 105, Jatkar Bhavan, Street No.7, Beside SBI & Union Bank of India,  
Chikkadapally, Hyderabad, Telangana - 500 020.  
email : casridharv@gmail.com Ph : (O) 040-27612837, (M) 9347504786, 9573666456

### INDEPENDENT AUDITOR'S REPORT

#### To the Members of SAMKRG PISTONS AND RINGS LIMITED Report on the Indian Accounting Standards (IND AS) Financial Statements

#### Opinion

We have audited the accompanying IND AS financial statements of SAMKRG PISTONS & RINGS LIMITED ("the Company"), which comprises the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone IND AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the afore said Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the standalone state of affairs of the Company as at March 31, 2021, and its standalone profit (including Other Comprehensive Income), standalone changes in equity and its standalone cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone IND AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone IND AS financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

#### Emphasis of Matter

We draw attention to Note- 21 to the financial results which explain the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Further our attendance at the physical inventory verification done by management was impracticable under the current lock-down restrictions imposed by the government and we have therefore, relied on the related alternative audit procedures to obtain comfort over the existence and condition of inventory at year end. Our opinion is not modified in respect of this matter.



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### Key audit matters

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

- **Revenue from Contract with Customers(IND AS 115)**

Revenue from Contract with Customers is an IND AS outlines recognition of revenue by applying 5-step model. Revenue is an important line item to measure performance of the company ,the same has been selected as Key Audit Matter(KAM).

The objective is to establish the principles that an entity should apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

Key Business impact: If revenue is significantly impacted, the profits may also be significantly impacted.The consequential impact will be felt in the computation of performance bonuses and the taxes to relevant authorities.

#### PRINCIPAL AUDIT PROCEDURES:

-Test of controls and substantive procedures

- To assess the design and internal controls established by the management

- Testing the operating effectiveness of relevant controls

- Selection of a Sample of continuing and new contracts

- Tested the operating effectiveness of internal controls related to identification of distinct performance obligations at a point in timer or over a period of time and determination of transaction price

- Recognition of Revenue during the period on a sample basis with reference to goods receive note ,customer acknowledgement proof of acceptance and terms of sale.

- Validation of subsequence credit notes and sales returns up to the date of this report.

- Testing journal entries on a sample basis to identify any unusual or irregular items.

- Assessing disclosure requirements as per IND AS 115

**CONCLUSION:** There are no material variations with respect to timing of recognition of revenue and disclosure requirements of IND AS 115 in the Financial Statements.



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### Other Information

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS Financial Statements that give a true and fair view of the standalone financial position, standalone financial performance (including other comprehensive income), standalone changes in equity and standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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





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

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

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

We also:

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

to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

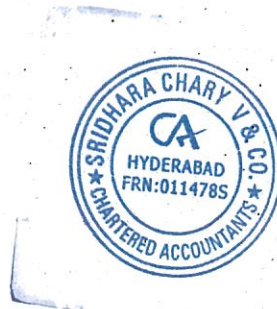
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone IND AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. On the basis of the information received from the management as on 31-03-2021, one third of directors retiring by rotation, retiring at the ensuing AGM and shall be reappointed by approval of shareholders.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g. As required by section 197 (16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the company to its directors is in accordance with the provisions of section 197 of the Act and remuneration paid to its directors is not in excess of the limit laid down under this section.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no.31 to the financial statements;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31<sup>st</sup> March 2021.
  - There has been delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

For Sridhara Chary V & Co.,  
Chartered Accountants  
FRN- 011478S



V. SRIDHARA CHARY

PROPRIETOR

Membership No. 218343

UDIN : 21218343AAAADM5723

Place : Hyderabad

Date : 21-06-2021



# SRIDHARA CHARY V & CO.,

## Chartered Accountants

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### Annexure - A to the Auditor's Report

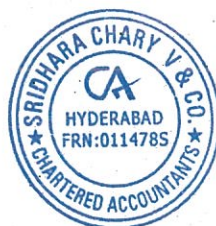
#### Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements of even date to the Members of SAMKRG PISTONS & RINGS LIMITED.

- (i)
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The fixed assets of the Company are physically verified by the Management as per policy. In our opinion, the frequency of verification is reasonable.
  - (c) The title deeds of immovable properties as disclosed in note 1 on Property, Plant & Equipment to the financial statements, are held in the name of the Company.
- (ii) The inventory was physically verified during the year by the management. In our opinion the frequency of verification is reasonable. Discrepancies between the physical stock and the book records noticed on verification were properly dealt with in the books of accounts.
- (iii) According to information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013, accordingly the reporting under Clause 3 (iii) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- (iv) According to information & explanations given to us, the company has not granted any loans, secured or unsecured to firms, LLP'S or other parties covered by provisions Sections 185 and 186 of the Companies Act, 2013. Hence reporting on whether there is a compliance with the said provisions does not arise.
- (v) According to information and explanation given to us, the Company has not accepted any deposits from public, accordingly the reporting under Clause 3 (v) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts and records maintained by the Company relating to manufacture of base metals castings (Auto-components of Aluminium & Steel) pursuant to the rules made by Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii)
  - (a) According to information and explanation given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities including Provident fund, Employees' State insurance, Income tax, Sales tax, Service Tax, Duty of Customs, Duty of excise, Value added tax, Goods and Services tax, cess and any other statutory dues applicable to it.
  - (b) According to the information and explanations provided to us, no disputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - (c) According to information and explanation given to us, there are no dues of Income tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Goods and Services tax and Cess which have not been deposited on account of any dispute other than those mentioned below.

Rupees in Lakhs

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

- (viii) According to information and explanation given to us, in our opinion the Company has not defaulted in repayment of loans and borrowings to any bank. Also, according to information and explanations given to us, in our opinion, Company neither has any loans or borrowings from financial institution, Government nor issued any debentures.
- (ix) According to the information and explanation given to us, in our opinion the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the reporting under Clause 3 (ix) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- (x) According to information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to information and explanation given to us and based on our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company, accordingly the reporting under Clause 3 (xii) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- (xiii) According to information and explanation given to us, in our opinion all transactions with related parties are in compliance with sections 177 & 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in notes to accounts of Financial Statements as per IND AS 24 - Related Party Disclosures.
- (xiv) According to Information and Explanation given to us, the Company has not issued shares by way of preferential allotment/private placement of shares or fully or partly convertible debentures during the year under review, accordingly provisions of section 42 of the Companies Act 2013 are not applicable to the Company.
- (xv) According to information and explanation given to us, the Company has not entered into non-cash transactions with directors or persons connected with him; accordingly, provisions of section 192 are not applicable to the Company.
- (xvi) According to information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



For SRIDHARA CHARY V &amp; CO.,

Chartered Accountants

FRN- 011478S

V.SRIDHARA CHARY

Proprietor

Membership No. 218343

UDIN : 21218343AAAADM5723

Place : HYDERABAD

Date : 21-06- 2021



# SRIDHARA CHARY V & CO.,

## Chartered Accountants

1-8-526, Flat No. 105, Jatkar Bhavan, Street No.7, Beside SBI & Union Bank of India,  
Chikkadapally, Hyderabad, Telangana - 500 020.  
email : casridharv@gmail.com Ph : (O) 040-27612837, (M) 9347504786, 9573666456

### **Annexure - B to the Auditor's Report**

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

**Report on the Internal Financial Controls with reference to Standalone Ind AS Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Standalone Ind AS Financial Statements of **Samkrp Pistons & Rings Limited** ("the Company") as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



For Sridhara Chary V & CO,  
Chartered Accountants  
FRN- 011478S

V. Sridhara Chary  
Proprietor

Membership No. 218343

UDIN: 21218343AAAADM5723

Place : HYDERABAD

Date : 21 June 2021



# SRIDHARA CHARY V & CO.,

## Chartered Accountants

1-8-526, Flat No. 105, Jatkar Bhavan, Street No.7, Beside SBI & Union Bank of India,  
Chikkadapally, Hyderabad, Telangana - 500 020.  
email : casridharv@gmail.com Ph : (O) 040-27612837, (M) 9347504786, 9573666456

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

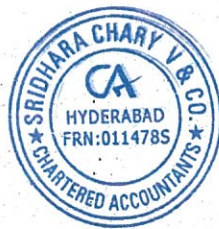
To,  
The Members,  
SAMKRG PISTONS AND RINGS LIMITED.

We have examined the compliance of conditions of Corporate Governance by Samkrg Pistons & Rings Limited (the Company) for the year ended on 31<sup>st</sup> March, 2021, as stipulated under Regulation 15 (2) read with Schedule V Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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



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

V.SRIDHARA CHARY  
Proprietor

Place : HYDERABAD

Date : 21-06- 2021

Membership No.:218343

UDIN : 21218343AAAADM572:



To,

Date: 21<sup>st</sup> June, 2021

Corporate Relationship Department  
BSE Limited,  
1<sup>st</sup> Floor, New Trading Ring, Rotunda Building,  
Phiroze Jeejee Towers, Dalal Street, Fort,  
Mumbai- 400 001.

**Scrip Code: 520075**

Dear Sir/ Madam,

**Sub.: Declaration in terms of Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 as amended.**

It is hereby declared that pursuant to the provisions of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Auditors Report on Annual Audited Financial Results of the Company for the financial year ended 31.03.2021 issued by the Statutory Auditors of the Company is with unmodified opinion.

For SAMKRG PISTONS AND RINGS LIMITED



(S D M Rao)  
Chairman & Managing Director