

Sustainability as it's core



41st ANNUAL REPORT

Our Products



RACL Board of Directors



**Sitting left to right - Mr. Shashank Ramesh Anikhindi, Mr. Gursharan Singh,
Mrs. Narinder Paul Kaur, Ms. Malini Bansal**

**Standing left to right - Mr. Jitender Jain (CFO), Mr. Anil Sharma, Mr. Jagdish Keswani
Brig. Harinder Pal Singh Bedi (Retd.) not present in the photo, is also part of the Board.**

CHAIRMAN MESSAGE



Dear Shareholders,

It is with immense pride and great pleasure that we present to you the 41st Annual Report of RACL Geartech Limited. It is my pleasure to report that in the fiscal year 2023-24, our company has continued to demonstrate a considerable growth and resilience. We achieved annual revenues of ₹42,303.55 Lakhs, a significant increase from last year's ₹36,734.37 Lakhs. This growth has translated into an EBITDA of ₹10,192 Lakhs, marking a 12.4% increase year-over-year. This robust performance is especially commendable, despite the challenging global conditions & head winds being faced towards later part of fiscal year.

I would like to extend my heartfelt gratitude to our stakeholders for their unwavering support and trust during these testing times. Your confidence inspires us to rise to the challenges and remain committed to driving consistent revenue and profit growth.

Despite ongoing global economic challenges, including supply chain disruptions and inflationary pressures, India stands resilient. As we navigate these uncertainties, ranging from geopolitical tensions to trade restrictions, we are adapting our strategies to mitigate potential impacts on trade flows and economic stability. While exporting may become increasingly challenging, it emphasizes the need to focus on logistics efficiency and product quality, where India holds a competitive advantage.

The rapid rise of Artificial Intelligence also presents both challenges and opportunities. While AI can threaten the cost advantages in the digital services sector, we remain committed to leveraging this technology to enhance our

offerings and improve operational efficiency.

Moreover, the transition toward sustainable energy is critical. Recognizing the pressing need to reduce carbon emissions, we are committed to advancing our ESG practices to contribute to a sustainable future. I am proud to report that our Gajraula Plant has achieved a significant milestone by becoming 100% compliant with green Electrical energy w.e.f. 1st January 2024, and we maintain a Zero Water Discharge status with complete water recycling.

We have learned to transform challenges into opportunities. With a clear intent to create value for our shareholders and customers, we are sharpening our focus on technology, innovation, IoT, and AI. Our commitment to adapting to changing market conditions has never been stronger. The support we receive from our customers and suppliers is invaluable, and we remain dedicated to nurturing our talent to stay at the forefront of our industry.

We are proud to announce that we received the First Prize in the Engineering product category from the Department of MSME and Export Promotion, Government of Uttar Pradesh, in recognition of our "Highest Export Performance for the Financial Year 2022-23."

I am excited to announce that RACL has been nominated as a Tier 1 supplier by a prestigious German car manufacturer for our Parking Lock Mechanism, specifically designed for electric vehicles, thus company has leap frogged from a component supplier to system supplier. Additionally, we received a nomination from another German customer for the supply of gears for pedal-assisted electric bicycle gearboxes, thus, making an entry into new domain of premium Electric Bicycles.

In conclusion, I have touched on our successes, areas for improvement, and our aspirations for the future. On behalf of the Board of Directors and the management team, I want to thank our employees, business partners, customers, vendors, shareholders, investors, state & central government institutions, bankers and all our stakeholders for their continued support and dedication. We are optimistic that our business performance will maintain its healthy growth trajectory in FY 2024-25 and beyond.

Thank you.

GURSHARAN SINGH

CHAIRMAN & MANAGING DIRECTOR

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RACL Geartech Limited

a professionally managed automotive
components manufacturer headquartered in
Noida (Delhi-NCR)

Passion, positivity,
progressive thinking, open
communication, integrity,
transparency, and honesty



04

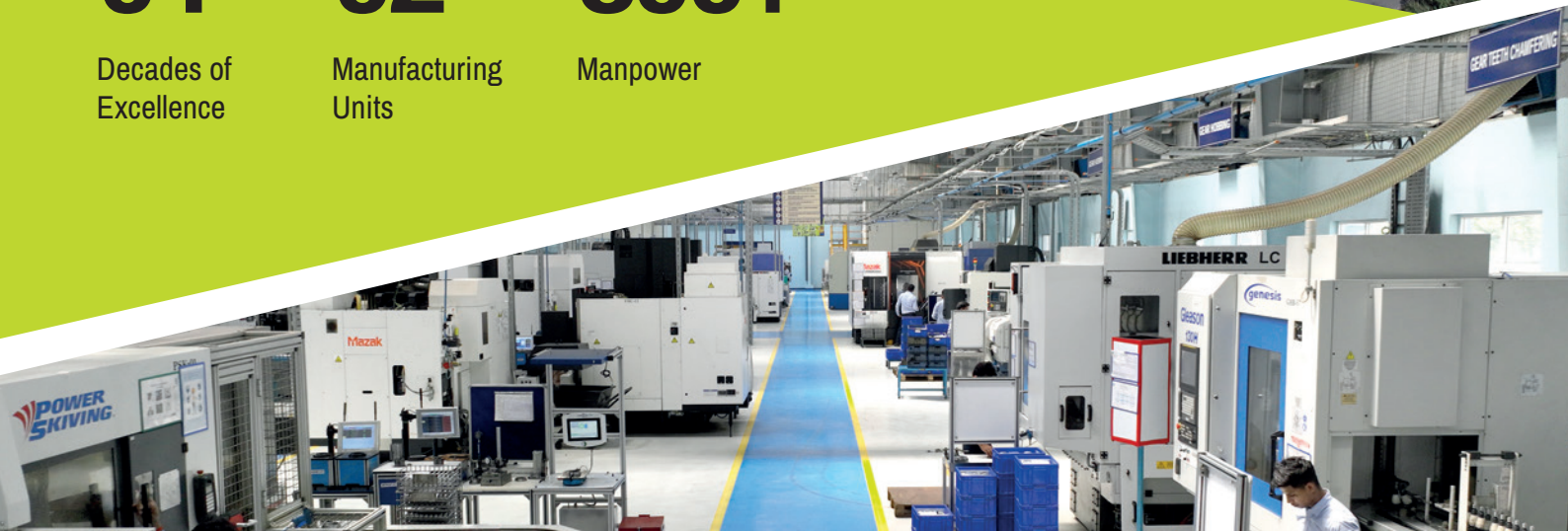
Decades of
Excellence

02

Manufacturing
Units

800+

Manpower



RACL GEARTECH LIMITED

CIN: L34300DL1983PLC016136

CORPORATE INFORMATION

Board of Directors & Chief Financial Officer	
Mr. Gursharan Singh	Chairman & Managing Director
Mrs. Narinder Paul Kaur	Non- Executive Non- Independent Director
Mr. Anil Sharma	Non- Executive Non- Independent Director
Mr. Shashank Ramesh Anikhindi	Independent Director
Mr. Jagdish Keswani	Independent Director
Brig. Harinder Pal Singh Bedi (Retd.)	Independent Director
Ms. Malini Bansal	Independent Director
Mr. Jitender Jain	Chief Financial Officer

Company Secretary & Compliance Officer
Ms. Neha Bahal
Statutory Auditors
M/s. Gianender & Associates, Chartered Accountants Plot No. 6, Site No. 21, Geeta Mandir Marg,
Secretarial Auditors
Rosy Jaiswal & Associates Practicing Company Secretaries, Rohini, New Delhi
Internal Auditors
Protiviti India Member Private Limited 15th Floor, Tower A, DLF Building No. 5, DLF Phase III, DLF Cyber City, Gurgaon-122002, Haryana, India
Registrar & Share Transfer Agents
MAS Services Limited T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020, Tel: 011-26387281 / 82 / 83 E-Mail: info@masserv.com, Web: www.masserv.com
Bankers
Bank of India RBL Bank Citi Bank IndusInd Bank Standard Chartered Bank Yes Bank State Bank of India
Registered Office
15 th Floor, Eros Corporate Towers, Nehru Place, New Delhi - 110019
Corporate Office
B-9, Sector-3, Noida - 201301, Uttar Pradesh

Plants
Unit No. 1 A-3, Industrial Area, Gajraula, District Amroha, Uttar Pradesh - 244223, India
Unit No. 2 C- 32, Sector- 80, Noida, District Gautam Budh Nagar, Uttar Pradesh-201301, India
COMMITTEES OF BOARD OF DIRECTORS
Audit Committee
Mr. Jagdish Keswani (Chairman) Mr. Shashank Ramesh Anikhindi Ms. Malini Bansal
Nomination & Remuneration Committee
Mr. Shashank Ramesh Anikhindi (Chairman) Mr. Anil Sharma Mr. Jagdish Keswani
Stakeholders' Relationship Committee
Ms. Malini Bansal (Chairperson) Mr. Gursharan Singh Mr. Jagdish Keswani
Corporate Social Responsibility Committee
Brig. Harinder Pal Singh Bedi (Retd.) (Chairman) Mrs. Narinder Paul Kaur Mr. Anil Sharma
Risk Management Committee
Mr. Shashank Ramesh Anikhindi (Chairman) Mr. Gursharan Singh Mr. Jagdish Keswani Mr. Prabh Mehar Singh
Financial Affairs Committee
Mr. Jagdish Keswani (Chairman) Mr. Gursharan Singh & Mr. Anil Sharma

NOTICE

Notice is hereby given that the 41st (Forty-First) Annual General Meeting (“AGM”) of RACL Geartech Limited (“Company”) will be held through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) on Wednesday, September 11, 2024 at 12 NOON in accordance with the applicable provisions of the Companies Act, 2013 read with relevant MCA Circulars, to transact the following businesses:

ORDINARY BUSINESS

- To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Financial Statements, including the Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 and the Board’s and Auditors’ Reports thereon, be and are hereby approved and adopted.”

- Declaration of Dividend of Rs. 1.50/- per equity share of face value of Rs. 10.00/- each for the financial year ended March 31, 2024 and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Dividend of Rs. 1.50/- (Rupee One and Fifty Paise only) per equity share of face value of Rs. 10.00 (Rupees Ten only) each, as recommended by the Board of Directors of the Company for the Financial Year ended March 31, 2024, be and is hereby declared, and the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of Members as at the close of business hours on Wednesday, September 4, 2024.”

- To consider and appoint a Director in place of Mrs. Narinder Paul Kaur (DIN: 02435942), who retires by rotation and being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, 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, Mrs. Narinder Paul Kaur (DIN: 02435942), Non-Executive Non-Independent Director of the Company, who retires by rotation at this meeting and being eligible offers herself for re-appointment, be and is hereby re-appointed as Director of the Company who shall be liable to retire by rotation in accordance with Companies Act, 2013”

SPECIAL BUSINESS

- To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution: Reclassification of persons forming part of the Promoter / Promoter Group from ‘Promoter & Promoter Group Category’ to ‘Public Category’

“RESOLVED THAT in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI (LODR) Regulations’), including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions, and subject to necessary approvals from the Stock Exchanges and other appropriate statutory authorities as may be necessary, the approval of the Members of the Company be and is hereby accorded to reclassify the following promoter / persons related to promoter(s) forming part of Promoter Group (hereinafter individually and jointly referred to as the (“Outgoing Promoters”) from ‘Promoter & Promoter Group Category’ to ‘ Public Category’

S. No.	Name of Shareholder	Type	No. of Shares held	% of Paid Up Capital
1	Mr. Dev Raj Arya	Promoter	222554	2.06%
2	Ms. Raj Arya	Promoter Group	0	0%

RESOLVED FURTHER THAT pursuant to provisions of Regulation 31(A)(3)(b) of SEBI LODR Regulations, Outgoing Promoters have confirmed that they shall not and does not:

- hold more than 10% of the fully paid-up equity share capital and voting capital of the Company;
- have any special rights through formal or informal agreements and shareholding agreements;
- be represented on the Board of Directors (including as a nominee director) of the Company for a period of more than 3 years from the date of shareholders' approval;
- act as a key managerial persons for a period of more than 3 years from the date of shareholders' approval;
- directly or indirectly exercise control over the affairs of the Company;
- 'wilful defaulter' as per the Reserve Bank of India Guidelines;
- fugitive economic offender.

and shall at all times from the date of such reclassification, shall continue to comply with conditions mentioned under sub regulation (4) of Regulation 31A of SEBI (LODR) Regulations, post reclassification from "Promoter & Promoter Group" to "Public".

RESOLVED FURTHER THAT upon receipt of the necessary approval(s) from the Stock Exchange(s) for reclassification of the above promoter/ promoter group, the Company shall effect such reclassification in the statement of shareholding pattern from the immediate succeeding quarter under Regulation 31 of the SEBI LODR Regulations, and shall ensure necessary compliance under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other laws, as may be applicable;

RESOLVED FURTHER THAT Mr. Gursharan Singh, Chairman and Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient and make all necessary filings including but not limited to making applications to the Stock Exchanges to seek their approval for the re-classification in accordance with the SEBI LODR Regulations and other applicable laws, if any, and to execute all such deeds, documents or writings as are necessary or expedient, to settle any questions, difficulties or doubt that may arise in this behalf and to represent before such authorities as may be required and to do and perform all such acts, deeds and things as may be required to give effect to the above resolution."

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

Approval for increase in remuneration of Mr. Prabh Mehar Singh, Vice -President- Finance and Business Excellence holding office or place of profit in the Company.

RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification or any amendment or any substitution or re-enactment thereof, for the time being in force), and based on the recommendation of Nomination & Remuneration Committee, Audit Committee and Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for increase in the remuneration of Mr. Prabh Mehar Singh, Vice- President- Finance & Business Excellence holding office or place of profit in the Company w.e.f October 01, 2024, on such remuneration and terms & conditions as set out below:

Remuneration: Rs. 3,09,500/- per month

In addition to remuneration as mentioned above Mr. Prabh Mehar Singh will also be entitled to following other benefits as per rules of the Company, subject to the condition that total of amount payable to Mr. Prabh Mehar Singh shall not exceed Rs. 3,25,383/- per month at any point of time:

- (a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961,

- (b) Gratuity as per the provisions of Payment of Gratuity Act / Company's policy,
- (c) Leave encashment as per Company's policy,
- (d) Use of Company's Car for official use,
- (e) Bonus as per Payment of Bonus Act,
- (f) Reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with the Company's business.

RESOLVED FURTHER THAT Mr. Gursharan Singh, Chairman and Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary and Compliance Officer be and are hereby authorized severally to file necessary e-Forms with Registrar of Companies, filings with Stock Exchange and to do all such acts, deeds or things which are necessary to give effect to the above resolution”

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

Approval for re-appointment of Ms. Malini Bansal (DIN: 00167993) as Non- Executive Independent Director of the Company.

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and relevant rules framed thereunder (including any statutory modification(s) or any amendment or any re-enactment thereof, for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Ms. Malini Bansal (DIN: 00167993), who was appointed as a Non- Executive Independent Director at the 38th Annual General Meeting of the Company and who holds office up to the 41st Annual General Meeting and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from 41st Annual General Meeting to 46th Annual General Meeting of the Company;

RESOLVED FURTHER THAT Mr. Gursharan Singh, Chairman & Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to file requisite e-Forms/ returns with the Registrar of Companies, National Capital Territory of Delhi or with other appropriate authority and to do all such acts, matters, things and deeds as may be required to give effect to the above resolution.”

**BY ORDER OF THE BOARD OF DIRECTORS
RACL GEARTECH LIMITED**

**NEHA BAHAL
COMPANY SECRETARY & COMPLIANCE OFFICER**

**ACS: 40272
ADD: B-9, SECTOR-3, NOIDA
GAUTAM BUDDH NAGAR,
UTTAR PRADESH- 201301**

DATE: AUGUST 12, 2024

PLACE: NOIDA

NOTES:

1. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2023 dated 25th September, 2023 (MCA Circulars), has allowed the Companies to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) till 30th September, 2024. In compliance with the provisions of the Companies Act, 2013 (the Act), SEBI (Listing Regulations) and MCA Circulars, the 41st AGM of the Company shall be conducted through VC/OAVM. National Securities Depository Limited (NSDL) will be providing facilities in respect of:
 - (a) voting through remote e-voting;
 - (b) participation in the AGM through VC/ OAVM facility;
 - (c) e-voting during the AGM.

The procedure for participating in the meeting through VC/OAVM is explained below and is also available on the website of the Company at www.raclgeartech.com.

2. As the AGM would be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM. Hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. Institutional / Corporate Members are entitled to appoint authorised representatives to attend, participate at the AGM through VC / OAVM and cast their votes through e-voting. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to the Company at investor@raclgeartech.com or info@masserv.com with a copy marked to evoting@nsdl.co.in.
4. Dividend on Company's Equity shares for the year ended 31st March, 2024, as recommended by Board of Directors, if approved at the AGM, payment of such dividend subject to deduction of tax at source will be made as under:
 - (i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as on the close of business hours on Wednesday, 4th September, 2024.
 - (ii) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition request lodged with the Company as on the close of business hours on Wednesday, 4th September, 2024.

The dividend, if approved, will be payable by October 11, 2024.

5. SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ Real Time Gross Settlement (RTGS)/ Direct Credit/NEFT etc. In the absence of ECS facilities, the Company will print the bank account details if available, on the payment instrument for distribution of dividend.

In order to receive the dividend without loss of time, the Members holding shares in physical form are requested to submit particulars of their bank accounts along with the original cancelled cheque bearing the name of the Member to the RTA, MAS Services Limited/Company to update their bank account details and all the eligible shareholders holding shares in demat mode are requested to update with their respective

DPs, their correct Bank Account Number, including 9 Digit MICR Code and 11 digit IFSC Code, e- mail ID and Mobile No(s).

Members holding shares in physical form may communicate these details to the RTA viz. MAS Services Limited having address at T-34 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi 110020, by quoting the reference folio number and attaching photocopy of the cheque leaf of their active bank account and a self-attested copy of their Permanent Account Number ('PAN') card.

This will facilitate the remittance of the dividend amount as directed by SEBI in the bank account electronically. Updation of e-mail IDs and Mobile No(s) will enable the Company in sending communication relating to credit of dividend, un-encashed dividend, etc.

The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members.

6. Pursuant to Finance Act, 2020, dividend income will be taxable at the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to members at prescribed rates. For the prescribed rates for various categories the members are requested to refer to the Finance Act, 2020 and amendments thereto. The members are requested to update their PAN with Registrar and Transfer Agents (in case of shares held in physical mode) and depository participants (in case shares held in demat mode). However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during Financial Year (FY) 2023-24 does not exceed Rs. 5,000.00.

A resident individual shareholder with PAN who is not liable to pay income tax submit a yearly declaration in Form 15G/15H, to avail the benefit of non-deduction of tax at Company's RTA at investor@masserv.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

7. Members may note that the VC/OAVM facility, provided by NSDL, allows participation of atleast 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.
8. Members may join the AGM through VC/OAVM Facility by following the procedures as mentioned below which shall be kept open 15 minutes before and after the scheduled time of the commencement of the Meeting and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the AGM.
9. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019 except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, MAS Services Limited, for assistance in this regard.

Type of holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, MAS SERVICES LIMITED, T-34, Second Floor, Okhla Industrial Area, Phase-II, New Delhi- 110020	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share Capital and debenture) Rules, 2014	Form SH-13
	Declaration to opt out of Nomination	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures/ bonds, etc., held in physical form	ISR-4

Electronic dispatch of Annual Report and process for registration of e-mail id and for obtaining copy of Annual Report.

10. In accordance with the circulars issued by MCA and SEBI, the Notice of the 41st AGM along with the Annual Report for the FY 23-24 is being sent by electronic mode to Members whose e-mail ids are registered with the Company or the Depository Participants (DPs).
11. Those Members who are holding shares in physical form and have not updated their e-mail ids with the Company, are requested to update the same by submitting a duly filled and signed Form ISR-1 along with self-attested copy of the PAN Card, and self-attested copy of any document (e.g. Driving License, Voter Identity Card, Passport) in support of the address of the Member, to the Company / RTA at investor@raclgeartech.com or info@masserv.com.
12. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
13. Members holding shares in dematerialised (demat) mode are requested to register/update their e-mail ids with their relevant DPs. In case of any queries/ difficulties in registering the e-mail ids, Members may write to the Company/RTA at investor@raclgeartech.com or info@masserv.com.
14. The Notice of the 41st AGM along with the Annual Report for the FY 23-24, is available on the website of the Company at www.raclgeartech.com and on the website of Stock Exchanges i.e. BSE Limited and on the website of NSDL at www.evoting.nsdl.com.
15. Physical copy of the Annual Report for the FY 23-24 (including the Notice of the 41st AGM) shall be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report for the FY 23-24, may write to the Company at investor@raclgeartech.com, requesting for the same by providing their holding details.
16. Details as required in Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking re-

appointment at the AGM are provided in Annexure to the Notice. Requisite declarations have been received from the Directors seeking appointment/re-appointment. The Managing Director and Independent Directors of the Company are not liable to retire by rotation.

17. An Explanatory Statement relating to items of Special Business, i.e. Item Nos. 4.5 and 6, to be transacted at the AGM is annexed hereto.

Procedure for Inspection of Documents

18. Documents referred to in the accompanying Notice of the 41st AGM and the Explanatory Statement shall be available at the Corporate Office of the Company for inspection without any fee on all working days, during normal business hours (9:00 A.M. to 5:00 P.M. (IST)), except Saturday upto date of meeting.
19. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at NSDL e-Voting page at <https://www.evoting.nsdl.com>

Procedure for remote e-voting and e-voting during the AGM

20. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations (as amended) and applicable Circulars, the Company is pleased to provide to its Members, the facility to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has entered into an agreement with NSDL, as the authorised agency for facilitating voting through electronic means. The facility of casting votes by Members using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
21. The Company has appointed Ms. Rosy Jaiswal & Associates, Practicing Company Secretaries to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.
22. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. September 04, 2024. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
23. The facility for voting through e-voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the AGM. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com>.
24. The register of members and share transfer books of the Company shall remain closed from Thursday, September 05, 2024 to Wednesday, September 11, 2024 (both days inclusive) for the purpose of AGM.
25. In case of Joint holders attending the AGM, only such Joint holder who is higher in the order of names will be entitled to vote.

Further, in compliance with MCA Circulars, the Company provides the facility to attend the AGM through VC and OAVM.

The instructions are as under:

The remote e-voting period begins on **Sunday, September 08, 2024 at 09:00 A.M. IST and ends on Tuesday, September 10, 2024 at 05:00 P.M. IST**. The remote e-voting module shall be disabled by NSDL for voting

thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. **Wednesday, September 04, 2024**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="456 825 1465 1255">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="456 1266 1465 1371">2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp <li data-bbox="456 1381 1465 1808">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 held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link available at 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once 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 options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
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
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 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 investor@masserv.com or investor@raclgeartech.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@masserv.com or investor@raclgeartech.com.
3. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
4. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
3. 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.
4. Members, who would like to ask questions during the 41st AGM with regard to financial statements or any other matter to be placed at the 41st AGM, need to register themselves as a Speaker by sending their request from their registered E-mail address mentioning their name, demat account number/ folio number, email id, mobile number to the Company's E-mail address at investor@raclgeartech.com by Wednesday, 04th September, 2024. Those members who have registered themselves as a speaker shall be allowed to ask questions during the 41st AGM depending upon the availability of time. Such questions shall be taken up during the meeting and replied by the Company suitably.

General guidelines for shareholders

- a. The Board of Directors of the Company has appointed **M/s. Rosy Jaiswal & Associates**, Practicing Company Secretaries to act as the Scrutinizers to scrutinize the remote e-voting process as well as polling process in a fair and transparent manner.
- b. The Scrutinizer shall, immediately after conclusion of the AGM unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company and make, not later than 3 (three) days of conclusion of the Meeting, a consolidated Scrutinizer's Report. The Scrutinizer shall submit his report to the Chairperson of the Company or a person authorized by him in writing.
- c. The Chairperson or in his absence, a person authorized by him in writing shall declare the results after receiving the Scrutinizer's Report.
- d. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.raclgeartech.com and on the website of NSDL www.evoting.nsdl.com and communicated to BSE Limited, where the shares of the Company are listed.

- e. Since the AGM of the Company is being convened through VC and OAVM and the facility of remote e-voting is being provided to the shareholders, there shall be no voting by ballot papers.
- f. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Company at email id investor@raclgeartech.com with a copy marked to evoting@nsdl.co.in.
- g. It is strongly recommended not to share password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- h. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

Item No. 4

Pursuant to Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has provided a regulatory mechanism for seeking re-classification from status of ‘Promoters and Promoter Group’ to ‘Public’ category may on request to the Company and subsequent approval from the shareholders and Stock Exchanges. In this regard, the Company has received request from Mr. Dev Raj Arya and Ms. Raj Arya, person belonging to the Promoter and Promoter Group’ of the Company (“Outgoing Promoters”) vide their letter dated July 01, 2024 for reclassification from the ‘Promoter and Promoter Group’ category to ‘Public’ category shareholder of the Company (“Request Letters”). The Company intimated the aforesaid requests for re-classification to BSE Limited (“Stock Exchanges”) on 01st July, 2024 within 24 hours of receipt of Request Letters. The shareholding of Mr. Dev Raj Arya and Ms. Raj Arya is 2,22,554 and 0 Equity Shares constituting 2.06% and 0.00% of the Paid-Up Share Capital of the Company respectively and collectively hold 2.06% of the paid-up share capital of the Company. Based on the Request Letters received from Outgoing Promoters and pursuant to the provision of Regulation 31A(3)(b) of the SEBI (LODR) Regulations, the Outgoing Promoters confirmed that:

1. Their shareholding in the Company, neither individually nor collectively exceeds 10% of the total voting rights in the Company.
2. They are not controlling affairs of the Company directly or indirectly.
3. They are not having special rights in the Company through formal or informal arrangements including through any shareholder agreements.
4. They do not have any representation on the Board of Directors (including not having nominee directors) of the Company.
5. They are not acting as key managerial persons in the Company.
6. They are neither a wilful defaulter as per RBI Guidelines nor a fugitive economic offender.

Further, the Outgoing Promoter group has confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of the SEBI (LODR) Regulations. In view of the explanations given by the applicants as detailed above and in consideration to the conditions as stipulated in Regulation 31A of SEBI (LODR) Regulations the board of directors at their meeting held on August 12, 2024 analysed the requests received from above mentioned persons for reclassification and approved the same subject to approval by the members and relevant regulatory authorities. As required, intimation has been sent to Stock Exchange based on declaration received from the aforesaid persons. Further, board confirms that Company

post reclassification will be compliant with the requirement for minimum public shareholding as required under regulation 38 of SEBI (LODR) Regulations, and trading in the shares of the Company has not been suspended by the stock exchange, nor are there any outstanding dues to the SEBI Board, the stock exchange or the depositories.

None of the Directors or the Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested in this Resolution.

Item No. 5

The Companies Act, 2013 aims to ensure transparency in the transactions and dealing with related parties of the Company. The provisions of Section 188(1)(f) of the Companies Act, 2013 that govern the related party's appointment to any office or place of profit in the company, its subsidiary company or associate company. Mr. Prabh Mehar Singh S/o Mr. Gursharan Singh, Chairman and Managing Director and Ms. Narinder Paul Kaur, Non-Executive Non-Independent Director of the Company was appointed as "Vice-President- Finance and Business Excellence" of the Company by the Board of Directors at their meeting held on February 12, 2019 to hold any office or place of profit in the Company w.e.f. February 15, 2019 in accordance with Section 188 (1)(f) of the Companies, Act 2013 read with rules made thereunder.

Pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, any related party's appointment to any office or place of profit in the Company at a monthly remuneration exceeding two and a half lakh rupees requires prior approval of the shareholders by way of ordinary resolution. Based on recommendation of Nomination & Remuneration Committee, Audit Committee Meeting and Board Meeting held on 12th August, 2024 respectively and subject to the approval of shareholders of the Company, it is proposed to increase remuneration of Mr. Prabh Mehar Singh, Vice- President- Finance and Business Excellence w.e.f October 01, 2024. The information's as per Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014:

a)	Name of Related Party	Mr. Prabh Mehar Singh
b)	Name of Directors & Key Managerial Personnel who is related	Mr. Gursharan Singh, Chairman and Managing Director & Ms. Narinder Paul Kaur, Non-Executive Non-Independent Director
c)	Nature of Relationship	Mr. Prabh Mehar Singh is a son of Mr. Gursharan Singh & Ms. Narinder Paul Kaur
d)	Nature, material terms, monetary value and particulars of contracts and arrangements	As detailed above

Accordingly, this resolution as set out at item no. 5 of the notice is recommended for your approval as Ordinary Resolution. None of the Directors, Key Managerial Personnel of the Company and their relatives other than Mr. Gursharan Singh and Ms. Narinder Paul Kaur is/ are in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution except to the extent of their shareholding, if any, in the Company.

Item No. 6

Section 149 of the Companies Act, 2013 provides that subject to the provisions of Section 152, an independent director shall hold office for an initial term of up to five consecutive years on the Board of a Company and shall be eligible for another term of up to five years on passing of a special resolution by the Company. It further provides that no independent director shall hold office for more than two consecutive terms of up to five years each. The members had in the AGM held on 24.09.2021, pursuant to the provisions of Sections 149, 152 and 161 or any other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, Articles of Association of the Company, approvals and recommendations of the Nomination and Remuneration Committee, and that of the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute) approved the appointment of Ms. Malini Bansal (DIN: 00167993) for the office of Director to hold office for a period of 3 years, commencing from August 13, 2021 upto the conclusion of the 41st Annual General Meeting of the Company, as a Non- Executive Independent Director, not liable to retire by rotation.

Ms. Malini Bansal has submitted the necessary declarations and consents with regard to her re-appointment for another consecutive term of five years from 41st Annual General Meeting till the conclusion of 46th Annual General Meeting to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). In terms of Regulation 25(8) of SEBI Listing Regulations, confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In the opinion of the Board she fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and is independent of the management.

The Nomination and Remuneration Committee and the Board of Directors have, in their respective meetings held on 12.08.2024 recommended the re-appointment of Ms. Malini Bansal (DIN: 00167993) for another consecutive term of five years effective from 41st Annual General Meeting till the conclusion of 46th Annual General Meeting of the Company as a Non- Executive Independent Director, not liable to retire by rotation. A candidature under section 160 of the Companies Act, 2013 has been received from a member of the Company proposing Ms. Malini Bansal for the office of Non- Executive Independent Director of the Company.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given their background, experience and contribution, the continued association of Ms. Malini Bansal would be beneficial to the Company and it is desirable to continue to avail their services as a Non- Executive Independent Director. Further the details and current directorships of Ms. Malini Bansal have been given in the Annexure to this Notice.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the re-appointment of Ms. Malini Bansal as Non- Executive Independent Director for the said period is now being placed before the Members for their approval. Ms. Malini Bansal has no relationship with any managerial personnel, Director, Key Managerial Personnel of the Company. None of the Directors or Key Managerial Personnel of the Company or their relatives is/are concerned or interested, financially or otherwise, in this resolution except Ms. Malini Bansal.

**BY ORDER OF THE BOARD OF DIRECTORS
RACL GEARTECH LIMITED**

**NEHA BAHAL
COMPANY SECRETARY & COMPLIANCE OFFICER**

DATE: AUGUST 12, 2024

PLACE: NOIDA

**ACS: 40272
ADD: B-9, SECTOR-3, NOIDA
GAUTAM BUDDH NAGAR,
UTTAR PRADESH- 201301**

Brief Profile of the Directors seeking appointment/re-appointment in the 41st AGM in pursuance of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India:

PARTICULARS	DETAILS OF THE DIRECTORS	
Name	Mrs. Narinder Paul Kaur	Ms. Malini Bansal
DIN	02435942	00167993
Age	62 Years	67 Years
Qualifications	Bachelor's Degree in Science, Masters of Arts (English)	<ul style="list-style-type: none"> • Certified Associate of the Indian Institute of Bankers • Masters & Bachelors in Education
Date of first appointment on the Board	30th September, 2015	13th August, 2021
Nature of Expertise in Specific Functional Area	She is a professional with insight and 11 years of expertise in the domain of administration and instrumental in decision making pertaining to strategy, management and business development for the Company.	More than 43 years of experience in the field of Banking, Finance and allied areas.
List of Directorships held in other Companies	-	-
Chairmanship/ Membership of Committees of other public Companies	-	-
Listed entities from which the person has resigned in the past three years	-	-
Number of Shares held in the Company	34107	-
Relationship between Directors inter-se	Wife of Mr. Gursharan Singh, Chairman & Managing Director of the Company	-
Last Salary Drawn (in Rs.)*	Rs. 31.95 Lakhs	Rs. 3.35 Lakhs

* Mrs. Kaur is a Non-Executive Non-Independent Director and receives Retainership & Sitting Fee for attending the Board and respective Committee Meetings of the Company & Mrs. Bansal is Non-Executive Independent Director and receives Sitting Fee for attending the Board and respective Committee Meetings

**BY ORDER OF THE BOARD OF DIRECTORS
RACL GEARTECH LIMITED**

**NEHA BAHAL
COMPANY SECRETARY & COMPLIANCE OFFICER
ACS: 40272
ADD: B-9, SECTOR-3, NOIDA
GAUTAM BUDDH NAGAR, UTTAR PRADESH - 201301**

DATE: August 12, 2024

BOARDS' REPORT

To The Members,

The Directors are pleased to present to you the Forty First Annual Report on the business and operations of your Company along with the Audited Financial Statements for the financial year ended March 31, 2024.

FINANCIAL PERFORMANCE

Key highlights of standalone and consolidated financial performance for the year ended March 31, 2024 under review are summarized below:

(Rs. in Lakh)

Particulars	Standalone		Consolidated	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Total Revenue	42,303.55	36,734.37	41,527.08	36,734.37
Total Expenses	36,930.02	31601.61	36182.65	31592.28
Finance Costs	2,363.49	2065.69	2,363.32	2065.69
Depreciation & Amortisation	2,455.02	1869.05	2,455.02	1869.76
Profit Before Tax	5,373.54	5132.76	5,344.43	5142.10
Tax Expenses:				
Current Tax	(1,039.16)	(1183.04)	(1,050.71)	(1194.43)
Deferred Tax	(353.64)	(204.65)	(353.64)	(204.65)
Profit After Tax	3,980.73	3745.07	3,940.08	3743.01
Total Comprehensive Income for the Period	3939.96	3716.34	3,895.53	3714.89
Earnings Per Share (Rs.)				
1. Basic	36.92	34.73	36.54	34.72
2. Diluted	36.92	34.73	36.54	34.72

STATE OF AFFAIRS AND OPERATIONAL HIGHLIGHTS

On a standalone basis, the Total income for FY 2023-24 was Rs. 42303.55 Lakhs, which was higher than the previous year's Total income of Rs. 36734.37 Lakhs by Rs. 5569.18 Lakhs. After accounting for taxes, the Company reported a Profit after tax for FY 2023-24 of 3,980.73 Lakhs in comparison with 3745.07 Lakhs for FY 2022-23. Consolidated Total Income for FY 2023-24 was Rs. 41,527.08 Lakhs, higher by 13.05% than the previous year's Total Income of Rs. 36,734.37 Lakhs. The Consolidated Profit After Tax for FY24 was Rs. 3,940.08 Lakhs, up from Rs. 3743.01 Lakhs in FY23, driven by improved performance across all businesses.

SHARE CAPITAL

Paid up Equity Share Capital as on March 31, 2024 stood at Rs. 10,78,16,000. During the year under review, the Company has not issued shares with differential voting rights, nor has granted any stock options nor sweat equity.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for FY 2023-24 appearing in the Statement of profit and loss.

DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 during the year.

DIVIDEND

The Board in its meeting held on May 27, 2024 recommended a dividend of Rs. 1.50 per fully paid up Equity Share on 1,07,81,600 Equity Shares of face value Rs. 10/- each, for the year ended March 31, 2024 based on the parameters laid down under the Dividend Distribution Policy.

The dividend on Equity Shares is subject to the approval of the Shareholders at the Annual General Meeting (AGM) scheduled to be held on Wednesday, September 11, 2024. The register of members and share transfer books will remain closed from September 5, 2024 to September 11, 2024 (both days inclusive) for the payment of final dividend to the shareholders of the Company, for the year ended on March 31, 2024. The Dividend will be paid to members within 30 days from the date of declaration of dividend whose name appears in the Register of Members as on September 4, 2024 and as per the Dividend Distribution Policy of the Company.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is available on the Company's website at www.raclgeartech.com.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In compliance with the requirements of the Companies Act, 2013 ("Act") and Listing Regulations, the Company, as on date, has Seven (7) Directors on Board with an optimum mix of Executive, Non-Executive and Independent Directors.

Re-appointment of Directors liable to retire by rotation

In accordance with the requirements of the Act and the Company's Articles of Association, Ms. Narinder Paul Kaur (DIN: 02435942) retires by rotation and being eligible, offers herself for re appointment.

Retirement of Directors

During the year under review Mr. Dev Raj Arya (DIN:00057582), was superannuated as Whole Time Director of the Company w.e.f. close of business hours on October 21, 2023. The Board places on record its appreciation for the invaluable contribution and guidance provided by him to the Company over the years.

Changes in Key Managerial Personnel

As recommended by the Nomination & Remuneration Committee, the appointment of Ms. Neha Bahal as the Company Secretary and Compliance Officer of the Company was approved by the Board of Directors in their meeting held on May 22, 2023.

Mr. Dev Raj Arya, Whole Time Director and Chief Financial Officer of the Company resigned from the position of Chief Financial Officer with effect from the close of the business hours on October 21, 2023.

Based on the recommendation of Nomination and Remuneration Committee, the Board in its meeting held on November 07, 2023, approved the appointment of Mr. Jitender Jain as Chief Financial Officer of the Company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Four meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which forms a part of the Annual Report. The maximum interval between any two meetings did not exceed 120 days as prescribed under the Companies Act, 2013.

COMMITTEES OF THE BOARD OF DIRECTORS

The Company has the following committees which have been established as a part of the corporate governance practices and are in compliance with the requirements of the Companies Act, 2013 and the Listing Regulations.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee (constituted in the Board Meeting held on May 22, 2023)
- Dividend Distribution Committee (constituted in the Board Meeting held on May 22, 2023; dissolved in the Board Meeting held on August 12, 2023)

The details with respect to the compositions, roles, number of meetings held during the year is detailed in the corporate governance report of the Company, which forms a part of this Report.

BOARD EVALUATION

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provisions of the Act and the Listing Regulations. The Board evaluated its performance after seeking inputs from all the Directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members based on criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria's are broadly based on the Guidance note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. In a separate meeting of IDs, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of the Executive Director and NEDs. The NRC reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. and the Board as a whole. In the Board meeting that followed the meeting of the IDs and meeting of the NRC, the performance of the Board, its committees and individual Directors was also discussed. The evaluation process endorsed the Board's confidence in the ethics standards of the Company, cohesiveness amongst the Board members, flexibility of the Board and management in navigating the various challenges faced from time to time and openness of the management in sharing strategic information with the Board.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has one subsidiary namely RACL Geartech GmbH which was incorporated in Austria in February, 2019. The consolidated financial statements presented by the Company include the financial information of RACL Geartech GmbH and have been prepared in compliance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India ("ICAI").

The Company has no Joint Venture or Associate Company. There has been no material change in the nature of the business of its subsidiary.

Pursuant to provisions of Section 129(3) of the Act, a separate statement containing the salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached with the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements along with relevant documents and separate accounts in respect of RACL Geartech GmbH, are available on the website of the Company.

AUDITORS & AUDITORS' REPORT

A. STATUTORY AUDITORS

At the 37th AGM held on September 21, 2020, the Members approved the re-appointment of M/s. Gianender & Associates (ICAI Firm Registration Number: 004661N), as the Statutory Auditors of the Company for a second term of 5 years commencing from the conclusion of 37th AGM till the conclusion of the 42nd AGM to be held in the year 2025.

The standalone and consolidated financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act. The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers. The Statutory Auditors of the Company have not reported any fraud to the Audit Committee of Directors as specified under Section 143(12) of the Act, during the year under review.

B. SECRETARIAL AUDITOR

M/s. Rosy Jaiswal & Co., Company Secretaries (Peer Review Number: 2298/2022), were appointed as Secretarial Auditors of your Company to conduct a Secretarial Audit of records and documents of the Company for FY24. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances. The Secretarial Audit Report is provided in **Annexure - A** to this Report.

C. INTERNAL AUDITOR

Pursuant to provisions of Section 138 of the Act, the Board of Directors at its Meeting held on May 27, 2024 appointed Protiviti India Member Private Limited as Internal Auditors of the Company for the financial year 2024-25. The Internal Auditors of the Company provided their reports to the Audit Committee and Board of Directors periodically.

On recommendation of the Audit Committee, the Board of Directors approved the re-appointment of M/s Protiviti India Member Private Limited as Internal Auditors of the Company for the Financial Year 2024-25.

COST AUDIT AND MAINTENANCE OF COST RECORDS

Pursuant to Companies (Cost Records and Audit) Amendment Rules, 2014 notified by the Ministry of Corporate Affairs (MCA) on December 31, 2014, the Company is not mandatorily required to get its Cost Records for the financial year 2023-24 audited in terms of provisions of Section 148 of the Act and maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act, was also not required to be maintained by the Company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes affecting the financial position of the Company subsequent to the close of FY 2023-24 till the date of this report.

PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, there were no instances of onetime settlement with any Banks or Financial Institutions.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has devised systems, policies, and procedures/ frameworks which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to policies, safeguarding its assets, prevention and detection of frauds

and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with the best practices, the Audit & Risk Management Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals. The systems/frameworks include proper delegation of authority, operating philosophies, policies and procedures, effective IT systems aligned to business requirements, an internal audit framework an ethics framework, a risk management framework, and adequate segregation of duties to ensure an acceptable level of risk. The Code covers transparency in financial reports, ethical conduct, compliant to regulations, disagreement of interest review, and reporting of matters. All audit cognitions and subsequent steps thereon are trailed for determination by the Internal Audit part and reported to the Audit Committee.

VIGIL MECHANISM

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Company's Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Company's Code of Conduct cannot be undermined.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of Directors of the Company for redressal. No person has been denied access to the Chairman of the Audit Committee of Directors. Whistle Blower Policy of the Company can be accessed at given weblink: www.raclgeartech.com.

RISK MANAGEMENT

The Board has formed a Risk Management Committee for overseeing the Company's risk management processes and systems and implementation of the risk management policy. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee of Directors has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34(2)(e) of Listing Regulations, Management Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of the Listing Regulations, a separate section on the Corporate Governance Report, forms an integral part of the Annual Report. A certificate from Ms. Rosy Jaiswal, Practicing Company Secretary confirming compliance with corporate governance norms, as stipulated under the Listing Regulations, is annexed to the Corporate Governance Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

In accordance with Regulation 34(2)(f) of the Listing Regulations, BRSR, covering disclosures on the Company's performance on Environment, Social and Governance parameters for FY24 in the prescribed format, is part of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

ANNUAL RETURN

As provided under Section 92(3) and 134(3)(a) of the Act, the Annual Return in the prescribed format is available on the website of the Company at www.raclgeartech.com.

SECRETARIAL STANDARDS

Your Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Act are given in the Notes to the Financial Statements.

RELATED PARTY CONTRACTS & ARRANGEMENTS

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same has been placed on company's website; www.raclgeartech.com. During the year under review, all transactions entered into with related parties were approved by the Audit Committee of Directors. Certain transactions, which were repetitive in nature, were approved through omnibus route. As per the Listing Regulations, any related party transaction exceeding Rs 1,000 crore or 10% of the annual consolidated turnover, as per the last audited financial statement whichever is lower, is considered as material and requires Members approval. Accordingly, the Company sought and obtained necessary Members approval for the year under review. However, there were no material transactions with any related parties as per the Act. Disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is annexed to this report as **Annexure- B**.

CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to ensure the well-being of the community and environment in which it operates.

Corporate Social Responsibility ('CSR') forms an integral part of our business activities. The Company's CSR Policy also reflects the Company's commitment towards society and environment. The CSR initiatives are carried out by the Company through a variety of effective programs in accordance with the requirements of Section 135 and Schedule VII of the Companies Act, 2013, and rules made thereunder ('the Act'). The Corporate Social Responsibility Committee and the Board of Directors closely review and monitor, from time to time, the various CSR activities undertaken by the Company. A detailed description of the programs/ activities is contained in the Annual CSR Report which forms an integral part of this Report and is annexed as **Annexure - C**. The contents of the CSR Policy as well as the CSR programs undertaken by the Company are available on the Company's website at www.raclgeartech.com.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

- A. Conservation of Energy: The Company has a longstanding history of efficient management of all its assets and resources. The Company's conscious efforts are aligned with the ethos of keeping communities and environment at the heart of doing business. Green power is sourced on the basis of long-term power purchase agreements to ensure stability of prices and supplies, with the generation source being that of solar. In this rapidly transforming world, our sustainability goals will certainly evolve as our industry grows and as per the needs arising in the society.
- B. Technology Absorption: The Company continues to adopt and use the latest technologies to improve the efficiency and effectiveness of its business operations.
- C. Foreign Exchange Earnings and Outgo:

Particulars	Amount (Rs. In Lakh)
Foreign Exchange Earnings	30955.31
Foreign Exchange Outgo	7047.89

Further, details with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is attached as **Annexure - D** to this Report.

HUMAN RESOURCE

At RACL Geartech Limited, we believe that our employees are our most important asset. Our commitment to foster a positive, harmonious and productive environment has been unwavering throughout the last year. We have continued to strengthen and elevate the positivity and consistency of our value based behavior through enhanced communication, engagement, inclusion and overall well being. We have successfully maintained a harmonious relationship with our workforce. We have maintained an open & transparent communication policy, that encourages employees across all levels to share their ideas, concerns, and feedback to improve our sites. At RACL, we do recognize the importance of continuous learning, we continue to leverage our training program on anti bribery, human rights, Prevention of Sexual Harassment ('POSH'), Safety, Quality and other operating fundamentals.

INDUSTRIAL RELATIONS

During the year under review, industrial relations remained harmonious at all our offices and establishments. We maintained a pleasant and cordial working environment across all manufacturing locations and witnessed a high in productivity at most of our manufacturing locations. The total number of permanent employees at RACL including plants stands at approx. 670 at the close of business hours on March 31, 2024.

PARTICULARS OF EMPLOYEES

Information as per Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure - E** to this Report. The statement containing the names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the aforementioned Rules forms integral part of this Report.

REMUNERATION POLICY

The Nomination & Remuneration Policy adopted by the Board on the recommendation of NRC enumerates the criteria for assessment and appointment/re-appointment of Directors, KMP and SMP on the basis of their qualifications, knowledge, skill, industrial orientation, independence, professional and functional expertise among other parameters with no bias on the grounds of ethnicity, nationality, gender or race or any other such discriminatory factor. Policy enables the Company to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. The current policy is available on Company's website at www.raclgeartech.com. Company ensures compliance with the Policy in true letter and spirit.

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

Your Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the workplace, to provide protection to employees at the workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. To uphold this commitment, we have established an Internal Complaints Committee (ICC) dedicated to the thorough investigation and resolution of sexual harassment allegations. We strongly encourage employees to voice their concerns and report any incidents of harassment to the ICC without hesitation.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been provided in the Report on Corporate Governance.

HEALTH, SAFETY AND ENVIRONMENT

RACL Geartech Limited gives importance to safety, health and well-being of its employees and all the people working for the Company. The absolute respect of Environment, Health and Safety (EHS) is on the top priority of RACL Geartech Limited. The Company is working hard to reduce the number of accidents to Zero. The Company encourages and ensures that not only its employees but also its subcontractors working on Company's plants as well as its suppliers comply with the occupational, health and safety measures.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Company's Directors, based on the representations received from the Management, confirm that:

- a. in the preparation of the Annual Accounts for the Financial Year ended March 31, 2024, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit and loss of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance

with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. the annual accounts have been prepared on a going concern basis.
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively and;
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

On behalf of the Directors of the Company, I would like to place on record our deep appreciation to our shareholders, customers, business partners, vendors, bankers, and financial institutions for all the support rendered during the year. The Directors thank the Government of India, Governments of various States in India, Governments of various Countries, and concerned Government Departments for their cooperation.

The Directors appreciate and value the contribution made by all our employees and their families and the contribution made by every other member of the RACL family.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
RACL GEARTECH LIMITED**

**GURSHARAN SINGH
(CHAIRMAN & MANAGING DIRECTOR)
DIN: 00057602**

**DATE: AUGUST 12, 2024
PLACE: NOIDA**

Annexure - A
Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

To,
The Members,
M/s RACL Geartech Limited
B - 9, Sector 3, Noida UP 201301 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s RACL Geartech Limited (CIN:L34300DL1983PLC016136) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s RACL Geartech Limited ("The Company") for the financial year ended on, 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period);
- (i) We further report that with respect to the compliance of the below mentioned laws, we have relied on the compliance system prevailing in the Company and on the basis of representation received from the Management: -**
- (i) The Employees' State Insurance Act, 1948, The Employee State Insurance (Central) Rules, 1950 and The Employee State Insurance (General) Regulation, 1950
- (ii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Rules, 2013
- (iii) The Employees Provident Funds and Miscellaneous Provisions Act, 1952 and Employees' Provident Funds Scheme, 1952
- (iv) The Factories Act, 1948
- (v) The Employees Compensation Act, 1923
- (vi) The Contract Labour Regulation and Abolition Act, 1970
- (vii) The Industrial Dispute Act, 1947
- (viii) The Maternity Benefits Act, 1961
- (ix) The Minimum Wages Act, 1948
- (x) The Payment of Bonus Act, 1965
- (xi) The Payment of Wages Act, 1936
- (xii) The Environment (Protection) Act, 1986 and Rules made thereunder
- (xiii) The Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder
- (xiv) The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder
- (xv) The Plastic Waste Management Rules, 2016
- (xvi) Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2016
- (xvii) The Micro, Small and Medium Enterprise Development Act, (MSMED) 2006

We have also examined compliance with the applicable clauses/ Provisions of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India have been followed by the Company.
- (b) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the Listing agreement entered by the Company with the Stock Exchange i.e. BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 etc.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The Company has kept and maintained registers/records as required under the Companies Act, 2013 and all entries there in have been duly recorded within the time prescribed thereof.

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or respective Committee of the Board, as the case may be.

We further report that as per the explanations given to me and the representations made by the Management and relied upon by me there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this Report:

Place: New Delhi

Date: June 21, 2024

**For Rosy Jaiswal & Associates
Company Secretaries**

Rosy Jaiswal (Proprietor)

ACS No. 28432,

C.P No. 21968

UDIN: A028432F000599728

Peer Review Certificate No:2298/2022

Annexure 1 (forming part of Secretarial Audit Report)

To,
The Members,
M/s RACL Geartech Limited
B - 9, Sector 3, Noida UP 201301 IN

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, I followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, We obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Delhi
Date: June 21, 2024

For Rosy Jaiswal & Associates
Company Secretaries

Rosy Jaiswal(Proprietor)
ACS No. 28432,
C.P No. 21968
UDIN: A028432F000599728
Peer Review Certificate No:2298/2022

ANNEXURE - B TO THE BOARD REPORT FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. Details of contracts or arrangements or transactions not at Arm's length basis:

The Company has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business, not at arm's length during the financial year ended 31st March, 2024. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules.

S. No	Particulars	Details
a)	Names (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements /transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required Nil under first proviso to section 188	NA

2. Details of material contracts or arrangements or transactions at Arm's Length basis:

The Company has not entered into any material contract/arrangement/transaction with its related parties.

S. No	Particulars	Details
a)	Name (s) of the related party and nature of relationship	NA
b)	Nature of contracts/arrangements/transactions	NA
c)	Duration of the contracts/arrangements/transactions	NA
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
e)	Date of approval by the Board	NA
f)	Amount paid as advances, if any	NA

FOR RACL GEARTECH LIMITED

GURSHARAN SINGH

CHAIRMAN AND MANAGING DIRECTOR

DIN: 00057602

ANNEXURE - C TO THE BOARD REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES FOR THE YEAR ENDED 31ST MARCH, 2024

1. Brief Outline of the Company’s CSR Policy of the Company.

The Company has framed a Corporate Social Responsibility (CSR) Policy in compliance with Section 135 of the Companies Act, 2013 and is available on the Website of the Company at www.raclgeartech.com.

2. Composition of CSR Committee:

S. No	Name of Director	Designation	Position Held in CSR Committee	No. of Meetings of CSR Committee held during the year	No. of Meetings of CSR Committee attended during the year
1.	Brig. Harinder Pal Singh Bedi (Retd.)	Independent Director	Chairperson	2	2
2.	Mrs. Narinder Paul Kaur	Non- Executive Non- Independent Director	Member	2	2
3.	Mr. Anil Sharma	Non- Executive Non- Independent Director	Member	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company- www.raclgeartech.com

4. 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). NA.

5. 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 - NA.

6. Average net profit of the Company as per Section 135(5): Rs. 4382.82 Lakh

7. a. Two percent of average net profit of the company as per section 135(5)- Rs. 74.56 Lakh

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years- Rs. 5.14 Lakh

c. Amount required to be set off for the financial year, if any: N.A.

d. Total CSR obligation for the financial year (7a+7b-7c): Rs. 79.7 Lakh

8. a. CSR amount spent or unspent for the financial year: (Rs. in Lakh)

Total Amount Spent for the Financial Year.	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer*	Name of the Fund	Amount	Date of transfer
73.24	6.46	29-04-2024	-	-	-

b. Details of CSR amount spent against ongoing projects for the financial year:

S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project Duration	Amount allocated for the project (p.a.)	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Regn No.
1.	Bright Tomorrow	Promoting Education	Yes	Uttar Pradesh	Noida	4 Years	44.60	43.07	1.53	Yes	NA	NA
2.	Computer Education	Promoting Education	Yes	Uttar Pradesh	Noida	4 Years				Yes	NA	NA
3.	Shining Stars	Employment enhancing vocation skills	Yes	Uttar Pradesh	Noida	4 Years	3.92	3.02	0.9	Yes	NA	NA

c. Details of CSR amount spent against other than ongoing projects for the financial year

S. No	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 in the current financial Year (Rs. In Lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Regn No.
1.	-	Promoting Education	Yes	Uttar Pradesh	Noida	9.63	No	Sun-Up Foundation	CSR00026305
2.	-	Infrastructure for Education	Yes	Uttar Pradesh	Noida	11.87	No	Sun-Up Foundation	CSR00026305
3.	-	Promotion of Healthcare	Yes	Uttar Pradesh	Noida	5.65	No	Sun-Up Foundation	CSR00026305

- d. Amount spent in Administrative Overheads-** NIL
- e. Amount spent on Impact Assessment, if applicable-** NA
- f. Total amount spent for the Financial Year (8b+8c+8d+8e)-** Rs. 73.24 Lakh
- g. Excess amount for set off, if any-** NA

9. a. Details of Unspent CSR amount for the preceding three financial years: (Rs. in Lakh)

S. No	Preceding FY	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting FY (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.	2020-21	NA	2.98	NA	NA	NA	NA
2.	2021-22	8.14	8.14	NA	NA	NA	NA
3.	2022-23	6.46	6.46	NA	NA	NA	NA

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): (Rs. in Lakh)

S. No	Project ID	Name of the Project	FY in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting FY	Cumulative amount spent at the end of reporting FY.	Status of the project-Completed /Ongoing
1.	-	Bright Tomorrow	2020-21	4 years	-	43.07	85.33	Ongoing
2.	-	Computer Education	2020-21	4 years	-			Ongoing
3.	-	Shining Stars	2020-21	4 years	-	3.02	6.14	Ongoing

Note: The allocation of amount for each project is done at the start of the financial year in accordance with the CSR Budget of the Company.

10. 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: N.A.

- Date of creation or acquisition of the capital asset(s)
- Amount of CSR spent for creation or acquisition of capital asset
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)- The unspent amount pertains to ongoing projects undertaken by the Company.

PLACE: NOIDA

DATE: AUGUST 12, 2024

GURSHARAN SINGH
CHAIRMAN & MANAGING DIRECTOR
DIN: 00057602

BRIG. H.P.S. BEDI (RETD.)
CHAIRPERSON OF CSR COMMITTEE
DIN: 05217488

ANNEXURE - D TO THE BOARD REPORT

Information on conservation of energy, Technology absorption, foreign exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules 2014 are provided hereunder:

A. CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy: -

- Power Factor Improvement activity was carried out through installation of Automatic Capacitor Panels. There was a net energy saving of 48221 units and Rs. 3.6 Lakhs in FY 23-24;
- There was an energy conservation through automatic control of continuous duty motors thus saving 237700 units and Rs. 17.82 Lakhs in FY 23-24

(ii) Steps taken by the Company for utilizing alternate sources of energy: -

- Commissioning of 1203 kWp Roof Top Solar Power Plant: Successfully commissioned a 1203 kWp rooftop solar power plant with installations completed in February and December 2023. The solar power plant generated significant savings, amounting to INR 23.39 lakh for the fiscal year 23-24. The implementation of this solar power plant contributed to a substantial reduction in carbon footprint, with a decrease of over 720 tons of CO₂ emissions annually.
- Commissioning of Roof Top Solar Water Heating System: Installing a solar water heating system on the roof of the housing campus to provide efficient hot water supply, thereby achieved approximate savings of INR 2.5 lakh for FY 23-24, with projected annual savings of INR 4 lakh. This system enhances energy conservation by utilizing solar energy for hot water, reducing reliance on conventional energy sources and lowering overall energy consumption.
- The Company has entered into a Power Purchase Agreement with Sunsire Solarpark Ten Private Limited on 7th July, 2023 for 4MW of solar energy.

(iii) Capital Investment on energy conservation equipment: -

- The company implemented rooftop solar power plant under a 25-year Operational Expenditure (OPEX) model agreement. This approach involved no upfront capital investment from the company.
- Solar Water Heating System Specifications: Commissioned a solar water heating system with a total capacity of 12 KL, consisting of 6 units, to serve the housing campus.
- During the FY 23-24, the Company entered into a Power Purchase Agreement with Oriana Power Limited for installation of a solar photo voltaic power plant in Gajraula.

B. TECHNOLOGY ABSORPTION, ADAPTATION, INNOVATION, BENEFITS AND FUTURE PLANS OF ACTIONS

(i) Efforts made towards technology absorption;

- Enhancement of capacity by addition of high-speed NC helix CNC 7 Gear shaping Machine to achieve productivity, at better Quality level & having flexibility of variety of helical gears without any additional tooling investment.
- Enhancement of capacity by addition of 5 Axis gear shaving machine producing the parts with high degree of accuracy thus meeting the stringent quality requirement.
- Addition of new 5 Axis CNC Multitasking Turn Mill center with all 5 Axis simultaneous interpolation, enabling all turning and milling application for producing intricate profiles. This technology is being used for EV applications as well.

- Enhancement of capacity by addition of CNC CBN Cylindrical grinder which is highly capable for maintaining stringent quality requirement with very high productivity level thus meeting all requirements for EV application as well.
- Addition of State-of-the-Art Pre-Tool setting and inspection machine with complete automation in tool measurement & setting, thus helping in reducing of initial set up rejection.
- Installation of state of art 3 D Laser marking machine for live data collection and storage from inspection benches, thus enabling end to end traceability of parts.
- Addition of new CNC Video measuring machine for inspection of intricate profile shapes with high degree of accuracy and at faster time cycles.
- Addition of new technology ECM deburring machine for targeted material removal at precisely defined location which are hard to machine.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution;

- In house development of assembly stations with Poka Yoke of sequencing of assembly parts.
- In house development of Billet loading conveyor for Induction heating of Forging processes, thus, achieving higher productivity and man power saving.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

a) Details of technology imported:

- Power skiving machine from Gleson – Germany.
- CNC 3 Axis gear shaping machine from CJMT China
- 5 Axis CNC shaving machine from Nidec Japan
- 5 Axis CNC Turn mill center (Integrex I 100) from MAZAK Japan.
- CNC CBN cylindrical grinder from Erwin Junker Germany.
- CNC Video Measuring Machine from NIKON Corporation Japan
- 3 D Laser marker – Keyence – Japan
- Fully Automatic Metallurgical Microscope from Mitutoyo, Japan
- CNC Turn Grind Machine- EMAQ Germany.

(b) Year of import: 2023

(c) Whether the technology been fully absorbed: Yes

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA

(iv) Expenditure incurred on Research and Development. :- NA

C. Foreign Exchange Earnings and Outgo

Foreign Exchange Earned in terms of actual inflows during the year and Foreign Exchange Outgo during the year in terms of actual outflows:

Particulars	Amount (Rs. In Lakh)
Foreign Exchange Earnings	30955.31
Foreign Exchange Outgo	7047.89

ANNEXURE - E TO THE BOARD REPORT

PARTICULARS OF EMPLOYEES

A. The information required under section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as under:

- 1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year ended March 31, 2024:**

S. No	Name of Director	Designation	Remuneration Paid during year ended March 31, 2024 (Rs. In Lakhs)	Ratio	% increase/ (decrease) in remuneration for the financial year ended March 31, 2024
1	Mr. Gursharan Singh	Chairman & Managing Director	275.93	67.07	33.07
2	Mr. Dev Raj Arya*	Whole-time Director & CFO	32.34	7.86	(58.68)
3	Mrs. Narinder Paul Kaur	Non- executive Non-Independent Director	31.95	7.77	23.12
4	Mr. Anil Sharma	Non- executive Non-Independent Director	29.45	7.16	11.34
5	Mr. Shashank Ramesh Anikhindi	Independent Director	2.95	0.72	NA
6	Mr. Jagdish Keswani	Independent Director	4.09	0.99	NA
7	Brig. Harinder Pal Singh Bedi (Retd.)	Independent Director	1.95	0.47	NA
8	Ms. Malini Bansal	Independent Director	3.35	0.81	NA

*Mr. Dev Raj Arya has been relieved from the office of director as well as CFO w.e.f October 21, 2023, therefore his remuneration is upto October 21, 2023

- 2. The percentage change in the median remuneration of the employees during the year ended March 31, 2024:**

The percentage increase in the median remuneration of the employees noted on March 31, 2023 and March 31, 2024 respectively is 15.83 %.

- 3. The number of permanent employees on the rolls of Company:**

The total number of permanent employees on pay rolls of the Company as on March 31, 2024 is 670.

- 4. Average percentile increase made in the salaries of Employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration:**

The average percentile increase in the salaries during the year ended March 31, 2024:

Managerial Personnel: 15.83%

Employees other than Managerial Personnel: 14.18%

The remuneration to Managerial Personnel is as approved by the shareholders and Board under the provisions of the Companies Act, 2013. The increase in employee remunerations has been made corresponding to Managerial Remuneration.

5. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

B. The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A. Names of Top Ten Employees in terms of Remuneration as on March 31, 2024:

S. No	Name of Employees	Designation	Remuneration (Rs. in Lakhs)	Nature of employment (Contractual or otherwise)	Qualification	Experience (Yrs.)	Date of Commencement of employment with RACL Geartech Ltd.	Age (Yrs.)	Last employment before joining the Company	% of Equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company
1.	Mr. Gursharan Singh	Chairman & Managing Director	275.93	Permanent	Diploma in Mechanical Engineering, PGDM Export Management	42	05.10.1987	62	Escort Tractors Ltd. (Ford)	36.57%	Yes
2.	Mr. Jitender Jain	Vice President (CFO)	47.25	Permanent	CA	20	01.09.2023	44	Citi Bank, RBL Bank	0.00%	No
3.	Mr. Rajiv Kumar Goel	Vice President	42.348	Permanent	B. Tech (Mechanical)	33	01.10.1990	57	NA	0.18%	No
4.	Mr. Hemant Kumar	General Manager	30.60	Permanent	AME, Mechanical Engineering, Diploma in Mechanical Engineering	33	18.08.2008	56	Lumax Industries	0.00%	No
5.	Mr. Naveen Chandra Agarwal	General Manager	28.23	Permanent	B. Tech (Production)	33	09.08.1991	58	Vxl India Ltd., Faridabad	0.08%	No
6.	Mr. Prabh Mehar Singh	Vice President	27.42	Permanent	Masters in Management (Finance)	12	15.02.2016	33	KPMG India	0.00%	Yes
7.	Mr. Syed Mustahsan Jalil	Deputy General Manager	24.24	Permanent	Diploma in Electrical Engineering	33	08.01.2008	56	Getrag Gears, Antek Auto, HSPP	0.00%	No
8.	Mr. Uday Kumar Raghavan	Deputy General Manager	24.12	Permanent	B. Tech Mechanical	33	01.02.1996	55	Sara Services & Engineering Pvt. Ltd.	0.06%	No

S. No	Name of Employees	Designation	Remuneration (Rs. in Lakhs)	Nature of employment (Contractual or otherwise)	Qualification	Experience (Yrs.)	Date of Commencement of employment with RACL Geartech Ltd.	Age (Yrs.)	Last employment before joining the Company	% of Equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company
9.	Mr. Achyutrao B. Kadam	General Manager	22.884	Permanent	BE Mechanical	27	08.08.2022	47	Zenith Forge, NAW, Mahindra Vehicles	0.00%	No
10.	Mr. Richie Pal Singh	JGM	21.204	Permanent	B. Tech Mechanical	20	04.04.2023	44	Modern Automotive, Sansera Engineering	0.00%	No

B. Employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rs. 1,02,00,000/-

S. No	Name of Employees	Designation	Remuneration (Rs. in Lakhs)	Nature of employment (Contractual or otherwise)	Qualification	Experience (Yrs.)	Date of Commencement of employment with RACL Geartech Ltd.	Age (Yrs.)	Last employment before joining the Company	% of Equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company
1.	Gursharan Singh	Chairman & Managing Director	275.93	Permanent	Diploma in Mechanical Engineering, PGDM Export Management	42	05.10.1987	61	Escort Tractors Ltd. (Ford)	36.57%	Yes

Employed for part of the Financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- per month:

S. No	Name of Employees	Designation	Remuneration (Rs. in Lakhs)	Nature of employment (Contractual or otherwise)	Qualification and Experience	Date of Commencement of employment	Age (Yrs.)	Last employment before joining the Company	% of Equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company
N.A.										

- C. Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.**

S. No	Name of Employees	Designation	Remuneration (Rs. in Lakhs)	Nature of employment (Contractual or otherwise)	Qualification and Experience	Date of Commencement of employment	Age (Yrs.)	Last employment before joining the Company	% of Equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company
N.A.										

FOR RACL GEARTECH LIMITED

PLACE: NOIDA

GURSHARAN SINGH

DATE: AUGUST 12, 2024

CHAIRMAN & MANAGING DIRECTOR

(DIN: 00057602)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global Economy

The global economy is doing better than expected as the year began, showing signs of growth based on various key indicators. However, high levels of debt and ongoing geopolitical conflicts pose risks to global growth and inflation in the medium term. Although the US economy has remained resilient, higher-than-anticipated inflation has delayed interest rate cuts by the Federal Reserve. Meanwhile, the economies in the UK and Europe remain weak. Concerns about a potential real estate bubble in China could further hinder economic recovery. For many developing countries, the medium-term outlook has worsened due to slowing growth, sluggish global trade, and tighter financial conditions. Fluctuations in crude oil prices and ongoing shipping issues in the Red Sea could further complicate global supply chains and drive up inflation. The Middle East is also facing economic pressure due to the conflict in Israel; any escalation could have broader economic implications for the region. Structural reforms are essential for boosting growth in the Middle East, especially by diversifying into clean energy and other industries beyond oil. Despite these challenges, India is poised to become the third-largest economy by 2027, surpassing Japan and Germany. It is also the fastest-growing large economy, supported by a young population, strengthening institutions, and effective governance.

Indian Economy

The financial year 2023-24 has presented a mix of opportunities and challenges. On one hand, domestic economic activity has shown resilience due to strong local demand; on the other hand, global geopolitical uncertainties have affected inflation, interest rates, and supply chains. Despite these global challenges, the Indian economy has displayed strength, achieving a growth rate of 8.2% for FY 2023-24, driven primarily by government infrastructure investments. Improved manufacturing output, a thriving auto and real estate sector, healthy corporate finances, strong credit growth, increased tax revenues, and manageable inflation levels are all contributing to India's economic growth. We expect this positive momentum to continue next fiscal year, supported by strong domestic demand, easing inflation, targeted government spending, and a robust manufacturing sector. While private sector capital spending has been cautious in FY 2023-24, it is projected to pick up next year, driven by global supply chain diversification and the government's Production Linked Incentive (PLI) scheme aimed at boosting manufacturing industries. Nevertheless, challenges such as geopolitical tensions, fluctuations in international financial markets, trade disruptions, and extreme weather events could pose risks to this otherwise optimistic outlook. With its structural reforms and improving infrastructure—both physical and digital—India is well-positioned to navigate these challenges and emerge stronger.

Automobile Industry

Global Automobile Industry

The global automotive market, valued at USD 29.09 billion in 2023, is projected to grow to approximately USD 42.86 billion by 2032, reflecting a compound annual growth rate (CAGR) of 4.4%. The Asia-Pacific region leads with a market size of USD 12.52 billion, driven by rising demands for high engine performance and increasing disposable incomes. Europe and North America also contribute significantly, with growth fuelled by advanced technologies and improved facilities. Despite challenges like geopolitical tensions impacting the supply chain and increasing costs, the industry remains resilient, buoyed by technological advancements and heightened demand for high-end vehicle features.

However, the status quo is being challenged and the industry faces massive ongoing transformations, such as the shift from internal combustion engines to electrified powertrains and a shift in focus from hardware to differentiation through software. This dynamic has allowed new entrants in Europe and abroad—especially in China, the largest automotive market in the world to disrupt the market and win market share. In 2022, China

surpassed Germany in light-vehicle exports for the first time, with exports of about 3.0 million vehicles, in contrast to Germany's 2.6 million. These transformative forces overlap with a challenging macroeconomic environment in Europe, including rising energy costs, inflation, and geopolitical tensions. All of these factors have greatly affected the European auto industry and make navigating the sector's transformation challenging. A prosperous future for the European automotive industry will therefore depend on how well and quickly it responds and how European stakeholders can shape the necessary conditions for future success.

The European automobile sector remains a dynamic and influential market, characterized by strong growth in electric mobility and stringent regulatory standards. Both two-wheelers and four-wheelers are witnessing significant transformations driven by technological innovation and environmental policies. Companies operating in this sector must navigate regulatory challenges while leveraging opportunities for growth in sustainable and advanced mobility solutions.

In fact, the automotive OEM sector has entered a period of decline and disruption. Emerging out of the pandemic is a perfect storm that threatens to change the fortunes of the automotive industry forever.

Five key factors are driving this perfect storm:

1. **Drop in demand:** Increasing economic uncertainty could mean post-pandemic demand never materializes.
2. **Socio-demographic change:** Aging populations and declining purchasing power could slow new car sales.
3. **Shift to EVs:** The move to EVs will reduce labor intensity and erode market value for traditional OEM suppliers.
4. **Suppliers near peak debt:** The majority of traditional OEM suppliers could face financial distress.
5. **Price parity comes early:** Inflation and rising costs could affect the ICE and EV market differently.

In 2024, the automotive industry is set for a turbulent year with global challenges like the energy crisis, slower demand, and ongoing supply chain disruptions. Despite these headwinds, global car sales are expected to hold steady at around 69 million, driven by expanding markets in developing regions like China and India.

Automobile Industry in India

Historically, the Indian automobile industry has been a strong indicator of the economy's health, playing a significant role in both economic growth and technological progress. The two-wheeler segment leads the market in volume due to the growing middle class and a young population. Additionally, increasing interest from companies in rural markets has further boosted the sector. Rising demand in the logistics and passenger transport sectors is also driving growth in commercial vehicles. Future market expansion is expected to be fuelled by trends like vehicle electrification, particularly among three-wheelers and compact passenger cars.

India holds a strong position in the global market for heavy vehicles, being the largest producer of tractors, the second-largest manufacturer of buses, and the third-largest producer of heavy trucks. In January 2024 alone, passenger vehicle sales reached 393,074 units, marking a 14% growth compared to January 2023, the highest monthly sales recorded. Additionally, India achieved a milestone with the sale of 1,325,112 electric vehicles (EVs) in FY24 (up to January 2024). India has a strong market in terms of domestic demand and exports. In April, 2024, the total production of passenger vehicles, three-wheelers, two-wheelers, and quadricycles was 23,58,041 units. The Indian EV market is expected to reach US\$ 7.09 billion (Rs.50,000 crore) by 2025, and according to NITI Aayog, the EV financing sector is projected to grow to US\$ 50 billion (Rs. 3.7 lakh crore) by 2030. A report by the India Energy Storage Alliance anticipates that the EV market will grow at a CAGR of 36% until 2026, while the EV battery market is projected to expand at a CAGR of 30% during the same period.

To meet rising demand, several automakers have made significant investments across various industry segments in recent months. The automobile sector has attracted cumulative foreign direct investment (FDI) inflows of about \$35.65 billion from April 2000 to December 2023. The Government of India supports foreign investment in this sector and allows 100% FDI through the automatic route. In January 2024, the Ministry of Heavy Industries extended the Production Linked Incentive (PLI) Scheme for Automobile and Auto Components by an additional year, making it applicable for five consecutive financial years until March 31, 2028.

The automobile industry relies on several factors, such as access to skilled labor at competitive costs, strong R&D capabilities, and affordable steel production. The sector offers significant investment opportunities and creates both direct and indirect jobs for skilled and unskilled workers. The electric vehicle industry alone is expected to generate 50 million jobs by 2030. To address the industry's needs, the Ministry of Heavy Industries has extended the PLI Scheme for Automobile and Auto Components for one more year, offering incentives for achieving sales targets over five consecutive financial years from 2023-24 to 2027-28, with incentive payments made in the following financial year.

Auto Components Industry in India

Overview

In recent years, India has emerged as the fastest-growing economy in the world. This rapid growth, along with rising incomes, increased infrastructure spending, and better manufacturing incentives, has greatly boosted the automobile industry. The two-wheeler segment has been particularly strong, driven by the growing middle class, with total automobile sales reaching 19.72 million units from April to January in FY24.

As demand for vehicles has increased, more manufacturers of original equipment and auto components have entered the market. Consequently, India has developed significant expertise in both vehicles and their parts, resulting in heightened international demand for these products. Therefore, the Indian automobile sector plays a crucial role in the success of the auto components industry.

Industry Impact

India's auto component industry is a key player in promoting economic growth and generating jobs. It consists of businesses of all sizes, from large corporations to small enterprises, spread across various regions of the country. This sector represents 2.3% of India's GDP and employs over 1.5 million people. By 2026, it's expected that the auto component sector will contribute between 5-7% to India's GDP.

India's auto components industry's market share has significantly expanded, led by increasing demand for automobiles by the growing middle class and exports globally. The automobile component industry turnover stood at Rs. 2.9 lakh crore (US\$ 36.1 billion) in H1 2023-24 the industry had revenue growth of 12.6% as compared to H1 2022-23. Domestic OEM supplies contributed 66% to the industry's turnover, followed by domestic aftermarket (12%) and exports (22.3%) in FY23. The component sales to OEMs in the domestic market grew by 13.9% to US\$ 30.57 billion (Rs. 2.54 lakh crore). In H1 2023-24, exports of auto components grew by 2.7% to Rs. 85,870 crore (US\$ 10.4 billion). The aftermarket for auto components grew by 7.5% in H1 2023-24 reaching Rs. 45,158 crore (US\$ 5.5 billion).

Investment Landscape

The Indian automobile sector has seen significant investments from both domestic and international manufacturers, with a foreign direct investment (FDI) inflow of US\$ 35.65 billion from April to December 2023, accounting for approximately 5.35% of total FDI inflows into India during this period.

The Indian government is committed to promoting electric vehicles (EVs) and aims for 30% of all vehicles to be

electric by 2030. In the latest budget, customs duty exemptions were announced for importing machinery and goods necessary for manufacturing lithium-ion batteries, typically used in EVs.

Future Prospects

The Bharat New Car Assessment Program (BNCAP) aims to enhance the auto component sector's value chain by encouraging the production of advanced components and fostering innovation and global standards. As the world transitions towards electric, electronic, and hybrid vehicles—which are seen as safer and more efficient—new opportunities for the transportation industry are emerging. The next decade is set to bring more options and growth prospects for auto component manufacturers. To help with these changes, the Indian government is providing various production incentives and investing heavily in EV infrastructure.

Manufacturers are now focusing on sustainable solutions, lightweight materials, and efficient production processes to meet the automotive sector's evolving needs. There is also an increasing emphasis on digitalization and data analytics to optimize operations and improve product performance. As the automotive sector continues to evolve, the auto components industry will be vital in shaping the future of mobility. Success in this competitive market will depend on strong collaboration with automakers, investment in research and development, and adaptation to changing regulations.

Opportunities

- **Fuel-Efficient Vehicles:** Improved fuel combustion engines and cost-efficiency programs present great opportunities, especially in emerging markets where demand for fuel-efficient cars remains strong.
- **Changing Lifestyles and Consumer Groups:** Increased access to data and information, along with evolving customer preferences and heightened safety regulations, will fuel industry growth.
- **Market Expansion:** Expanding into new regions, such as Asian and BRIC nations, is expected to significantly increase vehicle demand.

Strengths

- **Evolving Industry:** The ongoing growth of the automobile sector enhances people's ability to live, work, and travel, which is likely to keep fuel demand high in the future.
- **Innovation and Technology:** With the rise of electric vehicles and alternative fuels like CNG and Shell gas, companies are investing more in research and development to explore renewable energy sources, including solar and wind.
- **Cost Management through Manufacturing Facilities in Asia:** Automakers like Harley and Volvo are establishing manufacturing plants in developing countries like India and China to control costs, given the low labor costs and abundant resources in these regions.

Threats:

- **Intense Competition:** The automobile industry has many players, leading to fierce competition where companies compete heavily for market share, making it difficult for new businesses to enter the market.
- **Slow Economy:** Economic issues like uncertainty, recessions, and unemployment can negatively impact the automobile industry for a long time.
- **Fuel Price Fluctuations:** Changes in fuel prices greatly influence consumer choices and overall growth in the market. Additionally, government regulations regarding alternative fuels like CNG and Shell gas are also affecting inventory levels.

Weaknesses:

- **Consumer Bargaining Power:** Over the past few decades, the automobile market has changed from being supply-driven to demand-driven. With many options available, strong competition, and various choices, consumers now have the power to select the products they prefer.
- **Government Regulations:** Policies such as excise duties, restrictions on outside vehicles entering certain states, reduced vehicle registration validity, and fluctuating fuel prices create significant challenges for automobile companies, impacting the industry's growth.
- **High Employee Turnover:** The automobile industry experiences higher employee turnover compared to many other sectors. Attracting and keeping skilled employees is tough, especially when competitors are actively trying to recruit the best talent.

Awards & Recognition:

- The company's Gajraula plant has reached a major sustainability goal by becoming a 100% Green Electrical Energy compliant premises.
- The company won the First Prize for Highest Export Performance in the Engineering and Builders Hardware category for the Financial Year 2022-23 from the Department of Micro, Small and Medium Enterprises and Export Promotion, Uttar Pradesh Government.
- The company received a nomination from a customer in Germany for supplying gears for pedal-assisted electric bicycle gearboxes.
- The company has partnered with BMW Motorrad as the title sponsor and official partner for the 2023 BMW GS Trophy India Qualifier.
- The Company has been nominated as Tier 1 series supplier, by a Premium Car Manufacturer in Germany for supply of Parking Lock Mechanism for electric cars.

Performance Overview:

RACL Geartech Limited is a leading automotive components supplier in India and is recognized globally. We supply auto parts as a Tier 1 provider to major Original Equipment Manufacturers (OEMs) and key system manufacturers worldwide, with a strong presence in Europe, Asia-Pacific, and North America.

In the FY 2023-24, we achieved a total revenue of Rs 423.03 Crore. This includes Rs 308.52 Crore from exports, Rs 84.71 Crore from domestic sales, and Rs 29.81 Crore from other sources. Exports accounted for 73% of total sales, while domestic sales made up 27%. Compared to the previous year, our revenue increased by 15.16%, EBITDA rose by 12.39%, and Profit Before Tax grew by 4.69%.

RACL has focused on diversifying the product portfolio in last couple of years. Passenger car segment which was started in FY 2022-23 has contributed almost 9% of FY 2023-24. Similarly, commercial vehicle segment which used to contribute around 2% of overall business in FY 2021-22 has grown to around 9% in FY 2023-24.

RACL takes pride in having a dedicated customer base that values our commitment as a reliable supplier, known for concurrent engineering and value engineering capabilities. We consistently deliver high-quality products with 100% on-time deliveries. We hold a strong position in the competitive gear market, and our product range is tailored for this specific niche. We are committed to improving our market presence through technological upgrades, skill development, quality enhancement, and human resources improvement to meet the challenges of future mobility, including e-mobility solutions.

OUR CERTIFICATIONS:

Gajraula Plant

- Implementation of Information Security Management System in accordance with ISO/IEC 27001:2013 from TUV SUD South Asia Private Limited;
- BSI Certificate of Registration for Occupational Health and Safety Management System – ISO 45001:2018;
- BSI Certificate of Registration for Environmental Management System – ISO 14001:2015;
- BSI Certificate of Registration for Quality Management System – ISO 9001:2015;
- BSI Certificate of Registration for Quality Management System – IATF 16949:2016;

Noida Plant

- BSI Certificate of Registration for Quality Management System – IATF 16949:2016

Certifications

Certifications/Recognitions in any form act as a great motivator. And, we are the proud recipient of many certifications from important institutions.



These certifications are a testament to our commitments to Quality Management Systems (**IATF 16949:2016**), Environmental Management Systems (**ISO 14001:2015**), Occupational Health & Safety Management Systems (**ISO 45001:2018**), and other core areas of the business. We are **Dun & Bradstreet** certified and also hold Quality Management System (**ISO 9001:2015**) certification from BSI. We have also been recently certified by **TISAX**.

REPORT ON CORPORATE GOVERNANCE

In accordance with the provisions of the Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with Schedule V, the report containing the details of Corporate Governance systems and processes followed by RACL Geartech Limited (“RACL or Company”) is given below.

I. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

The essence of Corporate Governance is about maintaining the right balance between individual, economical, social` and community goals. The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting ‘best practices’ that are followed in the area of Corporate Governance across various geographies. Good Corporate Governance is a synonym for sound management, transparency and adequate disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions. It is about commitment to values and about ethical business conduct. This includes its corporate structure, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the material developments, financial performance and ownership in respect of the Company is an integral part of Corporate Governance.

The Company is committed in seeking opportunities for improvements on an ongoing basis. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of corporate governance in the overall interest of its stakeholders. The Company has been upholding fair and ethical business and corporate practices and transparency in its dealings, laying emphasis on scrupulous regulatory compliances. The Company is in compliance with the requirements stipulated under various applicable provisions of the Listing Regulations.

RACL philosophy is aimed at conducting business ethically based on following principles:

- Integrity in financial reporting and timeliness of disclosures;
- Management is the trustee of shareholder’s capital not the owner;
- Balance between economic and social goals;
- Communicate externally, in a truthful manner, about how Company runs internally;
- Establishing Policies, strategies, goals and evaluating ethical performance;
- Maintenance of ethical culture within and outside the organization;
- Comply with laws in letter and spirit.

II. BOARD OF DIRECTORS

The Board is the focal point and custodian of corporate governance for the Company. The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when possible, will be balanced appropriately.

III. SIZE AND COMPOSITION OF THE BOARD AS ON MARCH 31, 2024 IS AS UNDER:

We have judicious mix of Executive, Non- Executive and Independent Directors on the Board, which is essential for separating the two main functions viz, governance and management. As on March 31, 2024, the Company had seven Directors, out of which four are Non-Executive Independent Directors, two are Non-Executive

Non-Independent Directors and one is Promoter & Executive Director. Amongst all the directors, two (2) are women; ie. 28% of the Boards strength. The Board members come from diverse backgrounds and possess rich experience and expertise in various fields.

A. None of the Director of the Company:

- is a Director in more than 20 Indian companies, with not more than 10 public limited companies (as specified in Section 165 of the Companies Act, 2013 (“Act”));
- acts as an Independent Director in more than 7 listed companies;
- 3 listed companies in case he/she serves as a Whole-time Director in any listed company (as specified in Regulation 25 of the Listing Regulations);
- is a Member of more than 10 committees or Chairman of more than 5 committees of Boards (being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26(1) of the Listing Regulations) across all the public limited companies in which he/she is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

B. 4 Board Meetings were held during the year under review and the gap between (2) meetings did not exceed 120 days. The necessary quorum was present for all the necessary meetings.

C. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 and 152 of the Act.

IV. BOARD MEMBERSHIP CRITERIA

The Nomination and Remuneration Committee (‘NRC’) along with the entire Board determines the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the required qualifications, integrity, expertise and experience for the position. They also possess expertise and insights in sectors/areas relevant to the Company and have ability to contribute to the Company’s growth. The Board Members are expected to attend and participate in all Board and committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere of the responsibilities with the Company.

V. SELECTION AND APPOINTMENT OF NEW DIRECTORS

The Board is responsible for the appointment of new directors. The Board has delegated the screening and selection process for new directors to the NRC. Considering the existing composition of the Board and requirement of new domain expertise, if any, the NRC reviews potential candidates. The assessment of candidates to the Board is based on a combination of criteria that include ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. For appointment of an Independent Director, the NRC evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepares a description of the role and capabilities required of an Independent Director. The potential Independent Director is also assessed on the basis of independence criteria defined in Section 149(6) of the Act read with rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. If the Board approves, the person is appointed as an Additional Director whose appointment is subject to the approval of the Members.

VI. BOARD PROCEDURES

For seamless convening of Meetings, the schedule of Meetings of the Board and its Committees is circulated in advance and agreed upon by the respective members of the Committee and the Board. The Company Secretary tracks and monitors the Board and its Committees proceedings to ensure that the terms of reference/charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and its Committees at par with the changing statutes. Meeting effectiveness is ensured through detailed

agenda, circulation of material in advance and as per statutory timelines, detailed presentations at the Meetings and tracking of action taken reports at every Meeting.

The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Chairman & Managing Director, Vice President-Finance and Business Excellence and Chief Financial Officer apprises the Board on the overall performance of the Company every quarter including the performance of the overseas subsidiary.

The Board periodically reviews the strategy, annual business plan, business performance of the Company and its subsidiaries, technology and innovation, quality, customer centricity, capital expenditure budgets and risk management, safety and environment matters. The Board also reviews the compliance reports of the laws applicable to the Company, internal financial controls and financial reporting systems, minutes of the Board Meetings, adoption of quarterly/half-yearly/annual results, transactions pertaining to purchase/ disposal of property, minutes of the Meetings of the Audit and other Committees of the Board.

The Details of Board Composition and their attendance at Board Meetings during the year and last AGM are provided hereunder:

S. No	Name of the Directors	Meeting dates and Attendance				% of attendance	Attendance at the last AGM held on September 19, 2023	Number of other directorships		Number of committee positions held		Number of shares held in the Company	Directorship in other listed entities including debt listed (Category of Directorship)
		May 22, 2023	August 12, 2023	November 7, 2023	February 7, 2024			Chair-person	Member	Chair-person	Member		
1.	Mr. Gursharan Singh	√	√	√	√	100%	√	Nil	Nil	Nil	3	3943679	Nil
2.	Mr. Dev Raj Arya*	√	√	-	-	50%	√	Nil	Nil	Nil	Nil	222554	Nil
3.	Mrs. Narinder Paul Kaur	√	√	√	√	100%	√	Nil	2	Nil	1	34107	Nil
4.	Mr. Anil Sharma	√	√	√	√	100%	√	Nil	1	Nil	3	21000	Nil
5.	Mr. Shashank Ramesh Anikhindi	√	√	√	√	100%	√	Nil	2	2	1	Nil	Nil
6.	Mr. Jagdish Keswani	√	√	√	√	100%	√	Nil	Nil	2	3	Nil	Nil
7.	Brig. Harinder Pal Singh Bedi (Retd.)	√	√	√	√	100%	√	Nil	1	1	Nil	320	Nil
8.	Ms. Malini Bansal	√	√	√	√	100%	√	Nil	Nil	1	1	Nil	Nil

*Mr. Dev Raj Arya retired as Whole Time Director & resigned as Chief Financial Officer with the closure of business hours on October 21, 2023.

Ms. Neha Bahal, Company Secretary & Compliance Officer of the Company attended all the meetings of the Board and its Committees except meeting held on February 07, 2024 as she was on her maternity leave. Further, Mr. Rohit Kumar, Principal Executive-Secretarial, a qualified Company Secretary, was assigned the necessary responsibilities for smooth functioning of the convening of meetings, day to day secretarial activities, including recording and circulating the minutes of the meetings of the Board and its Committees.

VII. INDEPENDENT DIRECTORS

In terms of Section 149 of the Act, Ms. Malini Bansal, Mr. Jagdish Keswani, Mr. Shashank Ramesh Anikhindi, and Brig. Harinder Pal Singh Bedi (Retd.) are the Independent Directors (IDs) of the Company. In terms of Regulation 25(8) of the Listing Regulations, all IDs have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based upon the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs ('IICA').

During the year under review, the Non-Executive Directors ('NEDs') of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and commission, as applicable, received by them.

None of the Independent Directors have exceeded the tenure prescribed under Regulation 25 of listing regulations and under Section 149(10) of the Act. Further, during the year, none of the Independent Directors of the Company has resigned before the expiry of their respective tenures.

Performance Evaluation of Independent Directors: The Nomination and Remuneration Committee has laid down the following criteria for performance evaluation of Independent Directors:

- Attendance at Board and Committee meetings;
- Chairmanship of the Board and Committees;
- Contribution and deployment of knowledge and expertise at the Board and Committee meetings;
- Guidance and support provided to senior management of the Company;
- Initiatives for giving new ideas in field of Management/ Finance/ Operation/ Strategy etc. and
- Performance of the Directors.

Separate Meeting of the Independent Directors: During the year under review, one separate meeting of the IDs was held on February 7, 2024, which was chaired by Brig. Harinderpal Singh Bedi (Retd.). The said meeting was held without the presence of Non-Independent Directors and Members of the Management. At the said meeting, the IDs reviewed the performance of the NEDs of the Board as a whole and the Chairman, after considering the view of the Chairman & Managing Director and the NEDs, respectively.

Non- Executive Directors' Shareholding

Details of equity shares held by the Directors as on March 31, 2024 are given below:

Name of Director	Category of Director	Number of Equity shares
Mrs. Narinder Paul Kaur	Non-Executive Non-Independent Director	34107
Mr. Anil Sharma	Non-Executive Non-Independent Director	21000
Brig. Harinder Pal Singh Bedi (Retd.)	Non-Executive Independent Director	320

E. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Except Mr. Gursharan Singh, Chairman & Managing Director and Mrs. Narinder Paul Kaur, Non- Executive Non- Independent Director (Wife of Mr. Gursharan Singh), none of the Directors of the Company are inter-se related to each other.

F. DETAILS OF FAMILIARIZATION PROGRAMMES FOR DIRECTORS INCLUDING IDS

All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. They are made to interact with Senior Management Personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/documents sought by them are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. Details of the familiarization program on cumulative basis are available on the Company's website at www.raclgeartech.com.

G. THE LIST OF CORE SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS IN THE CONTEXT OF ITS BUSINESS(ES) AND SECTOR(S)

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size. The Company requires skills/expertise/competencies in the areas of manufacturing, operations, strategy, finance, leadership, compliance management and corporate governance, human resources, etc. to efficiently carry on its core businesses. The Company's Board is structured with a thoughtful combination of various skills, competencies and experience which brings in diversity to the Board's perspective. The core skills/ expertise/ competencies identified by the Board as follows:

Skills and its description	Mr. Gursharan Singh	Mr. Anil Sharma	Mrs. Narinder Paul Kaur	Mr. Shashank Ramesh Anikhindi	Mr. Jagdish Keswani	Brig. Harinder Pal Singh Bedi (Retd.)	Ms. Malini Bansal
Manufacturing & Operations Experience and knowledge related to Production and Product development, Quality enhancement, Plant Management, Environment and Health & Safety and Logistics and Operational issues.	√	-	√	√	√	-	-
Leadership, Strategy & Planning Experience in Corporate Management including general management, foresightedness and Business Strategy & Planning.	√	-	-	√	√	-	-

Skills and its description	Mr. Gursharan Singh	Mr. Anil Sharma	Mrs. Narinder Paul Kaur	Mr. Shashank Ramesh Anikhindi	Mr. Jagdish Keswani	Brig. Harinder Pal Singh Bedi (Retd.)	Ms. Malini Bansal
Compliance Management and Corporate Governance Experience in developing governance practices, serving the best interests of all stakeholders and driving corporate ethics and values.	-	√	-	-	-	√	√
Finance Experience in financial management, investment & commercial banking and Institution affairs.	-	-	-	-	-	-	√
Marketing and Human Resource Development Strategic thinker to analyse and identify opportunities to stimulate business growth and Experience in marketing & sales and Human Resource Development.	-	-	-	√	√	√	-

VIII. BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and are being set out to deal with specific areas/ activities which concern the Company and need a closer review. In compliance with the statutory requirements and to focus effectively on the issues and to ensure expedient resolution of the diverse matters, the Board has constituted various committees with specific terms of reference and scope. All observations, recommendations and decisions of the Committees are placed before the Board for information and/or for approval. The Committees are the Board's empowered agents and operate as per their charter/terms of reference. During the year under review, all recommendations of the committees were approved by the Board. The minutes of the meetings of all committees of the Board are placed before the Board for noting.

There are five Board Committees as on March 31, 2024, details of which are as follows:

Name of the Committee	Extract of Terms of Reference	Category and Composition		Other Details
Audit Committee	<ul style="list-style-type: none"> - Examination of the financial statement and the auditors' report thereon; - Review and monitor the auditor's independence and performance, and effectiveness of audit process; - Recommendation for appointment, remuneration and terms of appointment of auditors of the company; - Approval or any subsequent modification of transactions of the company with related parties; - Scrutiny of inter-corporate loans and investments; - Valuation of undertakings or assets of the company, wherever it is necessary; - Evaluation of internal financial controls and risk management systems; - Monitoring the end use of funds raised through public offers and related matters; - Approval of the bank borrowings and Budget. 	<ul style="list-style-type: none"> - Mr. Jagdish Keswani (Chairperson) - Mr. Shashank Ramesh Anikhindi - Ms. Malini Bansal 	<ul style="list-style-type: none"> Non-Executive ID Non-Executive ID Non-Executive ID 	<ul style="list-style-type: none"> - Four meetings of the Audit Committee were held during the year under review. Requisite quorum was present in all the meetings - The gap between two meetings did not exceed one hundred and twenty days - Ms. Neha Bahal, Company Secretary & Compliance Officer of the Company acts as the Secretary to the Committee. - The Members of the Audit Committee were present at the last AGM held on 19th September, 2023 to answer the shareholder's queries.
Nomination & Remuneration Committee (NRC)	<ul style="list-style-type: none"> - Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal, formulation of criteria for evaluation of performance of independent directors and the board of directors; - Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees; - Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. - To lay out remuneration principles for Directors, Key Managerial Personnel and Senior Management Personnel linked to their effort, performance and achievement relating to the Company's goals trends and practices that prevail in peer companies across the industry; - Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; - To ensure the Board Diversity by constituting the structure of Board of Directors. 	<ul style="list-style-type: none"> - Mr. Shashank Ramesh Anikhindi (Chairperson) - Mr. Anil Sharma - Mr. Jagdish Keswani 	<ul style="list-style-type: none"> Non-Executive ID Non-Executive Non-ID Non-Executive ID 	<ul style="list-style-type: none"> - Two NRC Meetings were held during the year under review. Requisite quorum was present in all the meetings - Remuneration Policy is mentioned at point no. IX.

Name of the Committee	Extract of Terms of Reference	Category and Composition		Other Details
Stakeholders Relationship Committee (SRC)	<ul style="list-style-type: none"> - Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act. The broad terms of reference are as under : - Consider and resolve grievance of security holders. - Consider and approve issue of share certificates, transfer and transmission of securities, etc. 	<ul style="list-style-type: none"> - Ms. Malini Bansal (Chairperson) - Mr. Gursharan Singh - Mr. Dev Raj Arya* - Mr. Jagdish Keswani** 	<ul style="list-style-type: none"> Non-Executive ID CMD WTD & CFO Non-Executive ID 	<ul style="list-style-type: none"> - Two meetings of the (SRC) were held during the year under review. - Requisite quorum was present in all the meetings. Ms. Neha Bahal, Company Secretary being the Compliance Officer took all necessary and immediate steps for investors' grievances. - Details of Investor complaints are provided below in the Report at page no. 59. - *Mr. Dev Raj Arya ceased to be member with effect from October 21, 2023. - **Mr. Jagdish Keswani was appointed as member with effect from November 7, 2023.
Corporate Social Responsibility Committee (CSR)	<ul style="list-style-type: none"> - Committee is constituted in line with the provisions of Section 135 of the Act. - The broad terms of reference are as under: - Formulate and recommend to the Board, the Corporate Social Responsibility Policy and monitor them from time to time. - Formulate and recommend to the Board, an annual action plan for the Company and have an oversight on its implementation. - To recommend the amount of expenditure to be incurred on CSR activities. 	<ul style="list-style-type: none"> - Brig. Harinder Pal Singh Bedi (Retd.) (Chairperson) - Mrs. Narinder Paul Kaur - Mr. Anil Sharma 	<ul style="list-style-type: none"> Non-Executive ID Non-Executive Non-ID Non-Executive Non-ID 	<ul style="list-style-type: none"> - Two meetings of the CSR Committee were held during the year under review. Requisite quorum was present in all the meetings. - The CSR Policy is available on the Company's website i.e. www.raclgeartech.com

Name of the Committee	Extract of Terms of Reference	Category and Composition		Other Details
Risk Management Committee (RMC)	<ul style="list-style-type: none"> - Committee is constituted in line with the provisions of Regulation 21 of the SEBI Listing Regulations. - The broad terms of reference are as under: - Review and approve the Risk Management framework - Review the Company's risk appetite and strategy relating to key risks including market risk, cyber security risk, product risk and reputational risk as well as the guidelines, policies and processes for monitoring and mitigating such risks - Review the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management 	<ul style="list-style-type: none"> - Mr. Shashank Ramesh Anikhindi (Chairperson) - Mr. Gursharan Singh - Mr. Jagdish Keswani - Mr. Prabh Mehar Singh 	<ul style="list-style-type: none"> Non-Executive ID CMD Non-Executive ID Vice- President Finance & Business Excellence 	<ul style="list-style-type: none"> - Two meetings of the Risk Management Committee were held during the year under review. Requisite quorum was present in all the meetings. - Responsibility was assigned to the concerned persons for finding and mitigating every possible risk scenario that could disrupt the operations and strategic plans of the Company and the concerned person should in turn inform or report or by any other means submit to the Committee a report for the overall risks and steps taken to handle the same.
Dividend Distribution Committee	<ul style="list-style-type: none"> - As per Regulation 43A of SEBI Listing Regulations, Top 1000 Listed Companies based on market capitalization shall formulate dividend distribution policy. As on March 31, 2023 RACL was covered under top 1000 listed entities. Therefore, we constituted a Dividend Distribution Committee on 22nd May, 2023 for formulating dividend distribution policy as per the applicable regulations. Policy was duly adopted and placed on the website www.raclgeartech.com. In the Board meeting held on 12th August, 2023, this committee was dissolved by consent of all directors as the purpose was duly served. 	<ul style="list-style-type: none"> - Mr. Gursharan Singh (Chairperson) - Mr. Jagdish Keswani - Ms. Malini Bansal 	<ul style="list-style-type: none"> CMD Non-Executive ID Non-Executive ID 	<ul style="list-style-type: none"> - One meeting of the Dividend Distribution Committee was held during the year under review. Requisite quorum was present in the meeting.

IX. REMUNERATION POLICY

The Remuneration Policy is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The Remuneration Policy of the Company applies to the Directors, Key Managerial Personnel, Senior Management Personnel and other Employees of the Company.

In determining the remuneration of the Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees of the Company, a Remuneration Policy has been framed by the Nomination and Remuneration Committee and approved by the Board with the following broad objectives:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and

Key Managerial positions and to determine their remuneration.

- ii. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the Auto Component Industry.
- iii. To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- iv. To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated and amended from time to time by the Nomination and Remuneration Committee and adopted by the Board of Directors at the meeting held on May 27, 2024.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practices. This policy is uploaded on the website of the Company i.e. at www.raclgeartech.com.

X. Number of Committee Meetings held and Attendance Records

Name of the Committee	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee**	Dividend Distribution Committee
Number of Meetings held	4	2	2	2	2	1
Date of Meetings	May 22, 2023, August 22, 2023, November 07, 2023 and February 07, 2024	May 22, 2023 and November 07, 2023	June 28, 2023 and November 07, 2023	May 22, 2023 and August 12, 2023	June 28, 2023 and December 15, 2023	June 28, 2023
Mr. Gursharan Singh	NA	NA	√	NA	√	√
Mr. Dev Raj Arya*	NA	NA	√	NA	NA	NA
Mr. Anil Sharma	NA	√	NA	√	NA	NA
Ms. Narinder Paul Kaur	NA	NA	NA	√	NA	NA
Mr. Jagdish Keswani	√	√	√	NA	√	√
Mr. Shashank Ramesh Anikhindi	√	√	NA	NA	√	NA
Brig. Harinder Pal Singh Bedi (Retd.)	NA	NA	NA	√	NA	NA
Ms. Malini Bansal	√	NA	√	NA	NA	√

* Mr. Dev Raj Arya resigned on October 21, 2023 hence he was not a member of the Committee thereafter. The Committee was re-constituted with the appointment of Mr. Jagdish Keswani on November 07, 2023

Note: Mr. Prabh Mehar Singh is also member of Risk Management Committee and attended both the meetings.

XII. DETAILS OF THE REMUNERATION FOR THE YEAR ENDED MARCH 31, 2024

➤ EXECUTIVE DIRECTORS

(Amount in Lakh)

S. No.	Name of the Director	Gross Salary (p.a.)	Perquisites, Provident Fund and other benefits (Rs. p.a.)	Bonus/ Commission	Total (p.a.)
1.	Mr. Gursharan Singh	182	16.22	77.71	275.93
2.	Mr. Dev Raj Arya*	43.43	29.99	-	73.42

* Mr. Dev Raj Arya retired as Whole Time Director & resigned as Chief Financial Officer with effect from October 21, 2023.

➤ NON- EXECUTIVE DIRECTORS

Non- Executive Directors are paid sitting fees for attending the Meetings of the Board and of Committees of which they are members as below mentioned:

(Amount in Rs.)

Board Meeting	Audit Committee	Nomination & Remuneration Committee	Financial Affairs Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
35000	35000	25000	15000	10000	10000

The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings.

The Remuneration paid to Non- Executive Directors of the Company is as follows:

(Amount in Lakh)

Name of Director	Designation	Retainership Fee	Sitting Fee	Total
Mrs. Narinder Paul Kaur	Non-Executive Non-Independent Director	30.00	1.95	31.95
Mr. Anil Sharma	Non-Executive Non-Independent Director	27.20	2.25	29.45
Mr. Shashank Ramesh Anikhindi	Non-Executive Independent Director	-	2.95	2.95
Mr. Jagdish Keswani	Non-Executive Independent Director	-	4.09	4.09
Brig. Harinder Pal Singh Bedi	Non-Executive Independent Director	-	1.95	1.95
Ms. Malini Bansal	Non-Executive Independent Director	-	3.35	3.35

➤ The Company does not have any Employee Stock Option Scheme

XIII. Details of Investors' Complaints/requests received & redressed during the year:

Opening Balance	Received During the year	Resolved During the year	Closing Balance
00	01	01	00

XIV. NON-STATUTORY COMMITTEE

The Board has constituted a non-statutory Committee namely “Financial Affairs Committee”. The composition of the committee is as under

Name of Member	Category
Mr. Jagdish Keswani	Non-Executive Independent Director
Mr. Gursharan Singh	Chairman & Managing Director
Mr. Dev Raj Arya*	Whole-time Director
Mr. Anil Sharma*	Non-Executive Non-Independent Director

* Mr. Dev Raj Arya resigned on October 21, 2023 hence he was not a member of the Committee thereafter. The Committee was re-constituted with the appointment of Mr. Anil Sharma on November 07, 2023

The role of this committee is as follows:

- Borrowings of the Company subject to outstanding facilities not exceeding an amount of Rupees Two Hundred and Fifty Crore Only (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business)
- Create security on the assets of the Company to secure the borrowings of the Company subject to these being within the limit approved by the shareholders of the Company under Section 180(1)(a) of the Act.
- Issue of corporate guarantees to secure the borrowings of wholly owned subsidiaries / step-down subsidiaries of wholly owned subsidiaries of the Company.
- Change in authorised signatories for the existing borrowings including working capital facilities of the Company.
- Commitment to capex item (within Board approved annual business plan) in a financial year.
- Change in operating instructions involving the Company’s bank accounts. Authorise execution of all documents, including Powers of Attorney, in connection with the same.
- To change the authorised signatories for all transactions, contracts, agreements, etc., entered into by the Company in the ordinary course of business.

Attendance of the Financial Affairs Committee Meeting held on December 15, 2023

Name of the Directors	Designation	Category	No. of meetings held	No. of meetings attended
Mr. Jagdish Keswani	Chairperson	Non-Executive Independent Director	1	1
Mr. Gursharan Singh	Member	Chairman & Managing Director	1	1
Mr. Dev Raj Arya*	Member	Whole-time Director	1	0
Mr. Anil Sharma*	Member	Non-Executive Non-Independent Director	1	1

* Mr. Dev Raj Arya resigned on October 21, 2023 hence he was not a member of the Committee thereafter. The Committee was re-constituted with the appointment of Mr. Anil Sharma on November 07, 2023

XV. GENERAL BODY MEETINGS

➤ DETAILS OF THE LAST 3 ANNUAL GENERAL MEETINGS OF THE COMPANY

FINANCIAL YEAR	LOCATION(S)	MEETING DATE	TIME	DETAILS OF THE SPECIAL RESOLUTIONS PASSED DURING PREVIOUS THREE ANNUAL GENERAL MEETINGS
2022-23	AGM through Video Conferencing and Other Audio-Visual Means	September 19, 2023	11:00 A.M.	<ul style="list-style-type: none"> - Appointment of Mr. Anil Sharma (DIN: 00157911) as the Non- Executive Non- Independent Director of the Company and payment of remuneration. - Remuneration of Mrs. Narinder Paul Kaur (DIN: 02435942) as the Non- Executive Non- Independent Director of the Company. - Remuneration of Mr. Gursharan Singh, Chairman & Managing Director (DIN: 00057602) of the Company. - Re-appointment of Mr. Jagdish Keswani (DIN: 02146267) as the Non- Executive Independent Director of the Company. - Appointment of Brig. H.P.S Bedi (Retd.) (DIN: 05217488) as the Non- Executive Independent Director of the Company. - To increase the borrowing limits of the Company from Rs. 150 Crore to Rs. 250 Crore only. - To increase the limits of Creation of charges/ mortgages/ hypothecation or otherwise on the movable or immovable properties of the Company in respect of borrowings of the Company.
2021-22	AGM through Video Conferencing and Other Audio-Visual Means	August 29, 2022	10:30 A.M.	<ul style="list-style-type: none"> - During the previous year, the Company did not pass any special resolution in the Annual General Meeting.
2020-21	AGM through Video Conferencing and Other Audio-Visual Means	September 24, 2021	03:00 P.M.	<ul style="list-style-type: none"> - Re-appointment of Mr. Anil Sharma (DIN: 00157911) as Non-Executive Non-Independent Director of the company and payment of retainership fees/ remuneration to him. - Approval of remuneration of Mrs. Narinder Paul Kaur (DIN: 02435942), Non-Executive Non-Independent Director of the Company. - Re-appointment and approval of remuneration of Mr. Gursharan Singh (DIN: 00057602), Chairman and Managing Director of the Company. - Re-appointment of Mr. Dev Raj Arya (DIN: 00057582) as Whole-time Director & Chief Financial Officer of the Company and payment of remuneration to him. - Confirmation of Appointment of Ms. Malini Bansal (DIN:00167993) as Non- Executive Independent Director - To increase the borrowing limits of the Company from Rs. 100.00 Crore to Rs. 150.00 Crore only. - To increase the limit of creation of charge/mortgage/ hypothecation or otherwise on the Properties of the Company in respect of the borrowings.

XVI. DETAILS OF THE SPECIAL RESOLUTIONS PASSED DURING THE LAST FINANCIAL YEAR THROUGH POSTAL BALLOT

During the previous year, pursuant to Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) thereof made thereunder) the Company did not pass any resolution through the Postal Ballot process.

XVII. MEANS OF COMMUNICATION

RACL recognises communication as a key element to the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

- o **Financial Results:** The quarterly, half-yearly and annual financial results of the Company are published in leading newspapers in India which includes Financial Express and Jansatta. The results are also displayed on the Company's website at www.raclgeartech.com/investors. Statutory notices are published in Financial Express and Jansatta for the benefit of shareholders, after the results are approved by the Board of Directors.

- o **Website:**

The Company has a comprehensive website which provides ease of navigation and accessibility to information for all Investor queries and processes related to Company's securities. The 'Investors Tab' on the website provides details of the Board, the Committees, Policies, financial information, statutory filings, shareholding information, details of unclaimed dividend and shares transferred/ liable to be transferred to IEPF. In addition, various downloadable forms required to be executed by the shareholders have also been provided on the website of the Company.

- o **Stock Exchange Intimations:** All Price Sensitive information and matters that are material to shareholders are disclosed to Bombay Stock Exchange (BSE) where the securities of the Company are listed. All submissions to the Exchange including shareholding pattern and Corporate Governance Report are made through the respective electronic filing systems. Material events or information as detailed in Regulation 30 of the SEBI Listing Regulations are disseminated on the Stock Exchanges by filing them with the BSE Limited ('BSE') through BSE Listing centre.
- o **Investors/ Analyst Meets:** Post results, an Investor Conference call is held where members of the financial community are invited to participate in the Q&A session with the Company's management. The key highlights are discussed and investor/analyst queries are resolved in this forum. The quarterly, half-yearly, annual financial results, audio call recordings of the analyst calls and transcript are submitted with the Stock Exchange and are also uploaded on the Company's website at www.raclgeartech.com on regular basis.

- o **Exclusive Email ID for investors**

The Company has designated the Email ID investor@raclgeartech.com exclusively for investor servicing, and the same is prominently displayed on the Company's website.

- o **SCORES (SEBI Complaints Redressal System)**

SCORES is a web-based centralized system provided by SEBI to the investors to lodge complaints against listed companies and registered intermediaries and is available 24*7. It facilitates redressal of investor grievances in a speedy manner. The complainant may use SCORES portal to submit the grievance directly to companies/ intermediaries and the complaint shall be forwarded to the entity for resolution. The entity is required to redress the grievance within 30 days, failing which the complaint shall be registered in SCORES.

XVIII. GENERAL SHAREHOLDERS INFORMATION

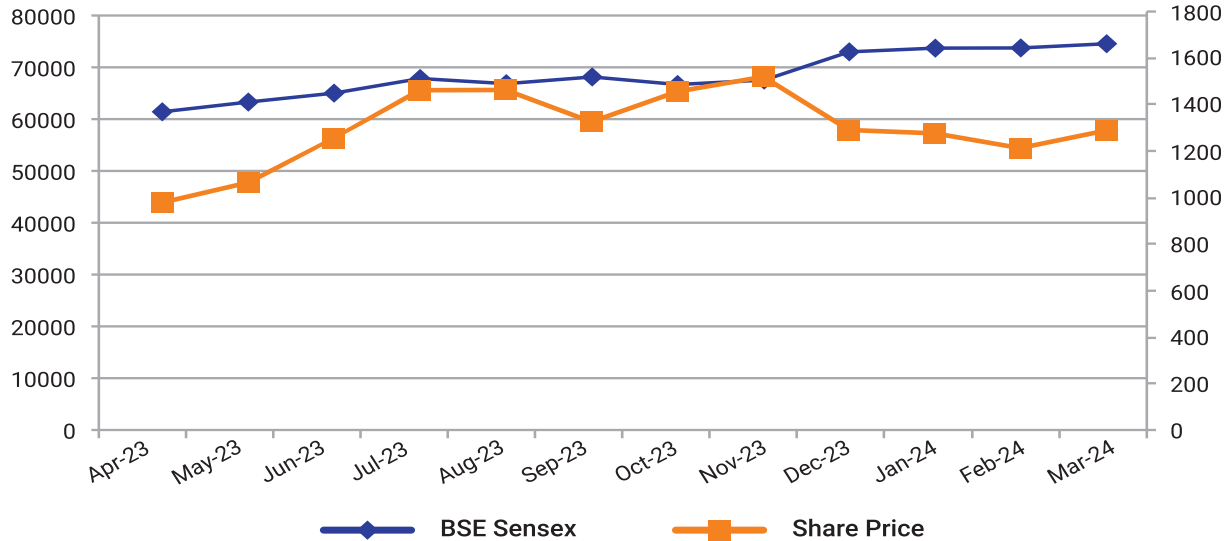
1	Annual General Meeting Date Time Venue	September 11, 2024 12 Noon (Through Video Conferencing or Other Audio Visual Means)
2	Financial Year	1st April, 2023 to 31st March, 2024
3	Date of Book Closure	September 5, 2024 to September 11, 2024
4	Date of Dividend Payment	Final Dividend has been recommended by the Board and shall be approved in the ensuing AGM.
5	Name and address of Stock Exchanges at which Company's securities are listed;	BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
6	Stock Code/ Symbol	BSE : 520073 ISIN No.: INE704B01017
7	Details of Subsidiaries	RACL Geartech GmbH, Austria (Overseas Subsidiary)
8	Plant Locations	a. Unit I- A-3, Industrial Area, Gajraula, District Amroha, Uttar Pradesh - 244223, India b. Unit II- C-32, Sector-80, Noida, District Gautam Budh Nagar, Uttar Pradesh - 201301, India
9	Listing Fees to Stock exchanges	The Company has paid the Annual Listing Fees for the financial year 2024-25 to the Bombay Stock Exchange (BSE).

XIX. MONTHLY HIGH AND LOW OF THE EQUITY SHARES OF THE COMPANY AT BSE DURING THE YEAR ENDED 31ST MARCH, 2024 ARE AS FOLLOWS:

Months during the financial year ended 31st March, 2024	BSE	
	High (Rs./share)	Low (Rs./share)
April, 2023	984.70	857
May, 2023	1072	905
June, 2023	1259.65	935.65
July, 2023	1470.1	1170
August, 2023	1470	1183.9
September, 2023	1330	1099.9
October, 2023	1461	1086
November, 2023	1525	1145
December, 2023	1296	1110
January, 2024	1282.1	1119.95
February, 2024	1219	1061.05
March, 2024	1294.5	1111

Source: BSE website.

XX. THE PERFORMANCE COMPARISON OF THE COMPANY'S SHARE PRICE WITH BSE SENSEX.



XXI. SHARE TRANSFER SYSTEM

The Company has appointed MAS Services Limited as the Registrar and Share Transfer Agent (“RTA”) of the Company. The work related to share transfer in terms of both physical and electronic mode is being dealt at single point by the RTA. After the completion of preliminary formalities of transfer/transmission by the RTA, the approval of transfer of shares in the physical form is given by the Stakeholders’ Relationship Committee (“SRC”) of the Board of Directors.

The SRC meets periodically to inter alia approve the Share Transfer(s) etc. The Company has complied with the provisions of the requisite guidelines issued by the regulatory authorities in respect of the transfer of shares and other related matters.

Members may please note that SEBI vide its Circular dated January 25, 2022, as amended, has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company’s website and on the website of the RTA. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or MAS Services Limited for assistance in this regard.

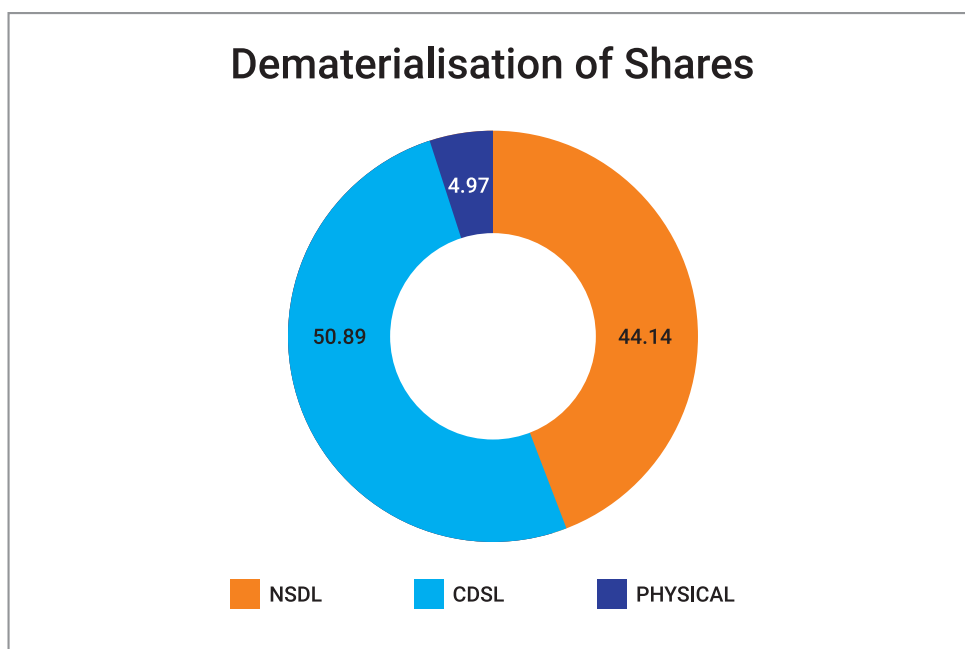
The Company obtains a half-yearly Compliance Certificate from a Company Secretary in practice to the effect that all certificates have been issued within 30 (thirty) days of the date of valid lodgement of transfer, subdivision, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with the Stock Exchanges.

XXII. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2024

Shares holding of Nominal Value of Rupees 10.00 each share	Shareholders		Total Shares		
	Number	% to Total	No. of Shares Held	% to Total	
(1)	(2)	(3)	(4)	(5)	
Upto 5000	15338	93.553	1316009	12.206	
5001	10,000	546	3.33	426779	3.958
10,001	20,000	237	1.446	344865	3.199
20,001	30,000	98	0.598	244470	2.267
30,001	40,000	46	0.281	161727	1.5
40,001	50,000	23	0.14	103559	0.961
50,001	1,00,000	52	0.317	339653	3.15
1,00,001 and Above	55	0.335	7844538	72.759	
TOTAL	16395	100	10781600	100	

XXIII. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through its Registrar & Share Transfer Agent- MAS Services Ltd. This has facilitated the shareholders to hold and trade their shares in 'electronic form'. As on March 31, 2024, 1,02,45,815 Equity Shares of the Company, forming 95.03% of the shareholding stand dematerialized.



XXIV. POLICIES, AFFIRMATIONS AND DISCLOSURES

Particulars	Regulations/ Requirement	Details	Weblink for details/ Policy
a) Related Party Transactions	Regulation 23 of the SEBI Listing Regulations and as defined under the Act	There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. Certain transactions, which were repetitive in nature, were approved through omnibus route. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Annual Report. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. The policy on dealing with related party transactions, adopted by the Company, is uploaded on the Company's website; www.raclgeartech.com .	https://www.raclgeartech.com/investors/announcements
b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years	Schedule V (C) 10(b) of the SEBI Listing Regulations	During the past three years, there have been no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets.	https://www.raclgeartech.com/investors/announcements
c) Whistle Blower Policy/Vigil Mechanism	Regulation 22 of the SEBI Listing Regulations	The Company has adopted a Whistle Blower Policy & Vigil Mechanism for directors, employees and stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Company affirms that no personnel have been denied access to the Chairman of the Audit Committee.	https://www.raclgeartech.com/investors/announcements

Particulars	Regulations/ Requirement	Details	Weblink for details/ Policy
<p>d) Policy for Determination of Materiality of Event or Information</p>	<p>Regulation 30 of the SEBI Listing Regulations</p>	<p>RACL Geartech Limited in compliance to Regulation 30 of Listing Regulations, has a “Policy for Determination of Materiality of Event or Information” and Board has also authorized key managerial personnel’s – Mr. Gursharan Singh, Chairman & Managing Director and Mr. Jitender Jain, Chief Financial Officer of the Company for determining materiality of an event or information and authorized Mr. Gursharan Singh, Chairman & Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary & Compliance Officer of the company for making disclosure for the same to the Stock Exchange. The policy aims to ensure compliance with corporate governance principles by promoting disclosure and transparency. During the year, the Company has made disclosures to Stock Exchange at the time of occurrence of the event/ information and where applicable, made periodic disclosures on the associated material developments. Policy for Determination of Materiality of Event or Information is available under corporate governance section on the website www.raclgeartech.com</p>	<p>https://www.raclgeartech.com/investors/announcements</p>
<p>e) Policy on Archival and Preservation of Documents</p>	<p>Regulation 30 & 9 of the SEBI Listing Regulations</p>	<p>The Board of RACL Geartech Limited in compliance to Regulation 9 of Listing Regulations, has a “Document Preservation and Archival Policy”, the policy establishes guidelines for management, for preservation, archival and destruction of documents by the company. This policy sets out Data Retention Schedule for Company Documents and the related procedures to be followed to ensure compliance with this Policy. Retention periods are based on legal, tax, audit and defined business needs. Document Preservation and Archival Policy is available under corporate governance section on the website of the Company.</p>	<p>https://www.raclgeartech.com/investors/announcements</p>

Particulars	Regulations/ Requirement	Details	Weblink for details/ Policy
Discretionary Requirements	Schedule II Part E of the Sebi Listing Regulations	<p>The mandatory requirements of the Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the Listing Regulations, is as under: -</p> <p>A. Shareholders rights Quarterly/ Half yearly/Annually financial results are published in leading newspapers and uploaded on company's website www.raclgeartech.com</p> <p>B. Modified opinion(s) in Audit Report The auditors have expressed an unmodified opinion in their report on the financial statements of the Company.</p> <p>C. Reporting of Internal Auditor The Internal Auditors directly report to the Audit Committee and Board of Directors of the company on quarterly basis.</p> <p>D. Chairman and Managing Director- The Company has Mr. Gursharan Singh as the Chairman & Managing Director of the Company who is an Executive Director and is paid due remuneration in accordance with the provisions of the Act and Listing Regulations.</p>	https://www.raclgeartech.com/investors/announcements
f) Reconciliation of Share Capital Audit	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No.D&CC/FITTC/ Cir- 16/2002 dated December 31, 2002.	Ms. Rosy Jaiswal & Associates, Practicing Company Secretary carried out a quarterly Reconciliation of Share Capital Audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit report confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized shares held with NSDL and CDSL. The Audit Report is disseminated to the Stock Exchange on quarterly basis and is also available on the Company's website,	

Particulars	Regulations/ Requirement	Details	Weblink for details/ Policy
g) Code of Conduct	Regulation 17 of the SEBI Listing Regulations	In accordance with Regulation 17(5) of Listing Regulations, the Company's Board of Directors have laid down a 'Code of Conduct for Directors and Senior Management Personnel' of the Company. Duties of independent directors as laid down in the Companies Act, 2013 have been incorporated in the code. The Code is available on the Company's website at The purpose of this 'Code of Conduct' is to promote conduct of business ethically in an efficient and transparent manner and to meet its obligations to shareholders and all other stakeholders. Your Company understands reputation and integrity can only be built by continuously reinforcing ethical rules and procedures. The development of the integrity culture is a key priority for the Company. The Chairman & Managing Director, Mr. Gursharan Singh has made a declaration that members of the Board and Senior Management Personnel have affirmed compliance with the Companies 'Code of Conduct for Directors and Senior Management Personnel' for the financial year ended March 31, 2024.	https://www.raclgeartech.com/investors/announcements

XXV. OTHER DISCLOSURES

a) **Disclosure of Accounting Treatment**

In the preparation of financial statements, the company has followed the applicable Accounting Standards i.e. Ind-AS, issued by the Institute of Chartered Accountants of India to the extent applicable and other applicable act(s) and regulation(s).

b) **Commodity Price Risk/foreign exchange risk and hedging activities**

Though the company has been in export business (sale of gears) but it always realizes the invoice value of its goods by way of bill discounting from RBL Bank Limited, Citi Bank and Standard Chartered Bank and has natural hedging against Foreign Exchange Exposure. The Company does not over expose itself against foreign currency; however, there is natural risk of minor exchange fluctuation and company keeps a close watch on the exchange rate movement.

c) **Details of utilization of funds raised through preferential allotment or qualified institutional placements as specified under Regulation 32 (7A) [Proceeds from public issue, rights issue, preferential issue, FCCB issue]**

During the year under review Company has not raised any funds from public issue, rights issue, preferential issue and FCCB issue.

d) Directors & Officers Insurance (“D&O”)

As per the provisions of the Act and in compliance with Regulation 25(10) of the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including IDs and Officers of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

e) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

S. No.	Particulars of Disclosures	Remarks
1.	Number of complaints pending at the start of the financial year 2023-24	Nil
2.	Number of complaints filed during the financial year 2023-24	Nil
3.	Number of complaints disposed-off during the financial year 2023-24	Nil
4.	Number of complaints pending as on end of the financial year 2023-24	Nil

f) Credit Ratings

During the year, CARE Ratings has assigned Credit rating of bank facilities to the Company, as per the Rating Rationale given below:

Facilities	Amount (in Crore)	Rating	Rating Action
Long Term Bank Facilities	297.08 (Enhanced from 206.59)	CARE A-; Stable (Single A Minus; Outlook: Stable)	Reaffirmed
Short Term Bank Facilities	3.00	CARE A2+ (A Two Plus)	Revised from CARE A2 (A Two)
Total Facilities	300.08 (Rupees Three Hundred Crore and Eight Lakhs Only)		

g) Loans and Advances in Nature of Loans to Firms/Companies in which Directors are Interested by Name and Amount

The Company has not given any Loans and advances to firms/Company in which directors are interested.

h) Compliance of Regulation 27 of the SEBI (LODR) Regulations 2015

The Company has complied with the mandatory requirements specified in Regulation 17 to 27 & clause ‘b’ to ‘i’ of sub-regulation (2) of Regulation 46 of the SEBI (LODR) Regulations 2015. The Company has also complied with relevant para of Schedule V of Listing Regulations on Corporate Governance.

i) Code of Conduct for Prevention of Insider Trading

In view of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amended SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, a “Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons” was amended and adopted by the company. The Code lays down guidelines which advise management and staff on procedures to be followed and disclosures to be made while dealing with Securities of the Company and cautions them of the consequences of violations.

j) Certificate from Practicing Company Secretary

Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has obtained a certificate from M/s. Rosy Jaiswal & Associates, Practicing Company Secretary, that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority in accordance with Listing Regulations. The copy of the same is enclosed with this report.

k) All the recommendations of Board Committees have been accepted by the Board of Directors during the year.

l) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

The total fee paid to statutory auditor is given in Note No. 33 of Financial Statements (Part of the Annual Report).

m) Compliance with mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Corporate Governance Report of the Company for the financial ended March 31, 2024 is in compliance with the requirements of the Listing Regulations.

n) ADDRESS FOR CORRESPONDENCE

Corporate Office

INVESTOR RELATIONS DEPARTMENT

B-9, Sector-3, Noida- 201301

Tel No.: + 91-120-4588500

Fax: +91-11-41609909

E mail id: investors@raclgeartech.com

Website: www.raclgeartech.com

Compliance Officer

Ms. Neha Bahal

Company Secretary

ICSI Membership No.:40272

Registrar & Share Transfer Agent

MAS SERVICES LIMITED

T-34, Second Floor,

Okhla Industrial Area, Phase-II, New Delhi- 110020

Tel No.: +91-11-26387281- 83

Fax: +91-11-26387284

E-mail ID: info@masserv.com

Website: www.masserv.com

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L34300DL1983PLC016136
2.	Name of the Listed Entity	RACL Geartech ltd
3.	Year of incorporation	1983
4.	Registered office address	15th Floor, Eros Corporate Towers, Nehru Place, New Delhi-110019
5.	Corporate address	B-9, Sector-3, Noida-201301 Uttar Pradesh
6.	E-mail	investor@raclgeartech.com
7.	Telephone	0120-4588500
8.	Website	http://www.raclgeartech.com/
9.	Financial year for which reporting is being done	1st April 2023 to 31st March 2024
10.	Name of the Stock Exchange(s) where shares are listed	Equity Shares listed at Bombay Stock Exchange (BSE)
11.	Paid-up Capital	Rs. 107816000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	Name of Contact person Ms. Neha Bahal Contact Number: 0120-4588500 Email: investor@raclgeartech.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The Financial statements have been prepared on Consolidated Basis, which includes a Foreign Subsidiary (RACL Geartech GmbH). However, disclosures under this report have been made on a standalone basis.
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products and Services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing & services	Manufacturing of auto-components.	100%

17. Products/ Services sold by the entity (accounting for 90% of the entity's Turnover): It has to in an order.

S. No.	Product/Service	NIC Code	% of total Turnover
1	2 -Wheelers	34300	45%
2	Recreation (ATV/ RTV)	34300	17%
3	Tractor and Agriculture	34300	12%
4	Commercial Vehicle	34300	9%
5	Passenger Cars	34300	9%
6	E- Vehicles	34300	3%
7	3- Wheelers	34300	3%
8	Industrial Equipment's	34300	2%
	TOTAL		100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated.

Location Total	Number of plants	Number of offices	Total
National	2	2	4
International	Nil	1	1

19. Markets served by the entity.

a. Number of locations-

Location	Number
National (No. of States)	7
International (No. of Countries)	10

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Particulars	FY 2023-24	FY 2022-23
Export Revenues (in Rs.)	308.52 Cr.	249.97 Cr.
Total Revenues (in Rs.)	423.03 Cr.	358.20 Cr.
% of Export in Total revenue	72.93%	69.78%

c. A brief on types of customers

RACL Geartech Ltd. is an Indian company specializing in the manufacture of high-precision gears and automotive components. The company caters to a diverse clientele spanning several industries and geographic regions for 2 wheelers, e-scooters, agriculture, commercial vehicles and passenger vehicles auto part requirements. The primary types of customers served by RACL are Original Equipment

Manufacturers (OEMs) including manufacturers of cars, motorcycles, scooters and commercial vehicles, Tier-1 Suppliers, Off-Highway vehicles like Agricultural machinery Manufacturers, construction equipment manufactures. RACL caters to Industrial Gearbox Manufacturers, Power Transmission equipment's, Passenger Vehicle industries, etc. RACL Geartech has a global presence, including India, Europe, North America, and other regions.

IV. Employees

20. Details at the end of the financial year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1	Permanent (D)	560	540	96%	20	3%
2	Other than Permanent (E)	178	172	96%	6	3%
3	Total Emp. (D + E)	738	712	96%	26	4%
Workers						
1	Permanent (D)	110	110	100%	Nil	Nil
2	Other than Permanent (E)	683	683	100%	Nil	Nil
3	Total Emp. (D + E)	793	793	100%	Nil	Nil

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled Employees						
1	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3	Total Emp. (D + E)	Nil	Nil	Nil	Nil	Nil
Differently abled Workers						
1	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3	Total Emp. (D + E)	Nil	Nil	Nil	Nil	Nil

21. Details at the end of the financial year

	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	7	2	28.57%
Key Management Personnel	2	1	50.00%

22. Turnover rate for permanent employees and workers.

	FY 23- 24			FY 22- 23			FY 21- 22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5%	1%	6%	7%	0.90%	7.90%	Turnover rate we started calculating from FY 22- 23 onwards		
Permanent Workers	13%	Nil	13%	9.60%	Nil	9.60%			

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23a. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	RACL Geartech GMBH	Subsidiary Company	100%	No

VI. CSR Details

24i. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

24ii. Turnover (in Rs. Crore): 423.03

24iii. Net worth (in Rs Crore): 205.26

24vii. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Weblink: https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACLPoliciesManual.pdf

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Same as above	0	0	NIL	0	0	NIL
Investors (other than shareholders)	Same as above	0	0	NIL	0	0	NIL
Shareholders	Same as above	1	0	NIL	0	0	NIL
Employees and workers	Same as above	0	0	NIL	0	0	Nil
Customers	Same as above	100	0	NIL	0	0	Nil
Value Chain Partners	Same as above	0	0	NIL	0	0	Nil
Other (please specify)							

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Raw Material Sourcing	<p>Risk: Environmental degradation from mining and extraction processes.</p> <p>Opportunity: Sustainable sourcing can enhance brand reputation and compliance with regulations.</p>	Ethical and sustainable sourcing of raw materials minimizes environmental impact and aligns with increasing regulatory and consumer demand for sustainable products.	<p>1- Conduct due diligence on suppliers.</p> <p>2- Source materials from certified and responsible suppliers.</p> <p>3- Implement a traceability system to ensure transparency.</p>	<p>Cost: Potential increase in material costs due to premium pricing of sustainably sourced materials.</p> <p>Benefit: Long-term savings from avoiding regulatory fines and enhancing brand value.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Energy Consumption	<p>Risk: High energy consumption leading to increased operational costs and carbon footprint.</p> <p>Opportunity: Adopting renewable energy can reduce costs and emissions.</p>	Energy efficiency and renewable energy adoption can significantly reduce greenhouse gas emissions and cost.	<p>Invest in energy-efficient machinery and processes.</p> <p>Currently RACL has 4% of energy source from 1.2MW rooftop solar plant. RACL has also signed a PPA with an additional 4MW plant which will increase the renewable energy contribution to 40%.</p>	<p>Cost: Initial investment in renewable energy infrastructure and energy-efficient technologies.</p> <p>Benefit: Reduced energy costs and potential tax incentives or subsidies for renewable energy use.</p>
3	Water Usage and Management	<p>Risk: Overuse and contamination of water resources.</p> <p>Opportunity: Water recycling and conservation can reduce costs and regulatory risks.</p>	Efficient water management is crucial for reducing environmental impact and ensuring compliance with environmental regulations.	<p>1- Implement water recycling and rainwater harvesting systems.</p> <p>2- Use water-efficient processes and equipment.</p> <p>3- Monitor and manage water usage.</p>	<p>Cost: Investment in water recycling and conservation technologies.</p> <p>Benefit: Lower water usage costs and reduced risk of regulatory penalties.</p>
4	Waste Management	<p>Risk: Improper waste disposal leading to pollution and regulatory fines.</p> <p>Opportunity: Recycling and waste reduction can lower disposal costs and environmental impact.</p>	Effective waste management reduces environmental impact, complies with regulations, and can provide cost savings.	<p>1- Implement recycling programs for metal scraps and other waste.</p> <p>2- Use waste-to-energy technologies.</p> <p>3- Adopt a circular economy approach.</p>	<p>Cost: Setting up recycling and waste management systems.</p> <p>Benefit: Reduced waste disposal costs and potential revenue from recycled materials.</p>
5	Labor Practices and Working Conditions	<p>Risk: Poor labor practices can lead to low morale, high turnover, and reputational damage.</p> <p>Opportunity: Good labor practices enhance employee satisfaction and productivity.</p>	Ensuring fair labor practices and good working conditions is crucial for compliance, employee retention, and brand reputation.	<p>1- Adhere to labor laws and standards.</p> <p>2- Provide fair wages, benefits, and safe working conditions.</p> <p>3- Offer training and development opportunities.</p>	<p>Cost: Increased costs related to wages, benefits, and workplace safety improvements.</p> <p>Benefit: Higher productivity, lower turnover, and enhanced reputation.</p>

Summary

Addressing these environmental and social sustainability issues can pose initial costs but also presents significant long-term benefits. By implementing responsible practices, RACL can reduce risks, comply with regulations, improve brand reputation, and achieve financial savings through efficiency gains and resource recovery. Engaging in sustainable business practices not only contributes to environmental and social well-being but also positions the company as a responsible and forward-thinking entity in the industry.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1	a- Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b- Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c- Web Link of the Policies, if available	Yes: https://www.raclgeartech.com								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.									

Answer for 4- P1 to P9 RACL Geartech Ltd. is accredited with several key certifications demonstrating its commitment to quality, safety, and environmental standards. These include the IATF 16949:2015 for Quality Management System (QMS), ISO 14001:2015 for Environment Management System, ISO 45001:2018 for Occupational Health and Safety Management System, ISO 9001:2018 for Quality Management System (QMS), ISO 27001:2013 for Information Security Management System (ISMS), and TISAX (Trusted Information Security Assessment Exchange) at Permanent Level (AL3).

		P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.									

Answer for 5 - P3: Health & Safety: By 2026, achieve zero workplace accidents and injuries through rigorous implementation of safety protocols, continuous training, and proactive hazard identification and mitigation measures.

Answer for 5 - P5: Diversity & inclusion: By 2026, achieve a workforce composition reflective of diverse backgrounds and perspectives, ensuring that all employees have equal access to opportunities for advancement and development.

Answer for 5 - P6: Environmental Goals:

1. GHG Emissions: Achieve absolute net-zero scope 2 GHG emissions for the Gajraula plant by 2025.
2. Water Management: Maintain 100% waste water recycling every year.

Answer for 5 - P8: Supplier Evaluation: To achieve 100% supplier evaluation of RM & OSP by 2026.

Answer for 5 - P9: Compliance: Maintain 100% statutory and regulatory compliance.

		P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.			Ongoing		Ongoing	Ongoing		Ongoing	Ongoing

Governance, leadership and oversight	
7	<p>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</p> <p>RACL Geartech, a socially responsible company, is committed to making its business truly sustainable by integrating all three dimensions (Environmental, Social, and Economic) to create a long-term positive impact on our stakeholders. Our company recognizes climate change as a key business risk and focuses on identifying and mitigating environmental and social risks in our operations and value chain. We do this by adopting practices such as generating renewable energy for captive consumption, monitoring and tracking greenhouse gases in operations to reduce the carbon footprint, evaluating suppliers on environmental and social aspects, and continuously improving waste and water consumption in our operations. To support the transition to a low-carbon economy, our company actively engages in rigorous research and development in fields like automation and renewable energy. We constantly review our ESG performance to ensure that it meets statutory requirements and are committed to submitting all compliance reports to the appropriate authorities on a regular basis. Finally, as part of the company's vision, our goal is to give back to the community by operating as a philanthropic, service-oriented organization with a primary focus on healthcare and education.</p>
8	<p>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p> <p>Mr. Gursharan Singh Designation: Chairman & Managing Director DIN Number: 00057602 Telephone No: 0120-4588500 Email id: info@raclgeartech.com</p>

9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No, there is no committee formed to handle these issues specifically however these issues are taken up very seriously and managed directly by the board of the company.
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10	Details of Review of NGRBCs by the Company:									
	Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies and follow up action	Any other Committee								
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, the performance against policies and procedures are reviewed periodically by departmental heads and committees								
	Subject for Review	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	Performance against above policies and follow up action	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		NO	NO	NO	NO	NO	NO	NO	NO	NO
12	If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:									
	Answer to the question # 1 above is “Yes”, so this question is not applicable to us.									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE-1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

- Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of trainings and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	Awareness of Company's Law Compliances and Insider Trading, Code of Conduct, Awareness on Ethical compliances	100%
Key Managerial Personnel	5	Awareness of Company's Law Compliances and Insider Trading, POSH, Code of Conduct, Awareness on Ethical compliances	100%
Employees other than BoD's and KMPs	136	Supervisory development, Leadership Skills & Managing Team, Basic knowledge of gears & gear accuracy, NC Part Handling, Productivity & Efficiency Enhancement by Reduction of Rework / Rejection, Kaizen, Poka-Yoke & 3M (MUDA, MURAI, MURI), Store Management - Guage Track, Bin Tag & Route Cards, Team Work & Conflict Handling, IATF 16949 & Auditing skills, RUN Chart / Control Chart, Enhancing Productivity & Benchmarking, CSR (Customer Specific Requirements) Awarness, 5's, Carbon Foot Prints, Critical Thinking & Problem Solving, Risk Analysis (Context of the Organisation), Management System Awareness (IATF 16949, ISO 14001, OHSAS 18001, ISO 27001), Fire & Safety and many more.	100%
Workers	119	Basic machine Training Machine setting training Specific training L4 Fire Drill (Security Guards), Fire Mock Drill, CQI-9 (Heat Treatment System Assessment), Machine operating & Process knowledge, Hira, Risk Assessment, POSH, Occupational Health, Safety and Environment, Firefighting Training LOTO Training, ISMS (Information Security Management System) Policy 27001, Failure Mode and Effect Analysis.	100%

2. **Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity’s website):**

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL				
Settlement					
Compounding Fee					

Non- Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL				
Punishment					

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
No	No

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

YES, RACL has an anti-bribery policy. The purpose is to ensure that everyone conducts their operations and business activities in consonance with applicable laws and with the highest ethical standards and to ensure the prevention and detection of fraud, bribery and corruption. The weblink of the Policy is as follows:

https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACL PoliciesManual.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 23- 24	FY 22- 23
Directors	NIL	NIL

	FY 23- 24	FY 22- 23
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest.

	FY 23- 24		FY 22- 23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NIL	0	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NIL	0	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NA

8. Number of days of accounts payables ((Accounts Payable *365) / Cost of goods/ services procured) in the following format.

	FY 23- 24	FY 22- 23
Number of days of accounts payable	56	51

9. Open-ness of business

Parameter	Metrics	FY 23- 24	FY 22- 23
Concentration of purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		

Parameter	Metrics	FY 23- 24	FY 22- 23
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	0	0
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers /distributors		
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	1.02%	0.78%
	b. Sales (Sales to related parties / Total Sales)	1.87%	0%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made)	1.18%	0.62%

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
We regularly conduct various awareness programs for our value chain partners, including security staff, contractors, and non-permanent staff located within the factory premises. These programs cover topics such as the code of conduct and ethics, POSH, and basic environmental, health, and safety protocols		

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes. The Code of Conduct specifies the principles on management of conflict of interests to identify actual potential conflict of interest of Company with its directors and employees, which may arise during the course of its business activities. The Policy is available at www.raclgeartech.com.

The Company receives an annual declaration from its Board of Directors, Key Managerial Personnel and Senior Management Personnel confirming adherence to the Code of Conduct, which includes the provisions on dealing with conflict of interest.

PRINCIPLE-2

Businesses should provide goods and services in a manner that is sustainable and safe.

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	<i>Note:</i> RACL Geartech does not categorise capital expenditures (capex) as research and development (R&D). All capex procurements are dedicated to specific parts or customers. Currently, the company does not track capex investments in specific technologies to assess their environmental and social impact.		
Capex			

- 2a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

No

- 2b. **If yes, what percentage of inputs were sourced sustainably?**

NA

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:**

a	Plastics (including packaging)	Plastic materials, such as packing bins/trays/covers are returned to and from customers and suppliers for reuse. Discarded plastic bins/cans, packing covers and used barrels are sent to the authorised vendors for recycling. Vendor Name- Bharat Oil & Waste Management Ltd(http://www.bharatoil.com/)
b	E-waste	E-waste is disposed of at authorized vendors for recycling.
c	Hazardous waste	Hazardous waste is disposed of at authorized vendors for recycling.
d	other waste	Other waste, such as paper, corrugated boxes, boring scrap and garden waste is disposed of at the authorized vendors for recycling.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, EPR applies to the Company and the waste collection plan is in line with the EPR plan submitted to Pollution Control Board's.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ assessment was conducted	Whether conducted by Independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
NO	NO	NO	NO	NO	NO

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 23- 24	FY 22- 23
Steel & Casting	90%	90%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 23- 24			FY 22- 23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	No	No	No	No	No	No
E-waste	No	No	No	No	No	No
Hazardous waste	No	No	No	No	No	No
Other waste	No	No	No	No	No	No

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
No	No

PRINCIPLE-3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

ESSENTIAL INDICATORS

1a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	540	540	100%	540	100%	-	0	-	0	540	100%
Female	20	20	100%	20	100%	20	100%	-	0	20	100%
Total	560	560	100%	560	100%	20	3.57%	-	0	560	100%
Other than Permanent employees											
Male	172	172	100%	172	100%	-	0	-	0	172	100%
Female	6	6	100%	6	100%	6	100%	-	0	6	100%
Total	178	178	100%	178	100%	6	3.37%	-	0	178	100%

1b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	110	110	100%	110	100%	-	-	-	-	110	100%
Female	-	-	-	-	-	-	-	-	-	-	-
Total	110	110	100%	110	100%	-	-	-	-	110	100%
Other than Permanent workers											
Male	683	683	100%	683	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	683	683	100%	683	100%	-	-	-	-	-	-

1c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 23- 24	FY 22- 23
Cost incurred on wellbeing measures as a % of total revenue of the company	0.16%	0.14%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 23- 24			FY 22- 23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA
ESI	52.71%	100%	Yes	100%	100%	Yes
Others, please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces.

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

RACL has provided facilities to ensure accessibility in the premises/offices for differently abled employees and workers. For example, meeting rooms are allocated on the ground floor for easy access, dedicated vehicle parking spaces are provided for easy access, and wheelchair ramps are also provided.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

RACL provides equal employment opportunities without any discrimination based on age, colour, disability, marital status, nationality, race, religion, sex, or sexual orientation. The company has a Non-Discrimination Policy available on its website, accessible to all employees through the company portal.

Weblink: <https://www.raclgeartech.com/investors/corporate-governance>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

If an employee encounters any challenges that hinder their performance, they are encouraged to address the issue promptly for resolution. Here's the outlined procedure:

- Initially, the employee communicates the concern to their immediate supervisor following the established protocol.
- If the supervisor is unable to resolve the matter within a week, the employee may formally submit a written grievance to both the Department Head and the HR Department.
- If the issue remains unresolved after involving the Department Head and HR Department, the employee has the option to escalate it to the Management through the HR Department.
- Grievances received are reviewed and discussed regularly.
- Matters concerning female employees are handled separately, ensuring they are documented and addressed with due sensitivity as per POSH.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity.

Category	FY 23- 24			FY 22- 23		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	560	0	0%	434	0	NA
Male	540	0	0%	414	0	NA
Female	20	0	0%	20	0	NA
Total Permanent Workers	110	0	0%	124	0	NA
Male	110	0	0%	124	0	NA
Female	0	0	0%	0	0	NA

8. Details of training given to employees and workers.

Category	FY 23- 24					FY 22- 23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	712	441	62%	172	24%	564	389	69%	367	65%
Female	26	20	77%	6	23%	25	20	80%	20	80%
Total	738	461	62%	178	24%	589	409	69%	387	67%
Workers										
Male	793	463	58%	625	79%	624	457	73%	422	68%
Female	0	0	0	0	0	0	0	0%	0	0%
Total	793	463	58%	625	79%	624	457	73%	422	68%

9. Details of performance and career development reviews of employees and worker:

Category	FY 23- 24			FY 22- 23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	712	712	100%	564	414	73%
Female	26	26	100%	25	20	80%
Total	738	738	100%	589	434	74%
Workers						
Male	793	793	100%	624	500	80%
Female	0	0	0	0	0	0%
Total	793	793	100%	624	500	80%

10. Health and safety management system.

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, the Occupational health & safety management system has been implemented in all plant locations. 100% of our operations are covered under EOHS and certified for ISO 45001 (Occupational Health & Safety standards).

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

RACL Geartech has established a Hazard Identification and Risk Assessment (HIRA) system to pinpoint workplace hazards, conduct risk evaluations, and deploy necessary controls based on the level of risk, with

the aim of either minimizing or eliminating identified risks. Regular assessments are conducted through the HIRA system for all machinery and equipment following RACL Geartech's safety protocols. Additionally, a quick assessment is conducted before any non-routine activities, validated by the Work Permit System, where necessary controls are implemented according to risk levels to mitigate or eliminate identified hazards. The Company systematically identifies potential work-related incidents via the hazard identification process and evaluates their likelihood to estimate occurrence frequency or probability. Measures for risk reduction are then implemented to either prevent incidents by reducing their likelihood or to control incidents by limiting their extent and duration. These measures aim to mitigate adverse effects or consequences resulting from incidents.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the company has integrated several mechanisms in accordance with ISO 45001 to report hazards in the workplace, including Safety Patrols, Risk Assessments, and Near Miss Reports. In efforts to mitigate these hazards, the company organizes emergency and safety drills, along with capacity-building and awareness sessions for its employees and workers. These initiatives aim to ensure that everyone is equipped with the necessary safety protocols and steps for effective risk management.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes.

11. Details of safety related incidents, in the following format.

Safety Incident/Number	Category	FY 23- 24	FY 22- 23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	NA
	Workers	0	NA
Total recordable work-related injuries	Employees	0	NA
	Workers	8	NA
No. of fatalities	Employees	0	NA
	Workers	0	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	NA
	Workers	0	NA

12- Describe the measures taken by the entity to ensure a safe and healthy work place.

RACL Geartech, recognized as a certified Great Place to Work (GPTW), has a comprehensive management policy covering quality, environment, and occupational health and safety. This policy reflects their dedication to safeguarding the well-being of all stakeholders and preventing injuries or health risks.

Employees and workers receive appropriate personal protective equipment (PPE) and have access to occupational health centres for regular health check-ups. Additionally, Lockout Tagout (LOTO) procedures are strictly enforced for maintenance staff working on specific machines to prevent accidents and enhance productivity.

In case of any accidents, an action plan is devised to prevent similar incidents in the future. Regular training sessions are held on various safety topics like fire safety, handling emergencies, chemical safety, and more,

to ensure everyone is well-prepared.

Monthly health and safety audits are conducted to identify any gaps and ensure compliance with legal requirements at the plants. These efforts demonstrate RACL Geartech's commitment to maintaining a safe and healthy work environment for all.

13. Number of Complaints on the following made by employees and workers:

	FY 23- 24			FY 22- 23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NIL	0	0	NIL
Health & Safety	0	0	NIL	0	0	NIL

14. Assessments for the year.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

All critical factors involved in an incident are determined through root cause analysis and investigation, and corrective/preventive actions are identified to prevent recurrence. The corrective action to be taken is identified and implemented by the process owners, Plant EHS, and the maintenance team.

On October 7, 2023, during a regular operation in the forging department, the forging machine became stuck with material while running. An employee attempted to remove the material from the stuck machine without properly shutting it down, resulting in an injury to their right-hand fingers and palm.

Root causes:

- The conveyor chain sprocket was not covered.
- There was a larger gap between the chain and the support side plate, leading to material getting stuck in this gap due to the absence of a cover.
- Operator negligence (using tongs on a running conveyor).

Actions taken:

- The injured employee was immediately sent to the dispensary for first aid.
- The conveyor chain sprocket was immediately covered.
- Awareness training was provided to the workers to ensure adherence to and proper following of the standard operating procedures.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of

- A. Employees: Yes, the Company extends life insurance/compensatory package in the event of death of its employees
- B. Workers: Yes, the Company extends life insurance/compensatory package in the event of death of its workers

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

RACL Geartech ensures that all its onsite and offsite value chain partners comply with RACL related statutory requirements.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

At RACL, a retention program is offered based on factors like the importance of the role, business requirements, and the need for ongoing employment. In some cases, senior employees have been retained as consultants after retiring from the Company, depending on individual circumstances. Furthermore, capacity building and training sessions for skill enhancement are provided to all employees, regardless of their length of service with the company.

5. Details on assessment of value chain partners.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Working conditions and incident details are verified during supplier audits. Corrective actions are verified for the non-conformances raised during the audit through follow-up audits via virtual/onsite visits. There have been no significant risks/concerns identified to date.

PRINCIPLE-4

Businesses should respect the interests of and be responsive to all its stakeholders.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholder engagement at RACL Geartech is about building honest connections with all the people and groups connected to our Company. We want to make sure they understand our plans and goals. We talk with them to learn what they expect from us and to tell them how we're doing socially and environmentally. We make sure to include everyone, especially those who might not usually have a voice. We talk with our main stakeholders about any problems or chances for growth, using different ways to communicate that suit them best.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors and Shareholders	No	Annual Reports, E-mails, Investor Meetings, Quarterly & Annual Results, Earning Calls, General Meetings, Company and Stock Exchange's website, Notice board	Quarterly & annually	Investors are inclined to invest in companies that demonstrate social and environmental responsibility. Addressing investor queries
Customers	No	Personal Visits, Webinars, Customer Survey,	Continuous	Product quality and availability
Suppliers	No	Routine Meetings, E-mail, Supplier audits, plant visits, dialogue on the industry initiative and training courses	Continuous	Training initiatives, enhancement of quality, capacity development efforts, and safety training in alignment with updated ISO 14000 standards. Suppliers convene to deliberate on vision and mission statements, business strategies, and supplier recognition programs.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	Training & Support, Employee Survey, Website, Email, Meetings, and Conferences	Continuous	Plans for the future, training sessions to learn and understand, efforts for health and safety, and ways to involve employees more. Also, making sure employees volunteer, providing safety training, and keeping everyone informed about rule changes.
Community	Yes	Community projects, gatherings and updates, surveys to see the effect of our actions, other ways of communication such as; emails, ads, magazines, websites, and social media.	Annually/ Quarterly/ Monthly/as and when required	Implementing community initiatives and improve the surroundings, facilities, and standard of living for the communities

LEADERSHIP INDICATORS

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Company leverages various formal as well as informal channels communication to engage its stakeholders with the Board. These encompass digital means as well as Corporate Social Responsibility (CSR) initiatives, statutory report, learning and development platforms and events for internal communications. Other significant topics are communicated to the Board at regular intervals through various channels.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. Stakeholder Consultation plays a pivotal role in arriving at the material issues for RACL. Each of the stakeholder group bring a different perspective on materiality and the Company has developed the strategy basis stakeholder priorities. Further, action plan and roadmap have been set in place to fulfil the requirements of expectations of stakeholders.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

RACL Geartech, is known for its tradition of philanthropy and community service. The Company's philanthropy is to reach out to the community especially the underprivileged, disadvantaged, vulnerable and marginalized stakeholders and continuously engages with all such stakeholders in identifying, prioritising, and serving their needs accordingly especially in the field of education and healthcare (core focus area). The company has been upholding the tradition by earmarking a part of its income for carrying out its social responsibilities. Various program identified & implemented in the last fiscal year include providing infrastructure support to various school i.e., smart digital learning tools, refurbishing classrooms to upgrade the facilities available to students, providing scholarships to meritorious students with financial constraints.

PRINCIPLE-5

Businesses should respect and promote human rights.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format.

Category	FY 23- 24			FY 22- 23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	560	560	100%	434	350	80.65%
Other than permanent	178	178	100%	155	130	83.87%
Total employees	738	738	100%	589	480	81.49%
Workers						
Permanent	110	100	90.91%	124	95	76.61%
Other than permanent	683	543	79.50%	500	200	40.00%
Total workers	793	643	81.08%	624	295	47.28%

2. Details of minimum wages paid to employees and workers, in the following format.

Category	FY 23- 24					FY 22- 23				
	Total (A)	= to min wage		> than min wage		Total (D)	= to min wage		> than min wage	
		#(B)	% (B/A)	#(C)	% (C/A)		#(E)	% (E/D)	#(F)	% (F/D)
Employees										
Permanent	560	0	0	560	100%	434	0	0	434	100%
Male	540	0	0	540	100%	414	0	0	414	100%
Female	20	0	0	20	100%	20	0	0	20	100%

Category	FY 23- 24					FY 22- 23				
	Total (A)	= to min wage		> than min wage		Total (D)	= to min wage		> than min wage	
		#(B)	% (B/A)	#(C)	% (C/A)		#(E)	% (E/D)	#(F)	% (F/D)
Other than permanent	178	0	0	178	100%	155	0	0	155	100%
Male	172	0	0	172	100%	150	0	0	150	100%
Female	6	0	0	6	100%	5	0	0	5	100%
Workers										
Permanent	110	0	0	110	100%	124	0	0	124	100%
Male	110	0	0	110	100%	124	0	0	124	100%
Female	0	0	0	0	0%	0	0	0	0	0%
Other than permanent	683	220	32.21%	463	67.79%	500	150	30%	350	70%
Male	683	220	32.21%	463	67.79%	500	150	30%	350	70%
Female	0	0	0	0	0%	0	0	0	0	0%

3a. Details of remuneration/salary/wages, in the following format.

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	4,09,000	2	17,65,000
Key Managerial Personnel	1	47,25,000	1	10,14,000
Employees* other than BoD and KMP	539	31,025	19	27,538
Workers*	110	35,837	0	0

**Only permanent employees and workers have been considered.*

3b. Gross wages paid to females as % of total wages paid by the entity, in the following format.

	FY 23- 24	FY 22- 23
Gross wages paid to females as % of total wages	1.94%	2.02%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Internal Complaints Committee (w.r.t POSH) and the human resources departments are responsible for addressing human rights impacts or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has a POSH policy in place that acts as a blanket in addressing grievances related to human rights issues. Further, RACL Geartech Whistle Blower Policy and Code of Conduct provides guidelines for the committee formation and working, should there be an investigation.

6. Number of Complaints on the following made by employees and workers.

	FY 23- 24			FY 22- 23
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year
Sexual Harassment	No	No	No	No
Discrimination at workplace	No	No	No	No
Child Labour	No	No	No	No
Forced Labour/ Involuntary Labour	No	No	No	No
Wages	No	No	No	No
Other human rights related issues	No	No	No	No

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format.

	FY 23- 24	FY 22- 23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/ workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has an internal committee (w.r.t POSH policy) which addresses grievances related to discrimination and harassment cases. Whistle-blower Policy provides Directors/ Employees an avenue to raise concerns, in line with the commitment of RACL Geartech to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication. Code of Conduct addresses grievances related to employee's conduct at work.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company gives human rights high importance thereby making it an integral part of its business agreements and contracts.

10. Assessments for the year.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100% of our plants and offices are assessed by the entity for compliance on key human rights by the internal teams of the Company and HR Department as part of the regular on-going reviews by the senior leadership team of the Company
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Other human rights related issues	

11. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 10 above.

There were no significant risks or concerns identified during the year 2023-24. However, being a responsible company, we ensure continuous monitoring and capability building of our value chain partners.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

The Company is committed to upholding fundamental human rights across its operations, in accordance with its codes and policies. It conducts regular training sessions and awareness programs for employees to emphasize the importance of adhering to the Code of Conduct, respecting human rights, and supporting the freedom to form associations. Additionally, the Company informs many of its customers about these compliance standards as part of contractual agreements. Throughout the reporting period, no new business processes were implemented to address grievances or complaints related to human rights.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

RACL Geartech ensures full compliance with labour laws and offers comprehensive training to newly onboarded employees regarding the code of conduct, which encompasses key human rights concerns including child labour, gender diversity, and workplace discrimination. Third-party background checks are conducted for all employees as part of the company's hiring process.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the Company's operating locations are accessible to differently abled employees, workers and visitors. Corporate office locations and plants have ramps, sidewalks and elevators and all the necessary infrastructure to support differentially abled. Sign-boards are placed at every location to assist employees/workers with hearing aids. Wheelchairs are available in Occupational Health Centres in all major facilities.

4. Details on assessment of value chain partners.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	We are, at present, looking into formulating a sustainable supply chain program to assess our suppliers.
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Other human rights related issues	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

We are, at present, looking into formulating a sustainable supply chain program to assess our suppliers.

PRINCIPLE-6

Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format.

Parameter	FY 23- 24	FY 22- 23
From renewable sources		
Total electricity consumption (A) - GJ	2944	985
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	2944	985
From non-renewable sources		
Total electricity consumption (D) GJ	39939	186189
Total fuel consumption (E) GJ	59626	40906
Energy consumption through other sources (F)	0	0
Total energy consumption (D+E+F)	99565	227095
Total energy consumed (A+B+C+D+E+F)	102509	228080
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.000024	0.00006215

Parameter	FY 23- 24	FY 22- 23
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.00000106	0.00000272
Energy intensity in terms of physical output	0.01694701	0.03705281
Energy intensity (optional) – the relevant metric may be selected by the entity		

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 23- 24	FY 22- 23
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	16425	14410.3
(iii) Third party water	167	1866.4
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		
Total volume of water consumption (in kilolitres)	16592	16276.7
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000392	0.0000454
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00000017	0.00000020
Water intensity in terms of physical output	0.00274	0.00264
Water intensity (optional) – the relevant metric may be selected by the entity		

4. Provide the following details related to water discharged.

Parameter	FY 23- 24	FY 22- 23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Due to Zero Liquid Discharge system water is reused and not wasted to discharge.	
- No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

YES, we have implemented a mechanism for ZLD. We have installed ETP (10KLD) & STP (80KLD) with RO treatment Plant. We treat effluent and sewage water and reuse it in various functions inside the factory premises, such as bathroom flushing, gardening and cooling towers. Rain water harvesting system is available to bring rain water back into the ground.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format.

Parameter	Please specify unit	FY 23- 24	FY 22- 23
NOx	µg/m ³	35.6	60
Sox	µg/m ³	19.5	22
Particulate matter (PM)	µg/m ³	80.5	42
Persistent organic pollutants (POP)			Nil
Volatile organic compounds (VOC)			Nil
Hazardous air pollutants (HAP)			0
Others – please specify			0

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format.

Parameter	Unit	FY 23- 24	FY 22- 23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2403.33	We have started calculating carbon emission from FY 23- 24 however energy data has been captured.
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	7943.33	
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.00000245	NA
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.000000107	NA
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.00171053	
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:- Yes - Planet Sustech Private Limited

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

RACL has taken steps to reduce their greenhouse gas (GHG) emissions:

1. Installed solar panels with a capacity of 1.2 MW on the rooftop.
2. Procured green energy from grids for the main manufacturing Gajraula Plant.
3. Signed a Power Purchase Agreement (PPA) with Sunsure Solarpark Pvt. Ltd for a 4 MW capacity solar plant.
4. Implemented automatic power cut-off of machinery and equipment during idle time.

9- Provide details related to waste management by the entity, in the following format.

Parameter	FY 23- 24	FY 22- 23
Total Waste generated (in Kgs/ Litres/ Nos.)		
Plastic waste (A)	52 kgs	50 kgs
E-waste (B)	13 nos.	29 nos.
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	Scrap grinding wheel - 360 kg Oil-Soaked cloth - 590 kg Waste polythene - 52 kg	Scrap grinding wheel 412 kg, Oil-soaked cloth 424 kg
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	ETP Sludge - 1110 kg Used Scrap Oil - 640 litres Scrap oil and Air filters - 37 Nos	ETP sludge 550 kg. Used scrap oil 510 litres Scrap Oil and Air filters 46 Nos
Total (A+B + C + D + E + F + G + H)	2164 kg/ 640 litres / 37 Nos	1946 kg/ 75 no's
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000066	0.000000046
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000029	0.0000000020
Waste intensity in terms of physical output	0.000463563	0.000316138
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		

Parameter	FY 23- 24	FY 22- 23
Category of waste	Waste is handed over to the authorized approved vendor for further processing. Details for the same is given the report above.	
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	Waste is handed over to the authorized approved vendor for further processing. Details for the same is given the report above.	
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency”

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

RACL has established the following waste management practices:

1. *Waste Segregation:*
 - All waste is segregated at the source using color-coded bins.
2. *Storage Protocols:*
 - Separate storage locations are designated for hazardous and non-hazardous waste.
 - Both types of waste are stored using the 3C method (Covered, Concrete Container).
3. *Record Keeping:*
 - A quantity register is maintained for the generation and disposal of waste, following Form-6 and Form-10 guidelines.
4. *Monitoring and Measurement Plan:*
 - Initiatives include the recollection of cotton waste and used oil using a centrifugal pump.
 - Reuse of plastic bins and cans is actively pursued.
 - Continuous improvements are made to reduce the usage of oils, acids, and other materials.
5. *Procedural Compliance:*
 - Waste management procedures adhere to Environmental Occupational Health and Safety Procedure-20, 23A, and 24

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format.

Location of operations/offices	Type of operations	FY 22- 23
RACL does not have any such operations around these areas.		

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)
During FY 2023-24, as per the relevant laws, there was no requirement to conduct Environmental Impact Assessments (EIA) for projects				

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format.

Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
No such cases			

LEADERSHIP INDICATORS

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres).**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

None of RACL Geartech facilities are in the 'Water Stress' zone as per Water Assessment Report 2023 of Central Groundwater Board (CGWB), Government of India.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 23- 24	FY 22- 23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	5665	
Total Scope 3 emissions per rupee of turnover		0.00000134	
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.:- Yes - Planet Sustech Private Limited

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format.

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
STP and ETP	<p>STP – waste water is treated and used for gardening</p> <p>ETP – Effluents are treated and sent to an authorized agency and treated water is used for gardening.</p>	Reduced water consumption
Solar and Green energy	<p>Procurement of green energy by paying green energy premium. Signed a PPA with sunsure for an additional 4MW capacity solar plant.</p> <p>Installed rooftop solar plant capacity of 1.2 MW on main manufacturing units.</p>	Greenhouse gases emission reduction (Scope 2)
Efficient preventive maintenance measures for DG and furnaces	Periodical maintenance is carried out to avoid unwanted breakdowns	Increased the efficiency

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

RACL Geartech has an integrated emergency procedure within its management system to address and mitigate potential hazards to the environment and human health. Key elements of this procedure include.

Identification of Potential Emergencies:

- A comprehensive list of potential emergency situations has been identified.

Defined Roles and Responsibilities: - Roles and responsibilities for handling emergencies are clearly defined for all relevant personnel.

Mock Drills and Safety Drills: Mock drills are conducted every six months under the supervision of the safety officer.

- Safety drills are conducted every two months, or as per the established plan, to evaluate and enhance emergency preparedness.

Training and Awareness: - Regular training and awareness sessions are held for employees and emergency handling teams to ensure they are well-prepared for actual emergency situations.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No significant adverse impact on the environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

We are, at present, looking into formulating a sustainable supply chain program to assess the social and environmental practices of our suppliers.

PRINCIPLE-7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

1. Number of affiliations with trade and industry chambers/ associations.

5

2. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation Of Indian Industry	National
2	Indo-German Chamber of Commerce	National
3	Engineering Export Promotion Council	National
4	Export Promotion Bureau	National
5	U P Export Promotion Council	State

3. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
No such case		

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly / Others – please specify)	Web Link, if available
NA					

PRINCIPLE-8

Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No assessment undertaken.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format.

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
No project undertaken					

3. Describe the mechanisms to receive and redress grievances of the community.

It is taken care through our grievances management system which is standard throughout the Company.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

	FY 23- 24	FY 22- 23
Directly sourced from MSMEs/ small producers	23.40%	17.32%
Sourced directly from within the district and neighbouring districts	23.40%	17.32%
Directly from within India	NA	

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 23- 24	FY 22- 23
Rural	Data will prepared from the next year onwards.	
Semi- Urban		
Urban		
Metropolitan		
(Place to be categorized as per RBI Classification system- rural/ semi-urban/ urban/ metropolitan)		

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).

Details of negative social impact identified	Corrective action taken
No Incident identify	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

State	Aspirational District	Amount spent (In INR)
Our CSR is not operational in Aspirational districts		

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)-

No

(b) From which marginalized /vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
0	0	0	0

5. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

Name of authority	Brief of the case	Corrective action taken
0	0	0

6. Details of beneficiaries of CSR Projects.

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
Education under Bright Tomorrow, Akshar Gyan, Computer Education Program	393 Students were benefitted	100%
Women Empowerment/Skill development under Shining Star	9	100%
Renovation of classrooms, and installation of water purifier in SS vidya Niketan School, Nithari Village, Noida (GB Nagar) and Composite School PS and UPS in Naipura Khadar, Nai Pura Khadar Gajraula – Amroha	500+ Students were Benefitted	

PRINCIPLE-9

Businesses should engage with and provide value to their consumers in a responsible manner.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Though, the company has B2B operations, however, we are sensitive to the needs of the ultimate consumer. Our customers are very important to us and are treated with utmost diligence. They can log complaints directly by mailing at customercare@raclgeartech.com. Any grievance related to business transactions are handled through sales and vendor management team.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and Social parameters relevant to the product	The products sold by the Company, become part of the final product sold as a whole i.e vehicle. Hence, not applicable.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following.

State	FY 23- 24		Remarks	FY 22- 23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

4. Details of instances of product recalls on account of safety issues.

	Number	Reasons for recall
Voluntary recalls	0	The Company follows high quality standards which are monitored through productivity and quality matrix. Any quality issues are addressed through these to reduce the impact of safety concerns for its products.
Forced recalls	0	

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy.

Yes, RACL places a strong emphasis on cybersecurity. While electronic communication is essential for effective work and business success, the company carries risks to data protection and information security. The company prioritizes the protection of official documents and data from unauthorized access. When using the internet, it is important to avoid retrieving or forwarding any content that could incite racial hatred, glorify violence, or contain offensive material.

The company is committed to maintaining a secure and responsible online environment for all the employees.

https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACLPoliciesManual.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The Company follows high quality standards which are monitored through productivity and quality metrics. Any quality issues are addressed through these to reduce the impact of safety concerns for its products. Also, the Company is in the process of framing a policy on Cyber Security.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches
Nil
- b. Percentage of data breaches involving personally identifiable information of customers
NA
- c. Impact, if any, of the data breaches
Nil

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

<https://www.raclgeartech.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

RACL Geartech is a B2B company that predominantly supplies its products to larger OEMs. As part of its commitment to quality and safety, RACL Geartech makes a formal declaration of REACH and IMDS compliance when entering business agreements with customers.

Additionally, RACL Geartech conducts business validation compliance during product development, providing assurance regarding product composition and safety. To ensure the safe shipping of products, the dimensions and weight of packaging are mutually agreed upon by RACL Geartech and the customer, adhering to global standards.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

NA

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

RACL Geartech complies with all applicable regulations with respect to product information disclosure.

NA

5. Provide the following information relating to data breaches

- a. Number of instances of data breaches along-with impact . Nil
- b. Percentage of data breaches involving personally identifiable information of customers. Nil

COMPLIANCE CERTIFICATE

(Issued in accordance with the provisions of Regulation 17(8) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors,
RACL Geartech Limited

Dear Sirs,

We have reviewed the Financial Statements together with the Cash Flow Statement of RACL Geartech Limited for the financial year ended 31st March, 2024 and that to the best of our knowledge and belief, we state that;

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2024 which is fraudulent, illegal or violative of the Company's code of conduct.
4. We accept the responsibility for establishing and maintaining internal controls for financial accounting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there had been no deficiency in design or operation of such internal controls during the period under review.

We further certify that the following information has been indicated to the Auditors and the Audit committee:

- a. There have been no significant changes in internal control over financial reporting during the year;
- b. There have been no significant changes in accounting policies during the year; and
- c. There have been no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 27, 2024

Place: Noida

For and on behalf of
RACL Geartech Limited

Gursharan Singh
Chairman & Managing Director
DIN: 00057602

Jitender Jain
Chief Financial Officer

DECLARATION BY THE MANAGING DIRECTOR

(Under regulation 34(3) read with Schedule V of SEBI
(Listing Obligations and Disclosure Requirements) Regulations 2015)

I, Gursharan Singh, Chairman & Managing Director of RACL Geartech Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Company's "Code of Conduct for Directors and Senior Management Personnel" for the financial year ended on 31st March, 2024.

**For and on behalf of the Board
For RACL Geartech Limited**

**Place: Noida
Date: May 27, 2024**

**Gursharan Singh
Chairman and Managing Director
DIN: 00057602**

NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

To,
The Members,
RACL GEARTECH LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **RACL GEARTECH LIMITED** having **CIN L34300DL1983PLC016136** and having registered office at 15th Floor, Eros Corporate Tower, Nehru Place New Delhi South Delhi DL 110019 India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No	Name of Director	DIN	Designation	Date of appointment in Company
1.	<i>Mr. Gursharan Singh</i>	00057602	Managing Director	23/08/2002
2.	<i>Mr. Anil Sharma</i>	00157911	Non-Executive - Non-Independent Director	19/05/2006
3.	<i>Mr. Shashank Ramesh Anikhindi</i>	07787889	Independent Director	27/05/2017
4.	<i>Ms. Narinder Paul Kaur</i>	02435942	Non-Executive - Non Independent Director	31/01/2015
5.	<i>Mr. Jagdish Keswani</i>	02146267	Independent Director	11/11/2019
6.	<i>Mr. Harinder Pal Singh Bedi</i>	05217488	Independent Director	29/06/2020
7.	<i>Ms. Malini Bansal</i>	00167993	Independent Director	13/08/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi
Date: 01/08/2024

**For and on behalf of
For Rosy Jaiswal & Associates
Company Secretaries**

**Rosy Jaiswal
(Proprietor)
ACS No. 28432, C.P No. 21968
UDIN: 028432F000872605**

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
RACL GEARTECH LIMITED

We have examined the compliance of conditions of Corporate Governance by **RACL GEARTECH LIMITED** having **CIN L34300DL1983PLC016136** and having registered office at 15th Floor, Eros Corporate Tower, Nehru Place New Delhi South Delhi DL 110019 India (“the Company”), for the purpose of certifying of the Corporate Governance under Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the period April 01, 2023 to March 31, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with 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, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Corporation nor the efficiency or effectiveness with which the management has conducted the affairs of the Corporation.

Place: New Delhi
Date: August 1, 2024

For and on behalf of
For Rosy Jaiswal & Associates
Company Secretaries

Rosy Jaiswal
(Proprietor)
ACS No. 28432, C.P No. 21968
UDIN: A028432F000872541

INDEPENDENT AUDITOR'S REPORT

To the Members of RACL GEARTECH Limited

Report on the audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS Financial Statements of **RACL GEARTECH LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS Financial Statements, including a summary of material accounting policy information and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) 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, 2024 and its profits, 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 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 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.

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 for the financial year ended 31st March, 2024. 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.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors’ responsibilities for the audit of the Standalone Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS Financial Statements.

Key audit matters	How our audit addressed the key audit matter
A. Revenue Recognition	
<p>Revenue recognition is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement in financial statements for the year. Risk that revenue from operations could be overstated due to booking of revenues pertaining to post year end i.e. cut-off risk is a Key Audit Matter.</p>	<p>Our Audit Procedures included and were not limited to the off following:</p> <ul style="list-style-type: none"> Assessed the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and tested thereof. Evaluated the design, implementation and operating effectiveness of Company's controls in respect of revenue recognition. Tested the effectiveness of such controls over revenue cut off at year-end. On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer purchase order and shipping documents. Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and subsequent to the year end.

Information other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

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 Standalone Ind AS Financial Statements and our auditor's report thereon.

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 Standalone Ind AS 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 during the course of our 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.

Responsibility 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 Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. 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 Ind AS 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 Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 it is not a guarantee that an audit conducted in accordance with Standards on Auditing ("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 Ind AS 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 Ind AS 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 Companies Act, 2013, 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS 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 Standalone Ind AS 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 balance confirmation(s) from suppliers and from customers have been requested, but the response is awaited and therefore such balances are subject to confirmation.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with related rules as amended from time to time.
 - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 Standalone Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" which expresses an unmodified opinion.
 - g) With respect to the Other Matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigation which would impact its financial position;
 - ii. The Company does not envisage any material foreseeable losses in long-term contracts including derivative contract requiring provision;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. During the year, the Company has declared and paid dividend of Rs. 161.72 Lakhs.
- vi. Based on our examination which included test checks, the Company uses an accounting software called MAWAI for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- Further, as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.
3. 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 Company has paid the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.

For Gianender & Associates
Chartered Accountants
(Firm ‘s Registration No. 004661N)

G.K Agrawal
(Partner)
(M No. 081603)

UDIN: 24081603BKA1BA1774
Date: May 27, 2024
Place: New Delhi

Annexure 'A' to the Independent Auditor's Report of RACL GEARTECH LIMITED for the Year ended as on 31st March, 2024

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date: -

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment, Right-of-use Assets and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) The Company has maintained proper records showing full particulars of Intangible Assets.
 - b) The Property, Plant and Equipment have been physically verified by the Management at end of the year and no material discrepancies were noticed on such verification.
 - c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
 - d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Hence, reporting under Para 3(i)(d) is not applicable.
 - e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Hence, reporting under Para 3(i)(e) is not applicable.
- ii.
 - a) The Physical verification of inventory has been conducted at the end of the year by the management and discrepancies of 10% or more in the aggregate for each class of inventory were noticed and the same have been properly dealt with in the books of account.
 - b) The Company has been sanctioned with working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. The Company has made investments in, Subsidiary Company during the year. However, it has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
 - a) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. Hence, reporting under paragraph 3(iii) (a) of the Order is not applicable to the Company.
 - b) In our opinion, the investments made, during the year are, prima facie, not prejudicial to the Company's interest.
 - c) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. Hence, reporting under paragraph 3(iii) (c) of the Order is not applicable to the Company.
 - d) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. Hence, reporting under paragraph 3(iii) (d) of the Order is not applicable to the Company.

- e) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. Hence, reporting under paragraph 3(iii) (e) of the Order is not applicable to the Company.
- f) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. Hence, reporting under paragraph 3(iii) (f) of the Order is not applicable to the Company.
- iv) In our opinion and according to the information and explanation given to us, in respect of loans, investment, guarantees and security, the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- v) The Company has not accepted deposits or amounts which are deemed to be deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Hence, reporting under paragraph 3(v) of the Order is not applicable to the Company.
- vi) It has been represented by the management that for the activities carried on by the company, the Central Govt has not specified maintenance of cost records under sub section (1) of 148 of the Companies Act 2013. Hence, reporting under clause 3(vi) of the order is not applicable to the company.
- vii) In respect of statutory dues:
 - a) The Company has been generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. As on 31st March, 2024, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable.
 - b) Details of statutory dues referred to in sub-clause (a) which have not been deposited on account of disputes are given below:

Name of the Statute	Nature of the dues	Period for which the amount relates	Forum where the dispute is pending	Amount (In Rs. Lakhs)
Income Tax Act, 1961	Traces Demand	Till date	With AO for Rectification	3.10 Lakhs

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) In respect to the borrowings:
 - a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) The Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
 - d) On an overall examination of the Standalone Ind AS Financial Statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

- e) On an overall examination of the Standalone Ind AS Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) a) The Company has not raised the money by way of initial public offer/ further public offer (including debt instruments) during the year.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- xi) a) According to the information and explanations given to us by the management which have been relied by us, there were no frauds on or by the Company noticed or reported during the period under audit.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) There are no whistle blower complaints received by the company during the year.
- xii) The Company is not a Nidhi Company. Hence, reporting under paragraph 3(xii) of the Order is not applicable to the Company.
- xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- xiv) a) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 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 (2 of 1934). Hence, reporting under paragraph 3(xvi) (a) of the Order is not applicable to the Company.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under paragraph 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. Hence, reporting under paragraph 3(xvi) (c) of the Order is not applicable to the Company.
- d) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

- xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under this clause is not applicable.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Ind AS Financial Statements and further strengthened by financial support assurance provided by the Parent Company to meet its liabilities as and when they fall due 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) a) The Company has no unspent amount that is required to be transferred to Fund specified in Schedule VII to the Companies Act in respect to other than ongoing projects. Hence, reporting under the paragraph 3 (xx) (a) of the Order is not applicable to the Company.
- b) The Company has no unspent amount that is required to be transferred to a special account, within a period of thirty days from the end of the financial year in respect to ongoing projects. Hence, reporting under the paragraph 3 (xx) (b) of the Order is not applicable to the Company.
- xxi) Paragraph 3(xxii) of the Order is not applicable to the Company as the Ind Financial Statements under reporting are not consolidated Ind AS Financial Statements.

For Gianender & Associates
Chartered Accountants
(Firm 's Registration No. 004661N)

G.K Agrawal
(Partner)
(M No. 081603)

UDIN: 24081603BKA1BA1774
Date: May 27, 2024
Place: New Delhi

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

Report on the Internal Financial Controls 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 **RACL GEARTECH LIMITED** ("the Company") as of 31st March, 2024 in conjunction with our audit of the Standalone 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 with reference to Standalone Ind AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Standalone Ind AS Financial Statements issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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 Standalone Ind AS Financial Statements based on our audit. We conducted our audit in accordance with 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 adequate internal financial controls with reference to Standalone Ind AS Financial Statements 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 Standalone Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Ind AS Financial Statements

A Company's internal financial control with reference to Standalone Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Ind AS Financial Statements 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 Standalone Ind AS 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 Standalone Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls 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 with reference to Standalone Ind AS Financial Statements to future periods are subject to the risk that the internal financial control 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 system with reference to Standalone Ind AS Financial Statements and such internal financial controls with reference to Standalone Ind AS Financial Statements were operating effectively as at 31st March, 2024, based on the internal control with reference to Standalone Ind AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to Standalone Ind AS Financial Statements issued by the Institute of Chartered Accountants of India.

For Gianender & Associates
Chartered Accountants
(Firm 's Registration No. 004661N)

G.K Agrawal
(Partner)
(M No. 081603)

UDIN: 24081603BKA1BA1774
Date: May 27, 2024
Place: New Delhi

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Standalone Balance Sheet as at March 31, 2024

(Rs. In Lakh)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	2	30,333.49	22,678.58
(b) Intangible asset	3	44.99	26.58
(c) Capital work-in-progress	4	641.17	176.46
(d) Financial assets	5	212.90	160.47
(e) Other non-current assets	6	266.45	1,594.22
Total Non-current Assets		31,499.00	24,636.31
Current Assets			
(a) Inventories	7	11,880.18	9,526.86
(b) Financial assets			
i. Trade receivables	8	11,512.75	8,449.03
ii. Cash and cash equivalents	9	36.03	256.30
iii. Other Bank Balances	10	68.97	16.21
(c) Current tax assets (net)	11	33.20	-
(d) Other current assets	12	3,008.50	1,545.27
Total Current Assets		26,539.61	19,793.67
Total Assets		58,038.61	44,429.98
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	1,078.16	1,078.16
(b) Other equity	14	19,448.68	15,670.44
Total Equity		20,526.84	16,748.60
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
i. Borrowings	15	10,522.86	8,548.00
ii. Lease liability	16	586.83	74.81
(b) Provisions	17	837.29	801.97
(c) Deferred tax liabilities (Net)	18	1,231.60	877.97
(d) Other Non- Current Liabilities	19	-	-
Total Non-current Liabilities		13,178.58	10,302.75

Standalone Balance Sheet as at March 31, 2024

(Rs. In Lakh)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Current Liabilities			
(a) Financial liabilities			
i. Borrowings	20	17,630.51	11,577.59
ia. Lease Liability	20	156.32	137.59
ii. Trade payables			
-Total Outstanding dues to micro and small enterprise.	21	1,101.86	653.37
-Total Outstanding dues to other than micro and small enterprise.	21	3,606.67	3,119.97
iii. Other financial liabilities	22	1,382.81	1,063.69
(b) Other current liabilities	23	245.55	179.89
(c) Provisions	24	191.75	204.89
(d) Current tax Liabilities (Net)	25	17.71	441.65
Total Current Liabilities		24,333.19	17,378.64
Total Liabilities		37,511.77	27,681.38
Total Equity and Liabilities		58,038.61	44,429.98

Notes form intergral part of the Financial Statements
As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

By Order of the Board for RACL Geartech Ltd

G.K. Agrawal
(Partner)
M.No : 081603

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JAGDISH KESWANI
(Director)
DIN: 02146267

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

Place : Delhi
Date : May 27, 2024
UDIN: 24081603BKA1BA1774

JITENDER JAIN
(CFO)

MALINI BANSAL
(Director)
DIN: 00167993

ANIL SHARMA
(Director)
DIN: 00157911

NARINDER PAUL KAUR
(Director)
DIN: 02435942

HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Standalone Statement of Profit and Loss for the year ended March 31, 2024

(Rs. In Lakh)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	26	41,728.68	35,820.98
Other income	27	574.87	913.39
Total Income		42,303.55	36,734.37
Expenses			
Cost of Material Consumed	28	12,854.00	12,917.32
Changes in inventories of finished goods WIP and Stock in Trade	29	(609.85)	(1,966.36)
Employee benefits expenses	30	4,288.20	3,569.68
Finance Costs	31	2,363.49	2,065.69
Depreciation and Amortisation Expenses	32	2,455.02	1,869.05
Other Expenses	33	15,579.15	13,146.23
Total expenses		36,930.02	31,601.61
Profit before exceptional items and tax		5,373.54	5,132.76
Add: Exceptional items			
Profit before tax			
Less: Tax expense			
(1) Current tax		(20.06)	(9.46)
Previous Year tax Paid		(1,019.10)	(1,173.58)
Tax Payable		(1,039.16)	(1,183.04)
(2) Deferred tax		(353.64)	(204.65)
		(1,392.79)	(1,387.69)
Profit for the period from continuing operations		3,980.73	3,745.07
Other Comprehensive Income			

Standalone Statement of Profit and Loss for the year ended March 31, 2024

(Rs. In Lakh)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Remeasurements of the defined benefit plans		(40.77)	(28.73)
Total other comprehensive income		(40.77)	(28.73)
Total comprehensive income for the period		3,939.96	3,716.34
Earnings per share (Face Value Rs. 10/- per share)			
(1) Basic (in Rs.)	34	36.92	34.73
(2) Diluted (in Rs.)		36.92	34.73

Notes form intergral part of the Financial Statements

As per our report of even date attached

For Gianender & Associates

Chartered Accountants

FRN 004661N

G.K. Agrawal

(Partner)

M.No : 081603

GURSHARAN SINGH

(Chairman & M.D.)

DIN: 00057602

JAGDISH KESWANI

(Director)

DIN: 02146267

SHASHANK RAMESH

ANIKHINDI

(Director)

DIN: 07787889

JITENDER JAIN

(CFO)

MALINI BANSAL

(Director)

DIN: 00167993

ANIL SHARMA

(Director)

DIN: 00157911

Place : Delhi

Date : May 27, 2024

UDIN: 24081603BKA1BA1774

NARINDER PAUL KAUR

(Director)

DIN: 02435942

HPS BEDI

(Director)

DIN: 05217488

NEHA BAHAL

(Company Secretary)

ICSI MEM. NO. 40272

Standalone Cash Flow statement for the year ended March 31, 2024

(Rs. In Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	5,373.54	5,132.76
Adjustment for:		
Depreciation / Amortization	2,455.02	1,869.05
Interest charges	2,363.49	2,065.69
Impairment/(Impairment reversal)	(5.45)	-
(Profit)/Loss on sale of asset	(2.29)	(14.93)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	10,184.31	9,052.57
Increase/(Decrease) in other Liabilities - Non Current	-	-
Increase/(Decrease) in other Financial Liabilities	828.58	256.49
Increase/(Decrease) in Trade Payable - Current	935.20	848.24
Increase/(Decrease) in long-term provisions - Non current	(5.45)	3.59
Increase/(Decrease) in short-term provisions - current	410.80	(399.11)
Increase/(Decrease) in other current liabilities	(358.27)	393.50
(Increase)/Decrease in inventories	(2,353.31)	(3,852.24)
(Increase)/Decrease in trade Receivable	(3,063.72)	(757.41)
(Increase)/Decrease in other non current financial assets	(52.43)	(0.20)
(Increase)/Decrease in other non current assets	-	-
(Increase)/Decrease in other current assets	(1,496.43)	344.25
(Increase)/Decrease in other Current financial Asset	(52.76)	881.38
CASH GENERATED FROM OPERATIONS	4,976.52	6,771.06
Direct taxes paid	1,463.10	741.39
NET CASH GENERATED FROM OPERATIONS	3513.42	6029.67
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE	(9,316.17)	(6,183.30)
Advance given for PPE	(266.45)	(1,594.22)
Proceeds from Sale of PPE	325.08	199.40
NET CASH GENERATED (USED IN) INVESTING ACTIVITIES	(9,257.54)	(7,578.12)
C. CASHFLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from long & short term borrowings	8,046.51	3,942.87
Proceeds from share capital	-	-
Dividend Paid	(161.72)	(107.83)

Standalone Cash Flow statement for the year ended March 31, 2024

(Rs. In Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend Distribution Tax	-	-
Proceeds from share premium	-	-
Interest and finance charges paid	(2,360.94)	(2,061.69)
NET CASH FROM FINANCING ACTIVITIES	5,523.85	1,773.34
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR	(220.27)	224.90
Cash and cash equivalents as at beginning of the year	256.30	31.40
Cash and cash equivalents as at end of the year	36.03	256.30
Net Cash Flow	(220.27)	224.90

Notes:

- Cash Flow statement has been prepared under "Indirect Method" as set out in the Ind-AS 7 Cash Flow Statements
- Cash and cash equivalents represents the followings:

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks	29.80	247.85
Cash on hand	6.23	8.45
Total	36.03	256.30

As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

By Order of the Board for RACL Geartech Ltd

G.K. Agrawal
(Partner)
M.No : 081603

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JAGDISH KESWANI
(Director)
DIN: 02146267

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

Place : Delhi
Date : May 27, 2024
UDIN: 24081603BKA1BA1774

JITENDER JAIN
(CFO)

MALINI BANSAL
(Director)
DIN: 00167993

ANIL SHARMA
(Director)
DIN: 00157911

NARINDER PAUL KAUR
(Director)
DIN: 02435942

HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: May 27, 2024

Statement of changes in equity for the year ended 31st March 2024

A. Equity share capital

(Rs. In Lakh)

Movement during the year	Number of shares (In Lakh)	Share Capital (Amount)
Equity		
Authorised (Equity Shares of Rs.10/- each)	200.00	2,000.00
Issued & Subscribed (Equity Shares of Rs.10/- each)		
Balance at the beginning of the period as at 01.04.2023	117.90	1,179.00
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	117.90	1,179.00
Change during the year	-	-
Balance at the end of the period as at 31.03.2024	117.90	1,179.00
Paid up Share Capital		
Balance at the beginning of the period as at 01.04.2023	107.82	1,078.16
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	107.82	1,078.16
Change during the year	-	-
Balance at the end of the period as at 31.03.2024	107.82	1,078.16
Movement during the year	Number of shares (In Lakh)	Share Capital (Amount)
Authorised (Equity Shares of Rs.10/- each)	200.00	2,000.00
Issued & Subscribed (Equity Shares of Rs.10/- each)		
Balance at the beginning of the period as at 01.04.2022	117.90	1,179.00
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	117.90	1,179.00
Change during the year	-	-
Balance at the end of the period as at 31.03.2023	117.90	1,179.00
Paid up Share Capital		
Balance at the beginning of the period as at 01.04.2022	107.82	1,078.16
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	107.82	1,078.16
Change during the year	-	-
Balance at the end of the period as at 31.03.2023	107.82	1,078.16

B. Other Equity

Movement in Other Equity

(Rs. In Lakh)

Particulars	Reserves and Surplus			Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e. 01.04.2023	41.95	695.31	14,933.17	15,670.44
Changes in accounting policy or prior period errors		-	-	-
Restated balance at the beginning of the reporting period	41.95	695.31	14,933.17	15,670.44
Total Comprehensive income for the year	-	-	3939.96	3,939.96
Less: Dividend Paid	-	-	(161.72)	(161.72)
Less: Dividend Distribution Tax	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance at the end of the reporting period i.e. 31.03.2024	41.95	695.31	18,711.42	9,448.68

Particulars	Reserves and Surplus			Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e. 01.04.2022	41.95	695.31	11,324.66	12,061.92
Changes in accounting policy or prior period errors		-	-	-
Restated balance at the beginning of the reporting period	41.95	695.31	11,324.66	12,061.92
Total Comprehensive income for the year	-	-	3716.34	3,716.34
Less: Dividend Paid	-	-	(107.83)	(107.83)
Less: Dividend Distribution Tax	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance at the end of the reporting period i.e. 31.03.2023	41.95	695.31	14,933.17	15,670.43

As per our report of even date attached

For Gianender & Associates

Chartered Accountants

FRN 004661N

G.K. Agrawal

(Partner)

M.No : 081603

Place : Delhi

Date : May 27, 2024

UDIN: 24081603BKA1BA1774

GURSHARAN SINGH

(Chairman & M.D.)

DIN: 00057602

JITENDER JAIN

(CFO)

NARINDER PAUL KAUR

(Director)

DIN: 02435942

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SHASHANK RAMESH

ANIKHINDI

(Director)

DIN: 07787889

ANIL SHARMA

(Director)

DIN: 00157911

NEHA BAHAL

(Company Secretary)

ICSI MEM. NO. 40272

Place: Noida

Date: May 27, 2024

NOTES TO ACCOUNTS

Note No 1.

GENERAL INFORMATION

RACL Geartech Ltd (referred to as 'RACL' or 'Company') was established in the year 1989 to produce automotive components in the fields of Motorcycles & Scooters, 3&4 Wheeler Passenger & Cargo Vehicles, Agricultural Machinery, Tractors, ATV, Light & Heavy Commercial Vehicles, etc. The company has also expanded into sub-assemblies, industrial Gears for electrical switch Gears and Circuit Breakers, Winches, and Cranes.

It is a customer-centric Organisation obsessed with world-class benchmarking and is supplying to top Global OEMs like BMW Mottarad, Germany, Kubota Corporation (Japan, Thailand, and USA), IT Switzerland (Same Group Company), KTM AG (Austria) Schneider Electric (Germany), Dana (Italy and China) amongst others.

A. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

a) Statement of Compliance

The shares of the company are listed on the Bombay Stock Exchange (BSE).

The Company's financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013 (the Act).

b) Basis of Measurement

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

Item	Measurement
Certain financial assets and liabilities	At Fair value
Net defined benefit (asset)/liability	At the Present value of defined benefit obligations

c) Use of Estimates and Judgements

The preparation of these financial statements conforms with Ind AS. It requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income, and expenses. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialized. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, fair value measurement, etc.

d) Measurement of Fair Value

Accounting Policies and disclosures require measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Levels 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

e) Operating Cycle

Based on the nature of products/ activities of the Company and the normal time between the acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for classification of its assets and liabilities as current and non-current

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 modified by the requirements of Ind AS. The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”. The disclosure requirements concerning items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees which is also Companies Functional Currency and all values are rounded to the nearest lakhs, except otherwise indicated.

B. Material Accounting Policy Information

B1 INCOME RECOGNITION

a. Revenue from Contracts with customers:

Revenue from contracts with customers is accounted for and recognized, observing the provisions of Ind AS 115 “Revenue from Contracts with Customers”.

The Company derives revenue primarily from the sale of goods to the Customer. To recognize the revenue, the Company applies the following five steps approach:

- (1) Identify the contract with a customer:** The Company observes the following criteria:
 - a) Parties to the contract have approved the contract.
 - b) Parties are committed to performing their respective obligations.
 - c) Each party's rights and payment for the contract are identified.
 - d) A contract has commercial substance.
 - e) Probable collection of the consideration by the entity.
- (2) Identify the performance obligations in the contract:** The Company assesses its promise to transfer goods to a customer to identify separate performance obligations. The Company applies judgment to determine whether each good promised to a customer is capable of being distinct, and is distinct in the context of the contract, if not, the promised goods are combined and accounted as a single performance obligation.
- (3) Determine the transaction price:** The transaction price is fixed and determined based on the terms of the contract and the Company's customary practice and any consideration payable to the customers including cash amounts, credits, rebates, and other similar allowances is reduced from the transaction price.

- (4) **Allocate the transaction price to the performance obligation in the contract.** The Company allocates the transaction price to each performance obligation identified in a contract on a relative stand-alone selling price basis.
- (5) **Recognize revenue when a performance obligation is satisfied:** Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring promised goods or services to a customer (customer obtains control). For each performance obligation, The Company determines the performance obligation at a point in time when all the following conditions are satisfied:
1. The Company has a present right to pay for the goods.
 2. The Customer has a legal title to the goods.
 3. The Company has transferred physical possession of the goods.
 4. Customer has significant risk and reward of ownership.
 5. Customer has accepted the goods.

b. Other Income:

Dividend income from investments is recognized when the company's right to receive payment has been established.

Interest income is accrued on, a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

B2 PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, plant, and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost of acquisition is inclusive of freight, duties, taxes, and other incidental expenses. Freehold land is not depreciated.

Management has reviewed the depreciation policy and machineries have been depreciated accordingly.

Properties in the course of construction for production, supply, or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes items directly attributable to the construction or acquisition of the item of property, plant, and equipment, and, for qualifying assets, borrowing costs capitalized by the Company's accounting policy. Such properties are classified into the appropriate categories of property, plant, and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognized to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. Depreciation is charged on a pro-rata basis at the straight-line method over estimated economic useful lives of its property, plant, and equipment generally per that provided in Schedule II to the Act.

Depreciation of an asset begins when it is available for use. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that it is classified as held for sale) per Ind AS 105 and the date that the asset is de-recognized. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

However, under usage methods of depreciation, the depreciation charge can be zero while there is no production.

Depreciation on additions/ deductions is calculated pro-rata from/ to the Date of additions/ deductions.

An item of property, plant, and equipment is derecognized upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss. The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

B3 INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

B4 IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

The carrying amount of assets is reviewed at each Balance Sheet date, to assess, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is charged to the statement of profit and loss Account in the year in which an asset is identified as impaired.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit or loss.

B5 INVENTORY

Inventories are valued at the lower of cost, determined on the weighted average basis and Net Realisable Value (NRV).

The cost of Finished Goods and Work in Progress comprises raw material, direct labour, another direct cost, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Costs of Inventories also include all the costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. NRV is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated cost necessary to make the sale.

B6 FOREIGN CURRENCY TRANSACTION

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences in monetary items are recognized in statements of profit or loss in the period in which they arise.

Foreign currency derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting

period. The resulting gain or loss is recognized in the statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

B7 EMPLOYEE BENEFIT

Company's contributions paid/ payable during the year to Provident Fund and Employees' State Insurance Corporation (ESIC) are recognized in the statement of Profit & Loss Account; Provident Fund contributions are made to a Trust administered by the company. The interest rate payable to the members of this trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the company. The remaining contributions are made to a Government Administered Employee Pension Fund towards which the company has no further obligations beyond its monthly contributions.

Defined benefits and other long-term employee benefits are provided based on the actuarial valuation made at the end of each financial year. Actuarial gains or losses arising from such valuation are charged to Other Comprehensive Income in the year in which they arise.

B8 RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research activities is recognized as an expense in the period in which it is incurred where no internally generated asset can be recognized.

B9 FINANCIAL INSTRUMENT

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the statement of profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value are recognized in the statement of profit or loss.

a. Financial Assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

Investments in debt instruments that meet the following conditions are subsequently measured at amortized cost (unless the same are designated as fair value through the statement of profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

- The asset is held within a business model whose objective is achieved both by collecting

contractual cash flows and selling financial assets; and

- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments at FVTPL are a residual category for debt instruments and all changes are recognized in profit or loss.

Investments in equity instruments are classified as FVTPL unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income (OCI) for equity instruments that are not held for trading.

Interest income, dividend income, and exchange difference (on debt instrument) on Fair Value Through Other Comprehensive Income (FVTOCI) debt instruments are recognized in statements of profit or loss, and other changes in fair value are recognized in OCI and accumulated in other equity. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to statement of profit & loss. However, in the case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to a statement of profit & loss on disposal of investments.

b. Financial Liabilities and Equity Instruments

(1) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or equity by the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(2) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(3) Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of the costs of an asset is included in the 'Finance Costs' Line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs, and other premiums or discounts) through the expected life of the financial liability.

- Loans and borrowings are subsequently measured at amortized costs using the Effective Interest Rate method.
- Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.
- Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.
- Financial liability is derecognized when the obligation under the liability is discharged or canceled or expires.

B10 IMPAIRMENT OF FINANCIAL ASSETS (EXPECTED CREDIT LOSS MODEL)

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company under the contract/agreement and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are the portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When assessing whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition

B11 PROVISIONS

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, the Company will probably be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

B12 WARRANTIES

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency, and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claims will arise- typically six months to one year.

B13 CURRENT AND NON-CURRENT CLASSIFICATION

Current Assets

An asset shall be classified as current when it satisfies any of the following criteria:

- (a) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) It is held primarily to be traded.
- (c) It is expected to be realized within twelve months after the reporting date, or
- (d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in the company's normal operating cycle;
- (b) It is held primarily to be traded;
- (c) It is due to be settled within twelve months after the reporting date: or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other liabilities shall be classified as non-current.

B14 DEFERRED TAX & CURRENT TAX

a. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that taxable profits will probably be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from how the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

b. Current and deferred tax for the year

The income tax expense or credit for the year is the tax payable on the current year'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.

Current and deferred tax are recognized in statements of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively

B15 EARNING PER SHARE (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. To calculate Diluted Earnings per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares.

B16 LEASE

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a while in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- The Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

C. Cash Flow Statement

A cash flow statement is prepared segregating the cash flows from operating, investing, and financing activities. Cash flow from operating activities is reported using an indirect method. Under the indirect method, the net profit/ (loss) is adjusted for the effects of:

- Transactions of a non-cash nature;
- Any deferrals or accruals of past or future operating cash receipts or payments and,
- All other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing, and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents that are not available for general use as of the date of the Balance Sheet are also included under this category with a specific disclosure.

D. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized during the period 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 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 capitalization. Other borrowing costs are expensed in the period in which they are incurred.

As per our report of even date attached

For Gianender & Associates

Chartered Accountants

FRN 004661N

G.K. Agrawal

(Partner)

M.No : 081603

Place : Delhi

Date : May 27, 2024

UDIN: 24081603BKA1BA1774

GURSHARAN SINGH

(Chairman & M.D.)

DIN: 00057602

JITENDER JAIN

(CFO)

NARINDER PAUL KAUR

(Director)

DIN: 02435942

JAGDISH KESWANI

(Director)

DIN: 02146267

MALINI BANSAL

(Director)

DIN: 00167993

HPS BEDI

(Director)

DIN: 05217488

SHASHANK RAMESH

ANIKHINDI

(Director)

DIN: 07787889

ANIL SHARMA

(Director)

DIN: 00157911

NEHA BAHAL

(Company Secretary)

ICSI MEM. NO. 40272

Place: Noida

Date: May 27, 2024

Notes to Standalone financial statements as at and for the Year ended 31st March 2024

Property, plant and equipment

(Rs. In Lakh)

Particulars	Note No.	Cost or Deemed cost			Accumulated depreciation			Impairment		Carrying Amount		
		Balance as at April 1, 2023	Additions	Disposals	Balance at March 31, 2024	Balance as at April 1, 2023	Depreciation expense	Disposals	Balance at March 31, 2024	Impairment loss/reversal during the year	Balance at March 31, 2024	As at March 31, 2023
Building		3,272.16	893.73		4,165.90	289.87	147.50	437.37	-	-	3,728.53	2,982.29
Right To Use Buildings		545.20	702.77	213.83	1,034.14	405.92	82.52	347.84	-	-	686.31	139.29
Plant & Machinery		22,567.43	7,764.35	688.87	29,642.92	5,048.27	1,899.27	6,452.78	91.03	(5.45)	23,104.56	17,428.13
Furniture & Fixtures		3.25			3.25	2.56	0.05	2.61	-	-	0.64	0.69
Vehicles		230.78	189.85	61.62	359.02	69.67	51.86	75.37	(0.00)	0.45	283.65	161.11
Office Equipments	2	291.13	379.81	0.23	670.71	96.62	56.85	153.25	0.45	-	517.01	194.07
Electrical Installation		208.99	25.67		234.65	71.10	15.36	86.46	-	-	148.20	137.89
Capital Tool Support		925.49	463.87		1,389.37	358.45	215.29	573.74	-	-	815.62	567.04
Right To Use Leasehold - Land		1,144.37			1,144.37	76.29	19.12	95.41	-	-	1,048.96	1,068.08
Total		29,188.81	10,420.06	964.54	38,644.33	6,418.75	2,447.81	8,224.81	91.48	(5.45)	30,333.49	22,678.58
Previous Year		22,644.28	6,989.13	444.60	29,188.81	4,813.02	1,865.86	6,418.75	91.47	-	22,678.59	17,739.79

Intangible Assets

Particulars	Note No.	Cost or Deemed cost			Accumulated Amortisation			Impairment		Carrying Amount		
		Balance as at April 1, 2023	Additions	Disposals	Balance at March 31, 2024	Balance as at April 1, 2023	Amortisation	Disposals	Balance at March 31, 2024	Impairment loss/reversal during the year	Balance at March 31, 2024	As at March 31, 2023
Intangible Asset	3	53.44	25.62		79.06	26.86	7.21	34.06	-	-	44.99	26.58
Total		53.44	25.62	-	79.06	26.86	7.21	34.06	-	-	44.99	26.58
Previous Year		36.14	17.30	-	53.44	23.67	3.19	26.86	-	-	26.58	12.47

Capital Work In Progress

Particulars	Note No.	Cost or Deemed cost			Accumulated Amortisation			Impairment		Carrying Amount		
		Balance as at April 1, 2023	Additions	Disposals/ Capitalized	Balance at March 31, 2024	Balance as at April 1, 2023	Amortisation	Disposals/ Capitalized	Balance at March 31, 2024	Impairment loss/reversal during the year	Balance at March 31, 2024	As at March 31, 2023
Capital Work In Progress*	4	176.46	641.17	176.46	641.17	-	-	-	-	-	641.17	176.46
Total		176.46	641.17	176.46	641.17	-	-	-	-	-	641.17	176.46
Previous Year		391.22	176.46	391.22	176.46	-	-	-	-	-	176.46	391.22

*Refer note - 52 for ageing of CWP

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Non Current Assets			
(d) Financial Asset	5		
Investment in Equity Share Capital of Racl Geartech Gmbh, Austria for EURO 42500 (P.Y. EURO 17500)		36.54	14.19
Security Deposits with landlord against rented premises & Others		27.96	38.61
Security Deposits with UPPCL		148.40	107.67
Total		212.90	160.47
(e) Other Non Current Assets	6		
Capital Advances			
Advance for Machineries		266.45	1594.22
Total		266.45	1,594.22
Current Assets			
(a) Inventories (Lower of Cost or Net Relisable Value)	7		
Raw Materials and components		1607.31	1283.08
Work-in-progress		1772.17	1530.87
Finished goods			
- In Hand		483.58	532.21
- In-Transit		2363.21	1946.02
Stores and spares		930.33	752.25
Loose Tools		4229.15	3044.45
Jigs & fixtures		494.43	437.98
Total		11,880.18	9,526.86
(b) Financial Assets			
i . Trade Recievable*	8		
Unsecured, considered good		11512.74	8449.03
Total		11,512.74	8,449.03

*Refer Note No. 53 for ageing

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ii. Cash and Cash Equivalents	9		
Balances with banks		29.80	247.85
Cash on hand		6.23	8.45
Total		36.03	256.30
iii. Other Bank Balances	10		
Other Bank Balances - Unpaid Dividend Bank A/c		23.57	16.10
Deposits with maturity more than 3 months but less 12 months*		45.39	0.11
Total		68.97	16.21

*FDR amount includes margin money on Letter of Credit.

(c) Current Tax Assets (Net)	11		
Income Tax Refundable AY 2020-21		33.20	0.00
Less: Income Tax Payable		0.00	-
Total		33.20	-
(d) Other Current Assets (Secured, considered good)	12		
Deposit with Government authorities		550.94	395.24
Interest Receivable		5.93	7.16
Prepaid Expenses		130.32	124.62
Advance to Suppliers		524.13	225.00
Other Advances		3.97	0.48
Balance with Government authorities		1793.21	792.76
Total		3,008.50	1,545.27

Note No 13

Equity Share Capital

(Rs. In Lakh)

Particulars	Note No.	Number of Shares (In Lakh)		As at March 31, 2024	As at March 31, 2023
		As at March 31, 2024	As at March 31, 2023		
Equity					
Authorised (Equity Shares of Rs.10/- each)		200.00	200.00	2000.00	2000.00
Issued & Subscribed (Equity Shares of Rs.10/- each)	13	117.90	117.90	1179.00	1179.00
Fully Paid up Share Capital (Equity Shares of Rs.10/- each)		107.82	107.82	1078.16	1078.16
Total Paid Up Share Capital		107.82	107.82	1,078.16	1,078.16

i. Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. All equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share in the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture. 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. The dividend proposed by the board of directors is to be adopted by the shareholders at the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive dividend proposed by the board of directors subject to the approval of shareholders.

The Company has declared and paid an amount of dividend for Rs. 161.72 Lakh during the FY 2023-24. (Previous year: Rs. 107.82 Lakh)

- ii. Shares held by holding/Ultimate holding company and/or their subsidiaries/associates : Nil
- iii. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting Year

(Rs. In Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Equity Shares	INR	No of Equity Shares	INR
Share outstanding at the beginning of the year	107.82	1078.16	107.82	1078.16
Share issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Share outstanding at the end of the year	107.82	1,078.16	107.82	1,078.16

iv. List of Shareholders having more than 5% equity shares

(Rs. In Lakh)

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares Held	% of Holding	No of Shares Held	% of Holding
GURSHARAN SINGH	39.43	36.57	39.43	36.57
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P.LTD.	15.03	13.94	15.03	13.94
Middleware Development Limited	7.40	6.87	7.46	6.92

(v) a. Details of Shareholders holding by promoters at the end of the year as at March 31, 2024

Shares held by the Promoters at the end of the year

(Rs. In Lakh)

Name of the Promoter	No of Shares	% of Total Shares	% Change during the year
Equity share capital			
GURSHARAN SINGH	39.43	36.57	0.00%
NARINDER PAUL KAUR	0.34	0.32	0.00%
DEV RAJ ARYA	2.23	2.07	-1.37%
RAJ ARYA	-	-	-100.00%
AADHAR INFOSYSTEMS PVT. LTD.	0.44	0.41	0.00%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	15.03	13.94	0.00%
Total	57.48	53.31	-101.37%

(vi) b. Details of Shareholders holding by promoters at the end of the year as at March 31, 2023

Shares held by the Promoters at the end of the year

(Rs. In Lakh)

Name of the Promoter	No of Shares	% of Total Shares	% Change during the year
Equity share capital			
GURSHARAN SINGH	39.43	36.57	0.00%
NARINDER PAUL KAUR	0.34	0.32	0.00%
DEV RAJ ARYA	2.26	2.10	-1.33%
RAJ ARYA	0.05	0.04	-44.76%
AADHAR INFOSYSTEMS PVT. LTD.	0.44	0.41	0.00%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	15.03	13.94	0.00%
Total	57.55	53.38	-46.09%

Other Equity

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Retained Earning	14	18,711.42	14,933.17
Securities Premium Reserve		695.31	695.31
Share Forfeiture Account		41.95	41.95
Total		19,448.68	15,670.44

- a. The Company has forfeited 10,08,400 equity share of Rs 10/- each (on 21.4.2003) and 19,00,000 convertible share warrants having paid up value of Re 1/- each (on 19.4.2010)

Other Equity

(Rs. In Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Retained Earning		
Opening Balance	14,933.17	11,324.66
Add: Comprehensive Income for the year	3,939.96	3,716.34
Less: Dividend Paid	(161.72)	(107.83)
Less: Dividend Distribution Tax	-	-
	18,711.42	14,933.17
Securities Premium Reserve		
Opening Balance	695.31	695.31
Add: Comprehensive Income for the year	-	-
Closing Balance	695.31	695.31
Share Forfeiture Account		
Opening Balance	41.95	41.95
Add: Comprehensive Income for the year	-	-
Closing Balance	41.95	41.95

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Non Current Liabilities			
(a) Financial Liabilities			
Borrowings			
Secured Loans			
Term Loan from Bank*		14749.40	11364.81
Less: Unamortised Borrowing Cost		(56.32)	(56.67)
Less: Current Maturities of Term Loan		(4,602.65)	(3,379.37)
	(i)	10,090.43	7,928.77
Car Loan**		211.26	109.22
Less: Current Maturities of car Loan		(67.97)	(33.73)
	(ii)	143.29	75.49
	1((i)+(ii))	10,233.72	8,004.26

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
(b) Long Term Provisions			
Gratuity	17	733.35	703.90
Leave Encashment		103.94	98.07
Total		837.29	801.97
(c) Deferred tax liabilities (Net)			
Deferred tax liabilities	18	1677.66	1184.85
Less: Deferred tax assets		(446.06)	(306.89)
Total		1,231.60	877.97
(d) Other Non- Current Liabilities			
Long Term Advances from Customers	19	0.00	0.00
Less: Current Maturities of Long Term Advances from Customers		-	-
		-	-
Current Liabilities			
(a) Financial Liabilities			
(i). Secured Borrowings	20		
a. *Pre-shipment Credit		7838.52	4573.51
*Cash Credit		3600.75	452.34
b. Current maturities of Long-term borrowings			
Current Maturities of Term Loans		4602.65	3379.37
Current Maturities of Car Loans		67.97	33.73
Current Maturities of Loans from Financial Institution		219.95	289.65
Current Maturities of Lease Liability		156.32	137.59
Total a.		16,486.17	8,866.18
c. Bill Discounting Facility		1300.66	2849.00
Total b.		1,300.66	2,849.00
Total (ia) {a.+b.}		17,786.83	11,715.18

1. Pre-shipment and cash credit are secured on PariPassu Basis in the following Manner:

- First charge by way of Hypothecation on entire stock and Book Debt of the Company
- Extension of EQM of Comapny's Land and Building at Gajraula U.P.

The above Loans are also secured by personal guarantee of Shri Gursharan Singh (CMD of the Company).

The Company has taken an advance of Rs 1300.66 lakh from RBL Bank, Standard Chartered Bank & Citibank which are secured in the following manner:

- First Charge on Trade Receivables as per the sanctioned terms
- Second charge on the entire current movable & Fixed Assets of the company
- Personal Guarantee of Mr Gursharan Singh (CMD of the Company)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ii. Trade payables			
Due to micro and small enterprise		1101.86	653.37
Due to other than micro and small enterprise	21	3602.83	3112.09
Due to Related Parties		3.84	7.88
Total		4,708.53	3,773.34

1. Disclosure for Micro and Small Enterprise

The amount due to Micro & Small Enterprises as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” has been determined to the extent such parties have been identified on the basis of information available with the company.

The disclosure relating to Micro, Small and Medium Enterprises as at March 31, 2024 are as under:

Particulars	As at March 31, 2024
a) Principal amount remaining unpaid	1,101.86
b) Interest due on above and the unpaid interest*	Nil
c) Interest paid	Nil
d) Payment made beyond the appointed day during the year	Nil
e) Interest due and payable for the period of delay	Nil
f) Interest accrued and remaining unpaid	Nil
g) Amount of further interest remaining due and payable in succeeding years	Nil

*Interest has not been provided as per the MSME Act as due to MSME is paid within the agreed credit period with MSME's.

2. Refer Note no. 54 for Ageing

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
iii. Other Financial liabilities - Current	22		
Salary & Wages		148.76	131.95
Interest Payable on Foreign Currency Loan		2.55	4.00
Other payables		1231.50	927.73
		1,382.81	1,063.69
(b) Other Current liabilities	23		
i. Statutory Dues			
Tax Collection At Source		0.89	0.39
TDS Payable		56.28	47.43
GST Payable		17.70	18.40
ESI & PF Payable		26.67	22.24
ii Advance received from Customers		120.43	75.33
iii Current Maturities of Long Term Advances from Customers		0.00	0.00
iv. Unpaid Interim Dividend (2019-20 to 2023-24)		23.57	16.10
Total		245.55	179.89
(c) Short Term Provisions	24		
Gratuity		162.39	169.99
Leave Encashment		29.37	34.89
Total		191.75	204.89
(d) Current Tax Liabilities (Net)	25		
Income Tax Payable		1,480.81	1,183.04
Less : Advance Taxes including TDS & TCS		(1,463.10)	(741.39)
		17.71	441.65

Revenue From Operations

(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Sale of Products - Domestic		8,470.54	8,840.58
Sale of Products - Export		30,852.44	24,997.25
Other Operating Revenue	26	2,405.70	1,983.15
Total		41,728.68	35,820.98

Other Income
(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Interest on Deposits		6.01	15.92
Interest on Advance paid to Supplier		100.23	144.61
Other Non Operating Income	27	40.73	2.50
Profit on Sales of Fixed Assets		2.29	14.93
Foreign Exchange Rate Fluctuation- Gain		425.61	735.42
Total		574.87	913.39

Cost of Raw Material Consumed
(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Opening Stock		1,283.08	663.04
Add: Purchases	28	13,178.23	13,537.35
Less: Closing Stock		(1,607.31)	(1,283.08)
Total		12,854.00	12,917.32

Change in Inventories
(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Closing Stock			
Finished Goods		483.58	532.21
Materials in Transit		2,363.21	1,946.02
Work in Progress		1,772.17	1,530.87
		4,618.96	4,009.10
Less:			
Opening Stock	29		
Finished Goods		532.21	288.05
Materials in Transit		1,946.02	661.19
Work in Progress		1,530.87	1,093.51
		4,009.10	2,042.75
(Inc)/Dec in stock		(609.85)	(1,966.36)

Employee Benefits Expenses

(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Salary & Incentives		3,581.02	2,938.62
Employer's Contribution to Provident Fund		47.06	39.35
Gratuity Contribution		123.05	106.02
Leave Encashment	30	52.20	29.70
Directors Remuneration		340.48	296.40
Staff Welfare Expenses		144.39	159.58
Total		4,288.20	3,569.68

Finance Cost

(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expense		2,132.01	1,433.83
Foreign Exchange Rate Fluctuation on Long Term Borrowings Net Loss	31	70.05	506.89
Other Finance Cost		161.43	124.97
Total		2,363.49	2,065.69

Depreciation and Amortisation

(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation		2,447.81	1,865.86
Amortisation	32	7.21	3.19
Total		2,455.02	1,869.05

Other Expenses

(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Stores & Spares Consumed		1,650.44	1,318.81
Packing Material Consumed		830.18	715.66
Loose Tools Consumed		2,189.08	1,510.57
Power, Oil & Lubricants & LPG for furnance		2,673.67	2,373.08

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Repairs & Maintenance (Plant & Machinery)		425.04	300.69
Job Work & Other Contractual Cost		4,809.34	3,842.63
Customs Duty		136.07	118.39
Others		20.62	20.48
Assets Written Off		-	124.53
		12,734.43	10,324.85
Total		12,734.43	10,324.85
Travelling & Conveyance		136.62	102.43
Vehicle Running and Maintenance		108.98	98.99
Telephone, Telex & Communication		38.95	24.92
Repairs & Maintenance -Buildings		92.89	44.69
Repairs & Maintenance -Others		19.75	20.43
Freight & Forwarding	33	1,165.40	1,066.00
Rework & Other Charges on Sales		141.24	323.39
Warehouse Charges		215.91	180.29
Austrian Subsidiary Services		134.87	106.29
UPSIDC Maintenance Charges		15.10	14.93
Directors Sitting Fees		16.59	17.00
CSR Expenditure (Refer Note 42)		74.56	56.68
Insurance		140.27	100.04
Printing & Stationary		58.19	38.03
Electricity & Water		11.93	11.89
Legal & Professional Fees (Including Statutory Audit Fees*)		323.00	236.14
Misc Expenses		150.49	379.24
Total		2,844.72	2,821.39
Total		15,579.15	13,146.23

***Payments to Statutory Auditors (Excluding GST)**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Statutory Audit Fee	9.00	6.00
(b) Other Services	0.45	0.45
Total	9.45	6.45

34. Disclosure pursuant to Ind AS 33 “Earnings per share”

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 “Earnings per share”.

Particulars	Unit	As at Mar 31, 2024	As at Mar 31, 2023
Earnings Per Equity Share:			
Profit for the year attributable to owners of the Company	Rupees	3,980.73	3,745.07
Weighted average number of equity shares outstanding for calculating basic earnings per share	Numbers	107.82	107.82
Basic & Diluted Earnings per Share	Rupees	36.92	34.73

There are no potential diluters as on the date of balance sheet

35. Disclosure pursuant to Ind AS 19 “Employee Benefit”

The details of various employee benefit provided to employee areas under:

Defined Benefit Plans

By the Payment of Gratuity Act, of 1972, the Company provides for gratuity, as a defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of the vested year of employment i.e. five years. The liability of the gratuity plan is provided based on actuarial valuation at the end of each financial year. These plans typically expose the Company to actuarial risks such as investment risk, inherent interest rate risk, longevity risk, salary risk, and Investment Risk.

Interest Rate Risk The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase Longevity Risk. The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan’s liability.

Salary Risk Higher than expected increases in salary will increase the defined benefit obligation.

The most recent actuarial valuation for determining the present value of the defined benefit obligation was carried out on March 31, 2024, by Mr. I Sambasavi Rao (Membership no. 158), a Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method. The principal assumptions used for the purpose of the actuarial valuations were as follows:-”

A. GRATUITY

(Rs. In Lakh)

Particulars	Gratuity	
	As at Mar 31, 2024	As at Mar 31, 2023
Reconciliation of opening & closing balances of PV of defined benefit obligation		
Opening defined benefit obligation	873.90	811.60
Current service Cost	58.38	48.40

Particulars	Gratuity	
	As at Mar 31, 2024	As at Mar 31, 2023
Interest Cost on Benefit Obligation	64.67	57.62
Prior service cost-Vested benefit		
Net Actuarial gain/loss recognized during the year	40.77	28.73
Benefits paid	(141.98)	(72.45)
Closing defined benefit obligation	895.74	873.90
Current Liabilities	162.39	169.99
Non Current Liabilities	733.35	703.90
Expenses recognized in the statement of P&L Account		
Current Service Cost	58.38	48.40
Interest Cost on Benefit Obligation	64.67	57.62
Defined Benefit Cost included in P&L	123.05	106.02
Total Remeasurement in OCI	40.77	28.73
Total Defined Benefit Cost recognised in P&L and OCI	163.82	134.75
Summary of Actuarial Assumptions		
Retirement Age		
Discount Rate	7.10%	7.40%
Salary Escalation	6.00%	6.00%
Attrition Rate	58 Years	58 Years
Average Future Service	21.94	19.08
Mortality Table	IALM(2012-14) Table Ultimate	IALM(2012-14) Table Ultimate

Change in Fair Value of Plan Assets

(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	141.98	72.45
Employer Direct Settlement Payments	-	-

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(141.98)	(72.45)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets (Excluding Interest Income)	-	-
Fair Value of Plan Assets at end of year	-	-
Weighted Average Asset Allocations at the year end		
Equities	-	-
Bonds	-	-
Gilts	-	-
Insurance Policies	-	-
Total	0%	0%

Components of Defined Benefit Cost

(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Current Service Cost	58.38	48.40
Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	58.38	48.40
Interest Expense on DBO	64.67	57.62
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	64.67	57.62
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	123.05	106.02
Remeasurements - Due to Demographic Assumptions	-	-

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Remeasurements - Due to Financial Assumptions	20.92	(12.35)
Remeasurements - Due to Experience Adjustments	19.85	41.08
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	40.77	28.73
Total Defined Benefit Cost recognized in P&L and OCI	163.82	134.75
Discount Rate	7.10%	7.40%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position

(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Defined Benefit Obligation	895.74	873.90
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	895.74	873.90
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	895.74	873.90

Summary of Financial & Demographic Assumptions

Particulars	Valuation Date	
	31.03.2024	31.03.2023
Discount Rate	7.10%	7.40%
Salary Escalation - First 5 Years	6.00%	6.00%
Salary Escalation - After 5 Years	6.00%	6.00%
Expected Rate of Return on Plan Assets	N/A	N/A
Mortality Table	IALM (2012-14) Table Ultimate	
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Retirement Age	58 Years	58 Years
Average Future Service	21.94	19.08

B. LEAVE ENCASHMENT

(Rs. In Lakh)

Particulars	Leave Encashment	
	As at Mar 31, 2024	As at Mar 31, 2023
Reconciliation of opening & closing balances of PV of defined benefit obligation	132.97	120.41
Opening defined benefit obligation		
Current service Cost	26.03	21.96
Interest Cost on Benefit Obligation	9.84	8.55
Prior service cost-Vested benefit		
Net Actuarial gain/loss recognized during the year	16.33	(0.81)
Benefits paid	(51.86)	(17.15)
Closing defined benefit obligation	133.31	132.97
Current Liability	29.37	34.89
Non Current Liability	103.94	98.07
Expenses recognized in the statement of P&L Account		
Current Service Cost	26.03	21.96
Interest Cost on Benefit Obligation	9.84	8.55
Defined Benefit Cost included in P&L Account	35.87	30.51
Total Remeasurement in OCI	16.33	(0.81)
Total Defined Benefit Cost recognised in P&L and OCI	52.20	29.70
Summary of Actuarial Assumptions		
Retirement Age		
Discount Rate	7.10%	7.40%
Salary Escalation	6.00%	6.00%
Retirement Age	58 Years	58 Years
Average Future Service	21.94	18.54
Mortality Table	IALM (2012-14) Table Ultimate	

Change in Fair Value of Plan Assets
(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	51.86	17.15
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(51.86)	(17.15)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets (Excluding Interest Income)	-	-
Fair Value of Plan Assets at end of year	-	-
Weighted Average Asset Allocations at the year end		
Equities	-	-
Bonds	-	-
Gilts	-	-
Insurance Policies	-	-
Total	0%	0%

Components of Defined Benefit Cost
(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Current Service Cost	26.03	21.96
Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	26.03	21.96
Interest Expense on DBO	9.84	8.55

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	9.84	8.55
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	35.87	30.51
Remeasurements - Due to Demographic Assumptions		
Remeasurements - Due to Financial Assumptions	2.79	(2.45)
Remeasurements - Due to Experience Adjustments	13.54	1.64
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	16.33	(0.81)
Total Defined Benefit Cost recognized in P&L and OCI	52.20	29.70
Discount Rate	7.10%	7.40%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position

(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Defined Benefit Obligation	133.31	132.97
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	133.31	132.97
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	133.31	132.97

Summary of Financial & Demographic Assumptions

Particulars	Valuation Date	
	31.03.2024	31.03.2023
Discount Rate	7.10%	7.40%
Salary Escalation - First 5 Years	6.00%	6.00%
Salary Escalation - After 5 Years	6.00%	6.00%
Expected Rate of Return on Plan Assets	N/A	N/A
Mortality Table	IALM (2012-14) Table Ultimate	

Particulars	Valuation Date	
	31.03.2024	31.03.2023
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Retirement Age	58 Years	58 Years
Average Future Service	21.94	18.54

C. SENSITIVITY ANALYSIS

A quantitative sensitivity analysis for significant assumptions as 31st March 2024

Particulars	GRATUITY PLAN	
	CHANGE IN ASSUMPTIONS	IMPACT ON DEFINED BENEFIT OBLIGATION
	Increase/ (Decrease)	Increase/ Decrease in Assumptions
	%	(Rs. In Lakh)
UNDER BASE SCENARIO		895.74
SALARY ESCALATION	1.00%	955.14
	-1.00%	844.63
WITHDRAWAL RATES	1.00%	900.67
	-1.00%	893.11
DISCOUNT RATES	1.00%	844.74
	-1.00%	957.04

D. RISKS ASSOCIATED WITH DEFINED BENEFIT PLAN

Where there is a benefit being promised and benefit being provided, there will always be some uncertainty for the benefit provider and the benefit recipient.

Benefit Risks in Defined Benefit Schemes

1. Risk to the beneficiaries (i.e. for employees)

Insufficient funds: The greatest risk to the beneficiary is that there are insufficient funds available to provide the promised benefits.

This may be due to :

- The insufficient funds set aside, i.e. underfunding
- The insolvency of the Employer
- The holding of investments which are not matched to the liabilities; Or
- A combination of these events

Changes to tax rates or status

2. Risks to the Benefit provider (i.e. for employer)

Parameter risk: Actuarial valuation is done basis some assumptions like salary inflation, discount rate and withdrawal assumptions. In case the actual experience varies from the assumptions, fund may be Insufficient to pay off the

For example: Suppose the plan's liability is calculated with salary inflation assumption of 5% per annum. However, Company's' actual practice is to provide increment of 10% per annum. This will result into underfunding.

Similarly, reduction in discount rate in subsequent future years can increase the plan's liability. Further, actual withdrawals may be lower or higher than what was assumed in the valuation, which may also impact the plan's liability.

Risk of illiquid assets: Another risk is that the funds, although sufficient, are not available when they are required to finance the benefits. This may be due to assets being locked for longer period or in illiquid assets.

Risk of benefit change: There may be a risk that a benefit promised is changed or is changeable within the terms of the contract. For e.g. the prevailing Act / Regulation may increase the benefits payable under defined benefit plans.

Asset liability mismatching risk: ALM risk arises due to a mismatch between assets and liabilities either due to liquidity or changes in interest rates or due to different duration.

For example: When the liability duration is, say, 10 years and with assets locked in 5-year g-sec securities. After 5years, there is huge reinvestment risk to invest maturity proceeds of assets due to uncertainty about the market prevailing yields at that time.

36. Disclosure of Segmental reporting pursuant to Ind AS 108 “Segmental Reporting”

The Company is engaged in manufacturing of Automotive Components meant for two wheeled, three wheeled and four wheeled Vehicles. Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting Systems. The company has structured its operations into single operating segment geographic distribution of however based on the activities, the chief operating decision maker identified India and outside India as two geographical segments.

Revenue from Customers	As at Mar 31, 2024	As at Mar 31, 2023
Within India	8,470.54	8,840.58
Outside India		
AUSTRIA	15004.73	11,880.17
JAPAN	3053.65	3,121.03
GERMANY	7858.37	5,300.43
SWITZERLAND	544.30	634.38
ITALY	360.41	309.69
THAILAND	17.56	30.54
VIETNAM	12.86	7.21
USA	622.80	552.29
CHINA	3372.10	3,123.40
SWEDEN	5.66	38.12
Total Outside India	30,852.44	24,997.25

37. Disclosure of Related parties / Related party transactions pursuant to Ind AS 24 “Related Party Disclosures”

A. List of Related Parties

Wholly Owned Subsidiary

Name of the Subsidiary	Country	Holding As at Mar 31, 2024
Racl Geartech Gmbh	Austria	100%

Name of the Other Related Party
SUN-UP FOUNDATION (CSR TRUST)

Name of the Key Management Personnel	Designation
Mr Gursharan Singh	Chairman and Managing Director
Mr Dev Raj Arya (Retired wef 21/10/2023)	Director & CFO
Ms. Neha Bahal (Appointed wef 22/05/2023)	Company Secretary
Mr. Jitender Jain (Appointed wef 07/11/2023)	CFO
Name of the Directors	Designation
Mr Gursharan Singh	Chairman and Managing Director
Mr Dev Raj Arya (Retired wef 21/10/2023)	Director & CFO
Mr. Anil Sharma	Non- Executive Director
Mrs. Narinder Paul Kaur	Non- Executive Director
Mr. Shashank Ramesh Anikhindi	Independent Director
Mr. Jagdish Keswani	Independent Director
Mr. H.P.S. Bedi	Independent Director
Ms. Malini Bansal	Independent Director

Names of Relatives of KMPs with whom transactions have taken place during the year:-

Name of Relatives of Key Managerial Personnel	Relations
Mr Prabh Mehar Singh	Son of Mr. Gursharan Singh
Mrs. Narinder Paul Kaur	Wife of Mr. Gursharan Singh

During the current as well as previous year, the Company did not have any related party transaction with any enterprise wherein any director has any significant influence.

B. Transactions with related parties:
(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Business Support Services availed from Racl Geartech Gmbh - Austria	134.87	106.29
Sales made to Racl Geartech Gmbh - Austria	789.03	0.00
Purchases from Racl Geartech Gmbh - Austria	0.16	0.00
CSR Expenditure to Sun-UP Foundation (CSR Trust)	79.70	11.24
Remuneration and Perks - Key Managerial Personnel & Directors		
- Mr. Gursharan Singh, Chairman & Managing Director	275.93	207.35
- Mr. Dev Raj Arya, Director & CFO	73.42	78.27
- Ms. Neha Bahal, Company Secretary	10.14	8.31
- Mrs. Narinder Paul Kaur (as retainership fees)	30.00	24.00
- Mr. Anil Sharma, Non-Executive Director (as retainership fees)	27.20	24.00
- Mr. Jitender Jain, CFO	46.25	
Remuneration and Perks - Relatives of Key Managerial Personnel		
- Mr. Prabh Mehar Singh	28.67	27.42
Directors Sitting Fees		
- Mr. Anil Sharma	2.25	2.45
- Mrs. Narinder Paul Kaur	1.95	1.95
- Mr. Shashank Ramesh Anikhindi	2.95	3.65
- Mr. Jagdish Keswani	4.09	3.65
- Mr. H.P.S. Bedi	1.95	1.95
- Ms. Malini Bansal	3.35	3.35

C. Closing Balances with related parties:
(Rs. In Lakh)

Name of the Subsidiary	Outstanding As at Mar 31, 2024		Outstanding As at Mar 31, 2023	
	Receivable	Payable	Receivable	Payable
	802.47	3.84	0.00	7.88
Racl Geartech Gmbh - Austria	Investment in Equity As at Mar 31, 2024		Investment in Equity As at Mar 31, 2023	
	36.54		14.19	

Name of the Key Management Personnel	Outstanding As at Mar 31, 2024		Outstanding As at Mar 31, 2023	
	Receivable	Payable	Receivable	Payable
Mr Gursharan Singh	-	105.00	-	82.04
Mr. Anil Sharma	-	2.25	-	2.16
Mrs. Narinder Paul Kaur	-	2.25	-	1.80

Financial Instruments

38. Capital management instead of closing balance with related parties

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The capital structure of the company consists of debt (long term borrowings and short term borrowings), capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders.

38(a). Gearing Ratio

The gearing ratio at the end of the reporting period was as follows

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Debt	28,153.37	20,125.59
Cash and Bank Balances	36.03	256.30
Net Debt (i)	28,117.34	19,869.29
Equity (ii)	20,526.84	16,748.60
Net Debt To Equity Ratio	1.37	1.19

38(b). Changes in liabilities arising from financing activities as per Ind-AS 7

Particulars	As at April 1st, 2023	NON CASH			As at Mar 31, 2024
		CASH FLOW	FOREIGN EXCHANGE MOVEMENTS	Charged to P&L	
Borrowings	20,263.18	8,046.51	-	-	28,309.69
Interest	4.00	(2,360.94)	-	2,363.49	2.55
Total liabilities	20,267.18	5,685.57	-	2,363.49	28,312.24

Particulars	As at April 1st, 2022	NON CASH		Charged to P&L	As at Mar 31, 2023
		CASH FLOW	FOREIGN EXCHANGE MOVEMENTS		
Borrowings	16,345.45	3,917.73	-	-	20,263.18
Interest	5.58	(2,061.69)	-	2,065.69	4.00
Total liabilities	16,351.03	1,856.04	-	2,065.69	20,267.18

38(c). (a) Risk management

The Company's objectives when managing capital is 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. Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs). The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Net Debt	28,117.34	19,869.29
EBITDA	10192.05	9067.50
Net Debt to EBITDA	2.76	2.19

(b) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.

(c) Dividends

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
On Equity shares of Rs. 10/- each		
Final dividend		
Amount of dividend paid (pertains to previous financial year)	161.72	107.83
Dividend per equity share	1.50	1.00
Interim Dividend		
Amount of dividend paid		
Dividend per equity share	-	-

39. Categories of Financial Instruments
(Rs. In Lakh)

Financial instruments by categories	31.03.2024			31.03.2023		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset						
Non-Current Financial Asset						
Security Deposit	-	-	212.90	-	-	160.47
Current Financial Asset						
i. Trade receivables	-	-	11,512.75	-	-	8,449.03
ii. Cash and cash equivalents	-	-	36.03	-	-	256.30
iii. Other Financial asset	-	-	68.97	-	-	16.21
Total Financial Asset	-	-	11,830.64	-	-	8,882.00
Financial liability						
Non-Current Financial Liabilities						
Borrowings	-	-	10,522.86	-	-	8,548.00
Other	-	-	586.83	-	-	74.81
Current Financial Liabilities						
i. Borrowings	-	-	17,786.83	-	-	11,715.18
ii. Trade payables	-	-	4,708.53	-	-	3,773.34
iii. Other financial liabilities	-	-	1,382.81	-	-	1,063.69
Total Financial Liabilities	-	-	34,987.86	-	-	25,175.02

40. Fair value of Financial Assets and Liabilities at amortized cost
(Rs. In Lakh)

Financial instruments by categories	31.03.2024		31.03.2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial asset				
Non-Current Financial Asset				
Security Deposit	212.90	212.90	160.47	160.47
Current Financial Asset				
i. Trade receivables	11,512.75	11,512.75	8,449.03	8,449.03
ii. Cash and cash equivalents	36.03	36.03	256.30	256.30
iii. Other Financial asset	68.97	68.97	16.21	16.21
Total Financial Asset	11,830.64	11830.64	8,882.00	8882.00

Financial instruments by categories	31.03.2024		31.03.2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liability				
Non-Current Financial Liabilities				
Borrowings	10,522.86	10,522.86	8,548.00	8,548.00
Others	586.83	586.83	74.81	74.81
Current Financial Liabilities				
i. Borrowings	17,786.83	17,786.83	11,715.18	11,715.18
ii. Trade payables	4,708.53	4,708.53	3,773.34	3,773.34
iii. Other financial liabilities	1,382.81	1,382.81	1,063.69	1,063.69
Total Financial Liabilities	34,987.86	34,987.86	25,175.02	25,175.02

The carrying amount of financial assets/liabilities including trade receivables and payables and others; measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying value of Rupee Term Loan approximate fair value as the instruments are at prevailing market rate.

The Fair values are all measured at Level 3

41. Financial Risk Management Objectives

The company's activities expose it to variety of financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed annually to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company operates internationally and a major portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk through its sales and services in the several countries and purchases from overseas suppliers in various foreign currencies.

The company has incurred expenditure in Foreign Currency

(Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
Raw Material/ Tools/ Machines	6636.41	3896.52
Foreign Travelling & Services	387.29	316.13
Interest	24.19	21.81

The company has Earnings in Foreign Currency

(Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
Export of Goods on FOB basis	30955.31	24971.56

The foreign currency risk from financial instruments as at Mach 31, 2023 is as follows:

(Rs. In Lakh)

Particulars	As on 31.03.2024									
	USD	EURO	CHF	GBP	Yuan	JPY	Thai Baht	Hong Kong Dollar	NT DOL-LAR	Canadian Dollar
Cash & Cash Equivalents (INR)		0.35			0.01	0.04	0.01	0.01	1.13	
Trade Receivables (INR)	6,422.05	3,061.51	-	-	-	-	-	-	-	-
Trade Payables (INR)	-	172.45	27.06	-	-	-	-	-	-	-
Interest Payables (INR)	-	-	2.55	-	-	-	-	-	-	-
Borrowings in Foreign Currency (INR)	6,045.67	793.15	508.52	-	-	-	-	-	-	-
Total	12467.72	4027.46	538.13	0.00	0.01	0.04	0.01	0.01	1.13	0.00

The foreign currency risk from financial instruments as at Mach 31, 2023 is as follows:

(Rs. In Lakh)

Particulars	As on 31.03.2023									
	USD	EURO	CHF	GBP	Yuan	JPY	Thai Baht	Hong Kong Dollar	NT DOL-LAR	Canadian Dollar
Cash & Cash Equivalents (INR)	0.98	2.11	0.86	0.75	0.46	0.03	0.05	0.02	0.12	0.06
Trade Receivables (INR)	4,970.97	1,540.61	-	-	-	-	-	-	-	-
Trade Payables (INR)	-	214.64	3.61	-	-	-	-	-	-	-
Interest Payables (INR)	-	-	4.00	-	-	-	-	-	-	-
Borrowings in Foreign Currency (INR)	5,890.69	531.81	833.39	-	-	-	-	-	-	-
Total	10862.64	2289.17	841.86	0.75	0.46	0.03	0.05	0.02	0.12	0.06

Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

Particulars	March 31, 2024		March 31, 2023	
	Payable / (Receivable)		Payable / (Receivable)	
	Amount in Foreign Currency in Lakh	Amount (Rs. In Lakh)	Amount in Foreign Currency in Lakh	Amount (Rs. In Lakh)
USD	(4.51)	(376.38)	11.19	919.72
EURO	(23.23)	(2,095.91)	(8.86)	(794.16)
CHF	5.82	538.13	9.35	841.00

Sensitivity analysis based on average outstanding Foreign currency loan (Rs. In Lakh)

Particulars	Impact on profit/ loss after tax	
	FY 2023-24	FY 2022-23
Increase or decrease in exchange rate by Rs.1	22.44	(11.47)

Note: Profit will increase in case of decrease in foreign currency rate and vice versa

ii Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the company mainly from borrowings with variable rates. The company measures risk through sensitivity analysis.

Currently, Lending by Commercial Banks is at variable rate, which is an inherent business risk.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

(Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
Debt from Banks/FIs - Variable rate borrowings	28,153.37	20,125.59

Sensitivity analysis based on average outstanding Debt (Rs. In Lakh)

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2023-24	FY 2022-23
Increase or decrease in interest rate by 25 basis points	60.35	45.76

Note: Profit will increase in case of decrease in interest rate and vice versa

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

(Rs. In Lakh)

As at March 31, 2024	Carrying Amount	upto 1 year	From 2 to 4 Year	For 5th Year	More than 5 years	Total
Non Derivative Financial Liability						
Term Loan from Banks	14,693.08	4,602.65	9,333.97	756.46	-	14,693.08
Term Loan from Financial Institutions	509.09	219.95	289.14	-	-	509.09
Lease Liabilities	743.15	156.32	586.83	-	-	743.15
Car Loan	211.26	67.97	138.33	4.96	-	211.26
Loan Repayable on Demand	3600.75	3600.75	-	-	-	3600.75
Bill Discounting	1,300.66	1,300.66	-	-	-	1,300.66
Trade Payables	4,708.53	4,708.53	-	-	-	4,708.53
Other Financial Liabilities	1,382.81	1,382.81	-	-	-	1,382.81
Total	34,987.86	23,878.17	10,348.27	761.42	-	34,987.86

(Rs. In Lakh)

As at March 31, 2023	Carrying Amount	upto 1 year	From 2 to 4 Year	For 5th Year	More than 5 years	Total
Non Derivative Financial Liability						
Term Loan from Banks	11,308.14	3,379.37	6,872.32	1,056.45	-	11,308.14
Term Loan from Financial Institutions	833.39	289.65	543.74	-	-	833.39
Lease Liabilities	212.40	137.59	74.81	-	-	212.40
Car Loan	109.22	33.73	69.94	5.55	-	109.22
Loan Repayable on Demand	2849.00	2849.00	-	-	-	2849.00
Bill Discounting	2,849.00	2,849.00	-	-	-	2,849.00
Trade Payables	3,773.34	3,773.34	-	-	-	3,773.34
Other Financial Liabilities	1,063.69	1,063.69	-	-	-	1,063.69
Total	25,175.02	16,552.21	7,560.81	1,062.00	-	25,175.02

C) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks. Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

42. Expenditure on Corporate Social Responsibility (CSR)

(Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
a) Gross amount required to be spent for the year	74.56	56.68
Add Shortfall of last year	-	-
Total amount required to be spent	74.56	56.68
b) Amount actually spent during the year	74.56	51.54
c) Amount provisioned for ongoing projects	0	5.14
Unspent Amount	-	-
Reason for Shortfall	There is no Shortfall	There is no Shortfall

Movement in CSR Provision:

(Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
Remaining Provision for CSR Made during the last year	5.14	8.14
Less: Actual Expenditure made during the year against the remaining provision of last year	(5.14)	(8.14)
Add: Remaining Provision for CSR made during the current year	-	5.14
Closing figure of Provision	-	5.14

The Company is promoting education and empowering vocational skills as an ongoing project. Further, doing activities towards medical assistance, sanitation etc as other than ongoing projects.

IND AS -12 Income tax- Disclosures

43. Income tax expense

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Current tax		
Current income tax charged	1,019.10	1,173.58
Adjustments for current tax of prior years	20.06	9.46
Total current tax expense	1,039.16	1,183.04
Decrease/ (increase) in deferred tax Assets/ Liabilities (net)	(353.64)	(204.65)
Income tax expense	1,392.79	1,387.69

Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

(Rs. In Lakh)

Particulars	As at Mar 31, 2023	Movement Recognised in Statement of Profit and Loss	As at Mar 31, 2024
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment and Intangible Assets	(1,184.85)	(492.81)	(1,677.66)
Defined benefit obligation	306.89	139.17	446.06
Deferred Tax Asset / (Liabilities) (Net)	(877.97)	(353.64)	(1,231.60)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

(Rs. In Lakh)

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Profit before income tax expense	5373.54	5132.76
Tax at India's tax rate	1352.41	1291.81
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	685.45	556.15
Tax effect of amounts which are deductible in calculating taxable income	(1,021.28)	(720.77)
Adjustments for current tax of prior periods	20.06	9.46
Interest	1.76	46.38
Income tax expense	1038.40	1183.03

44. Property, Plant and equipment

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

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 the replaced part is derecognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation methods and useful lives

Depreciation is calculated using the straight-line method over estimated useful lives of the assets:

Assets	Useful lives (years)*
Leasehold improvements	Over the period of lease or useful life, whichever is lower
Plant & Machinery: Category	
A	20
B	15
C	10
D	5
E	3
ELECTRICAL INSTALLATION : CATEGORY	
A	15
B	10
C	5
BUILDING	30
CAPITAL TOOL SUPPORT	5
FURNITURE & FIXTURES	5
VEHICLES	5

Assets	Useful lives (years)*
OFFICE & MISC. EQUIPMENTS : CATEGORY	
A	10
B	5
C	3

*Useful life of certain assets are different than the life prescribed under Schedule II to the Companies Act, 2013 and those have been determined based on technical evaluation by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

45. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful live of intangible assets are as follows:

Assets	Useful lives (years)
Software & Licenses	3

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

46. Contingent liabilities

1. Income Tax Demands

Demand raised by Income Tax Authorities of Rs. 3.10 Lakh outstanding as of 31/03/2024. The matter is being pursued with the Income Tax authorities for necessary rectification and correction.

47. DISCLOSURE NOTE- IND AS 116

The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application on April 01, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Company applied the

standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Company has leases contracts for land and premises. These lease arrangements for land are for a period upto 99 years and for premises are for a period upto 5 years. The Company also has certain leases of machinery and equipments with lease terms of 12 months or less with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. The following impacts are recognised in financial position on account of recognition of right of use assets and lease liabilities.

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Right To Use Buildings	686.31	139.29
Right To Use Leasehold - Land	1048.96	1068.08
Current lease liabilities	156.32	137.59
Non-current lease liabilities	743.15	212.40

Amount recognised in statement of profit and loss during the year on account of Ind AS 116

(Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
Interest expense on lease liabilities (included in finance cost)	18.67	23.77
Depreciation of Right of Use assets	101.64	130.77

48. Capital Commitments

The Company entered into contracts for addition in fixed assets for Rs. 2825.37 Lakh as of 31st March 2024 against which advance payments and CWIP have also been booked as mentioned below:-

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Capital Advances	266.45	1,594.22
CWIP	641.17	176.46

49. Going concern

Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern therefore financials have been prepared on going concern basis.

50. Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to fulfil its performance obligations under the contract with customers;(ii) revision of estimations of costs to complete the contract because of additional efforts;(iii) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Investments and other financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future demand of its products. The Company has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

51. Ratio's

(Rs. In Lakh)

	Particulars	As on Mar 31, 2024		As on Mar 31, 2023	
(i)	Current Ratio:				
	Current Assets (a)				
	Inventories	11,880.18		9,526.86	
	Trade receivables	11,512.75		8,449.03	
	Cash and cash equivalents	36.03		256.30	
	Other Financial asset	68.97		16.21	
	Other current assets	3,008.50		1,545.27	
	Current Tax Assets (Net)	33.20	26,539.61	-	19,793.67
	Current Liabilities (b)				
	Current Borrowings	17,786.83		11,715.18	
	Trade Payable	4,708.53		3,773.34	
	Other financial liabilities	1,382.81		1,063.69	
	Other current liabilities	245.55		179.89	
	Current tax Liabilities (Net)	17.71		441.65	
	Provisions	191.75	24,333.19	204.89	17,378.64

	Particulars	As on			
		Mar 31, 2024	Mar 31, 2023		
	Current Ratio (a/b)		1.09: 1		1.14: 1
	a. Variance : -4.4%				
	b. Reason for Changes more than 25%: NA				
ii)	Debt Service coverage Ratio :				
	Net Profit/ (Loss) After Taxes (a)	3980.73		3745.07	
	Depreciation and Amortization Expense (b)	2455.02		1869.05	
	Interest Expense ('c)	2363.49		2065.69	
	Other non cash adjustment (d)	0.00		0.00	
	Earnings available for Debt Services (e) (a+b+c+d)		8799.25		7679.80
	Total Debt repaid (f)	3,965.22		3,084.85	
	Interest Liability repaid (g)	2,360.94		2,061.69	
	Total Debt including Interest (h) (f+g)		6,326.16		5,146.54
	Debt Service Coverage Ratio (e/h)		1.4 Times		1.5 Times
	a. Variance : -6.7%				
	b. Reason for Changes more than 25%: NA				
iii)	Return on Equity Ratio :				
	Net Profit after Taxes (a)	3,939.96		3,716.34	
	Average Equity Shareholder's Fund (b)	18,637.72		14,944.34	
	Return on Equity Ratio (%) (a/b)		21.14%		24.87%
	a. Variance : -15%				
	b. Reason for Changes more than 25%: N.A.				
iv)	Inventory Turnover Ratio : NA				
	Revenue from Operations (a)	41,728.68		35,820.98	
	Average Inventory (b)	10,703.52		7,600.74	

	Particulars	As on		
		Mar 31, 2024	Mar 31, 2023	
	Inventory Turnover Ratio (times) (a/b)		3.9 Times	4.72 Times
	a. Variance : -17.3%			
	b. Reason for Changes more than 25%: NA			
v)	Trade Receivables turnover Ratio :			
	Annual net Credit Sales (a)	41,728.68		35,820.98
	Opening Accounts Receivable (b)	8,449.03		7,691.62
	Closing Accounts Receivable (c)	11,512.75		8,449.03
	Average Accounts Receivable (d) (b+c/2)	9980.886		8070.322
	Trade Receivables turnover Ratio (Times) (a/d)		4.19 times	4.44 times
	a. Variance : -5.9%			
	b. Reason for Changes more than 25%: NA			
vi)	Trade Payables turnover Ratio			
	Annual net Credit Purchases:			
	Cost of Material Consumed	12,854.00		12,917.32
	Changes in inventories of finished goods WIP and Stock in Trade	(609.85)		(1,966.36)
	Other Expenses	15,579.15		13,146.23
	Annual net Credit Purchases(a)	27,823.30		24,097.19
	Opening Accounts Payable (b)	3,773.34		2,925.10
	Closing Accounts Payable(c)	4,708.53		3,773.34
	Average Accounts Payable (d) (b+c/2)	4,240.94		3,349.22
	Trade Payable turnover Ratio (Times) (a/d)		6.57 times	7.2 times
	a. Variance : -8.8%			
	b. Reason for Changes more than 25%: NA			

	Particulars	As on	
		Mar 31, 2024	Mar 31, 2023
vii)	Net Capital turnover Ratio :		
	Sales (a)	41,728.68	35,820.98
	Working capital (Current Assets - Current Liabilities) (b)	2,206.42	2,415.03
	Net Capital turnover Ratio (a/b)	18.91	14.83
	a. Variance : -27.5%		
	b. Reason for Changes more than 25%: Better efficiency		
viii)	Net Profit Ratio :		
	Profit after Tax (a)	3,980.73	3,745.07
	Sales (b)	41,728.68	35,820.98
	Net Profit Ratio (%) (a/b)	9.54%	10.45%
	a. Variance : -8.8%		
	b. Reason for Changes more than 25%: NA		
ix)	Return on Capital Employed :		
	Profit/ (Loss) before Tax (a)	5,373.54	5,132.76
	Finance Cost (b)	2,363.49	2,065.69
	Earnings before Interest and Taxes (c) (a+b)	7,737.03	7,198.45
	Total Assets (d)	58,038.61	44,429.98
	Less : Total Liabilities (e)	37,511.77	27,681.38
	Less : Intangible Assets (f)	44.99	26.58
	Tangible Net Worth (g = d-e-f)	20,481.85	16,722.01
	Deferred Tax Liability (h)	1,231.60	877.97
	Total Debt (i)	28,153.37	20,125.59
	Capital Employed (j) (g+h+i)	49,866.82	37,725.57
	Return on Capital Employed (%) (c/f)	15.52%	19.08%
	a. Variance : -18.7%		
	b. Reason for Changes more than 25%: N.A.		

	Particulars	As on Mar 31, 2024		As on Mar 31, 2023	
x)	Debt - Equity Ratio				
	Total Debt (a)		28,153.37		20,125.59
	Share Capital	1,078.16		1,078.16	
	Reserve and Surplus	19,448.68		15,670.44	
	Shareholder's Equity (b)		20,526.84		16,748.60
	Debt - Equity Ratio (Times) (a/b)		1.38 Times		1.21 Times
	a. Variance : 14%				
	b. Reason for Changes more than 25%: NA				
xi)	Return on Investments: NA				

52. Capital Work-In-Progress

As at 31.3.2024

(Rs. In Lakh)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	641.17	-	-	-	641.17
Projects Temporarily Suspended	-	-	-	-	-
Total	641.17	-	-	-	641.17

Particulars	To be completed in				Total
	< 1 yr	1-2 Yrs	2-3 Yrs	>3 Yrs	
Projects in Progress	641.17	-	-	-	641.17
Projects Temporarily Suspended	-	-	-	-	-
Total	641.17	-	-	-	641.17

As at 31.3.2023

(Rs. In Lakh)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	176.46	-	-	-	176.46
Projects Temporarily Suspended	-	-	-	-	-
Total	176.46	-	-	-	176.46

Particulars	To be completed in				Total
	< 1 yr	1-2 Yrs	2-3 Yrs	>3 Yrs	
Projects in Progress	176.46	-	-	-	176.46
Projects Temporarily Suspended	-	-	-	-	-
Total	176.46	-	-	-	176.46

53. Trade receivables outstanding

As at 31.3.2024

(Rs. In Lakh)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	8,870.15	2,622.31	20.29	-	-	-	11,512.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

As at 31.3.2023

(Rs. In Lakh)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	7,654.00	795.02	-	-	-	-	8,449.03
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

54. Trade Payable outstanding

As at 31.3.2024

(Rs. In Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME (Micro & Small Enterprise)	1,101.86	-	-	-	-	1,101.86
(ii) Others	3,233.51	373.16	-	-	-	3,606.67
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

As at 31.3.2023

(Rs. In Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME (Micro & Small Enterprise)	597.08	56.29	-	-	-	653.37
(ii) Others	2,931.12	188.85	-	-	-	3,119.97
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

55. Approval of Financial Statements

The financial Statement are approved for issue by the company's Board of Directors on 27th May, 2024.

56. Previous year figures have been re-grouped, re-worked and re-classified wherever necessary, to make them comparable with current year/period figures.

Particulars	Earlier classification	Reclassification	Current Classification	Remarks
Liabilities				
Other Current liabilities				P.F Payable has been regrouped from Other
ESI & PF Payable	9.16	13.09	22.24	
Other Financial liabilities - Current				Financial liabilities-Current to Other Current liabilities
Other Payable	940.82	-13.09	927.73	

As per our report of even date attached

For Gianender & Associates

Chartered Accountants

FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : May 27, 2024
UDIN: 24081603BKA1BA1774

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JITENDER JAIN
(CFO)

NARINDER PAUL KAUR
(Director)
DIN: 02435942

By Order of the Board for RACL Geartech Ltd

JAGDISH KESWANI
(Director)
DIN: 02146267

MALINI BANSAL
(Director)
DIN: 00167993

HPS BEDI
(Director)
DIN: 05217488

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

ANIL SHARMA
(Director)
DIN: 00157911

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: May 27, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of RACL GEARTECH Limited

Report on the audit of the Consolidated Ind AS Financial Statements

We have audited the Consolidated Ind AS Financial Statements of **RACL GEARTECH LIMITED** ("here in after referred to as "the Holding Company"), which includes unaudited Financial Statements of its subsidiary (incorporated outside India) RACL Geartech GmbH (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of material accounting policy information and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) 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 consolidated state of affairs of the Group as at 31st March, 2024 and their consolidated profit, total comprehensive income, consolidated changes in equity and their consolidated 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 Consolidated Ind AS Financial Statements section of our report. We are independent of the Group, 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 Consolidated Ind AS 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the financial year ended 31st March, 2024. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Consolidated Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Ind AS Financial Statements.

Key audit matters	How our audit addressed the key audit matter
A. Revenue Recognition	
<p>Revenue recognition is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement in financial statements for the year. Risk that revenue from operations could be overstated due to booking of revenues pertaining to post year end i.e. cut-off risk is a Key Audit Matter.</p>	<p>Our Audit Procedures included and were not limited to the off following:</p> <ul style="list-style-type: none"> Assessed the Company’s revenue recognition accounting policies in line with Ind AS 115 (“Revenue from Contracts with Customers”) and tested thereof. Evaluated the design, implementation and operating effectiveness of Company’s controls in respect of revenue recognition. Tested the effectiveness of such controls over revenue cut off at year-end. On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer purchase order and shipping documents. Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and subsequent to the year end.

Information other than the Consolidated Ind AS Financial Statements and Auditor’s Report thereon

The Holding 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 Consolidated Ind AS Financial Statements and our auditor’s report thereon.

Our opinion on the Consolidated 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 Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our 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.

Responsibility of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 it is not a guarantee that an audit conducted in accordance with Standards on Auditing ("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 Consolidated Ind AS 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 Consolidated Ind AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding 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 Group'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 Consolidated Ind AS 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS 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 Consolidated Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with related rules as amended from time to time.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company, and of its subsidiary, none of the directors of the Group Companies, incorporated in India, is disqualified as on 31st March, 2024 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 Consolidated Ind AS Financial Statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which expresses an unmodified opinion.
 - g) With respect to the Other Matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, in its consolidated financial statements;
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a) The respective management of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of their 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 or any such subsidiaries 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective management of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, no funds have been received by the Company or any such subsidiaries from any other persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. During the year, the Holding Company has declared and paid dividend of Rs. 161.72 Lakhs.
- vi. Based on our examination which included test checks, the Holding Company uses an accounting software called MAWAI for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Further, as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/“CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, the CARO report

is not applicable on RACL Geartech GmbH (“Subsidiary”) included in the consolidated financial statements of the Company. However, based on the CARO reports issued by us for the Company, we report that there are no qualifications or adverse remarks in the CARO report.

For Gianender & Associates
Chartered Accountants
(Firm ‘s Registration No. 004661N)

G.K Agrawal
(Partner)
(M No. 081603)

UDIN: 24081603BKA1BA1774
Date: May 27, 2024
Place: New Delhi

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

Report on the Internal Financial Controls 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 Consolidated Ind AS Financial Statements of **RACL GEARTECH LIMITED** ("here in after referred to as "the Holding Company"), (and not of the sole subsidiary of the Holding Company since it is incorporated outside India) as of 31st March, 2024 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, and that of its subsidiary is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Holding Company's internal financial controls with reference to Consolidated Ind AS Financial Statements based on our audit. We conducted our audit in accordance with 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 adequate internal financial controls with reference to Consolidated Ind AS Financial Statements 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 Consolidated Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Ind AS 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 Consolidated Ind AS 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 Holding Company's internal financial controls system with reference to Consolidated Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements

A Company's internal financial control with reference to Consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Consolidated Ind AS Financial Statements 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 Consolidated Ind AS 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 Consolidated Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated 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 with reference to Consolidated Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated 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 Holding Company has, in all material respects, an adequate internal financial controls system with reference to Consolidated Ind AS Financial Statements and such internal financial controls with reference to Consolidated Ind AS Financial Statements were operating effectively as at 31st March, 2024, based on the internal control with reference to Consolidated Ind AS Financial Statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements issued by the Institute of Chartered Accountants of India.

For Gianender & Associates
Chartered Accountants
(Firm 's Registration No. 004661N)

G.K. Agrawal
(Partner)
(M No. 081603)

Place : Delhi
Date : May 27, 2024
UDIN: 24081603BKA1BA1774

Consolidated Balance Sheet as at March 31, 2024

(Rs. In Lakh)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	2	30,333.49	22,678.58
(b) Intangible asset	3	44.99	26.58
(c) Capital work-in-progress	4	641.17	176.46
(d) Financial assets	5	176.36	146.27
(e) Other non-current assets	6	266.45	1,594.22
Total Non-current Assets		31,462.46	24,622.12
Current Assets			
(a) Inventories	7	12,671.32	9,529.72
(b) Financial assets			
i. Trade receivables	8	10,722.78	8,449.03
ii. Cash and cash equivalents	9	37.82	258.66
iii. Other Bank Balances	10	68.97	16.21
(c) Current tax assets (net)	11	33.20	-
(d) Other current assets	12	3,014.66	1,548.47
Total Current Assets		26,548.73	19,802.09
Total Assets		58,011.19	44,424.20
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	1,078.16	1,078.16
(b) Other equity	14	19,403.51	15,669.71
Total Equity		20,481.67	16,747.87
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
i. Borrowings	15	10,522.86	8,548.00
ii. Lease liability	16	586.83	74.81
(b) Provisions	17	837.29	801.97
(c) Deferred tax liabilities (Net)	18	1,231.60	877.97
(d) Other Non- Current Liabilities	19	-	-
Total Non-current Liabilities		13,178.58	10,302.75

Consolidated Balance Sheet as at March 31, 2024

(Rs. In Lakh)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Current Liabilities			
(a) Financial liabilities			
i. Borrowings	20	17,630.51	11,577.59
ia. Lease Liability	20	156.32	137.59
ii. Trade payables			
-Total Outstanding dues to micro and small enterprise.	21	1,101.86	653.37
-Total Outstanding dues to other than micro and small enterprise.	21	3,621.27	3,112.65
iii. Other financial liabilities	22	1,382.81	1,076.78
(b) Other current liabilities	23	248.69	166.80
(c) Provisions	24	191.75	204.91
(d) Current tax Liabilities (Net)	25	17.71	443.90
Total Current Liabilities		24,350.93	17,373.59
Total Liabilities		37,529.51	27,676.33
Total Equity and Liabilities		58,011.18	44,424.20

Notes form intergral part of the Financial Statements
As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

By Order of the Board for RACL Geartech Ltd

G.K. Agrawal
(Partner)
M.No : 081603

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JAGDISH KESWANI
(Director)
DIN: 02146267

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

Place : Delhi
Date : May 27, 2024
UDIN: 24081603BKA1BA1774

JITENDER JAIN
(CFO)

MALINI BANSAL
(Director)
DIN: 00167993

ANIL SHARMA
(Director)
DIN: 00157911

NARINDER PAUL KAUR
(Director)
DIN: 02435942

HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(Rs. In Lakh)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	26	40,952.21	35,820.98
Other income	27	574.87	913.39
Total Income		41,527.08	36,734.37
Expenses			
Cost of Material Consumed	28	12,902.47	12,937.63
Changes in inventories of finished goods WIP and Stock in Trade	29	(1,398.88)	(1,966.36)
Employee benefits expenses	30	4,347.10	3,617.01
Finance Costs	31	2,363.32	2,065.69
Depreciation and Amortisation Expenses	32	2,455.02	1,869.76
Other Expenses	33	15,513.62	13,068.55
Total expenses		36,182.65	31,592.28
Profit before exceptional items and tax		5,344.43	5,142.10
Add: Exceptional items			
Profit before tax			
Less: Tax expense			
(1) Current tax			
Previous Year tax Paid		(20.06)	(9.46)
Tax Payable		(1,030.65)	(1,184.97)
		(1,050.71)	(1,194.43)
(2) Deferred tax		(353.64)	(204.65)
		(1,404.34)	(1,399.08)
Profit for the period from continuing operations		3,940.08	3,743.01

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(Rs. In Lakh)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Other Comprehensive Income			
Remeasurements of the defined benefit plans		(40.77)	(28.73)
Foreign exchange translation difference		(3.78)	0.61
Total other comprehensive income		(44.55)	(28.12)
Total comprehensive income for the period		3,895.53	3,714.89
Earnings per share (Face Value Rs. 10/- per share)			
(1) Basic (in Rs.)	34	36.54	34.72
(2) Diluted (in Rs.)		36.54	34.72

Notes form intergral part of the Financial Statements

As per our report of even date attached

For Gianender & Associates

Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JAGDISH KESWANI
(Director)
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ANIL SHARMA
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DIN: 00157911

Place : Delhi
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NARINDER PAUL KAUR
(Director)
DIN: 02435942

HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Consolidated Cash Flow statement for the year ended March 31, 2024

(Rs. In Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	5,344.43	5,142.10
Adjustment for:		
Depreciation / Amortization	2,455.02	1,869.76
Interest charges	2,363.32	2,065.69
Impairment/(Impairment reversal)	(5.45)	-
(Profit)/Loss on sale of asset	(2.29)	(14.93)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	10,155.04	9,062.62
Increase/(Decrease) in other Liabilities - Non Current	-	-
Increase/(Decrease) in other Financial Liabilities	815.48	267.11
Increase/(Decrease) in Trade Payable - Current	957.12	848.01
Increase/(Decrease) in long-term provisions - Non current	(5.45)	3.59
Increase/(Decrease) in short-term provisions - current	413.03	(401.34)
Increase/(Decrease) in other current liabilities	(344.29)	381.65
(Increase)/Decrease in inventories	(3,141.59)	(3,855.10)
(Increase)/Decrease in trade Receivable	(2,273.75)	(757.41)
(Increase)/Decrease in other non current financial assets	(30.08)	(0.20)
(Increase)/Decrease in other non current assets	-	-
(Increase)/Decrease in other current assets	(1,499.39)	320.13
(Increase)/Decrease in other Current financial Asset	(52.76)	881.38
CASH GENERATED FROM OPERATIONS	4,993.35	6,750.44
Direct taxes paid	1,476.90	750.53
NET CASH GENERATED FROM OPERATIONS	3516.46	5999.91
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE	(9,316.17)	(6,183.30)
Advance given for PPE	(266.45)	(1,594.22)
Proceeds from Sale of PPE	325.08	199.40
NET CASH GENERATED (USED IN) INVESTING ACTIVITIES	(9,257.54)	(7,578.12)
C. CASHFLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from long & short term borrowings	8,046.51	3,942.87
Proceeds from share capital	-	-
Dividend Paid	(161.72)	(107.83)

Consolidated Cash Flow statement for the year ended March 31, 2024

(Rs. In Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend Distribution Tax	-	-
Proceeds from share premium	-	-
Interest and finance charges paid	(2,360.77)	(2,061.69)
NET CASH FROM FINANCING ACTIVITIES	5,524.02	1,773.34
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR	(217.06)	195.14
Cash and cash equivalents as at beginning of year	258.66	63.62
Effect of exchange rate changes on cash and cash equivalents	3.78	0.10
Cash and cash equivalents as at the end of year	37.82	258.66
Net Cash Flow	(217.06)	195.14

Notes:

- Cash Flow statement has been prepared under "Indirect Method" as set out in the Ind-AS 7 Cash Flow Statements
- Cash and cash equivalents represents the followings:

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks	31.59	247.85
Cash on hand	6.23	10.81
Total	37.82	258.66

As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : May 27, 2024
UDIN: 24081603BKA1BA1774

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JITENDER JAIN
(CFO)

NARINDER PAUL KAUR
(Director)
DIN: 02435942

By Order of the Board for RACL Geartech Ltd

JAGDISH KESWANI
(Director)
DIN: 02146267

MALINI BANSAL
(Director)
DIN: 00167993

HPS BEDI
(Director)
DIN: 05217488

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

ANIL SHARMA
(Director)
DIN: 00157911

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: May 27, 2024

Statement of changes in equity for the year ended 31st March 2024

A. Equity share capital

(Rs. In Lakh)

Movement during the year	Number of shares (In Lakh)	Share Capital (Amount)
Equity		
Authorised (Equity Shares of Rs.10/- each)	200.00	2,000.00
Issued & Subscribed (Equity Shares of Rs.10/- each)		
Balance at the beginning of the period as at 01.04.2023	117.90	1,179.00
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	117.90	1,179.00
Change during the year	-	-
Balance at the end of the period as at 31.03.2024	117.90	1,179.00
Paid up Share Capital		
Balance at the beginning of the period as at 01.04.2023	107.82	1,078.16
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	107.82	1,078.16
Change during the year	-	-
Balance at the end of the period as at 31.03.2024	107.82	1,078.16
Movement during the year	Number of shares (In Lakh)	Share Capital (Amount)
Authorised (Equity Shares of Rs.10/- each)	200.00	2,000.00
Issued & Subscribed (Equity Shares of Rs.10/- each)		
Balance at the beginning of the period as at 01.04.2022	117.90	1,179.00
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	117.90	1,179.00
Change during the year	-	-
Balance at the end of the period as at 31.03.2023	117.90	1,179.00
Paid up Share Capital		
Balance at the beginning of the period as at 01.04.2022	107.82	1,078.16
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	107.82	1,078.16
Change during the year	-	-
Balance at the end of the period as at 31.03.2023	107.82	1,078.16

B. Other Equity

Movement in Other Equity

(Rs. In Lakh)

Particulars	Reserves and Surplus			Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e. 01.04.2023	41.95	695.31	14,932.45	15,669.71
Changes in accounting policy or prior period errors		-	-	-
Restated balance at the beginning of the reporting period	41.95	695.31	14,932.45	15,669.71
Total Comprehensive income for the year	-	-	3895.53	3,895.53
Less: Dividend Paid	-	-	(161.72)	(161.72)
Less: Dividend Distribution Tax	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance at the end of the reporting period i.e. 31.03.2024	41.95	695.31	18,666.25	19,448.68

Particulars	Reserves and Surplus			Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e. 01.04.2022	41.95	695.31	11,325.38	12,062.64
Changes in accounting policy or prior period errors		-	-	-
Restated balance at the beginning of the reporting period	41.95	695.31	11,325.38	12,062.64
Total Comprehensive income for the year	-	-	3714.89	3,714.89
Less: Dividend Paid	-	-	(107.83)	(107.83)
Less: Dividend Distribution Tax	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance at the end of the reporting period i.e. 31.03.2023	41.95	695.31	14,932.45	15,669.71

As per our report of even date attached

For Gianender & Associates

Chartered Accountants

FRN 004661N

G.K. Agrawal

(Partner)

M.No : 081603

Place : Delhi

Date : May 27, 2024

UDIN: 24081603BKA1BA1774

GURSHARAN SINGH

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SHASHANK RAMESH

ANIKHINDI

(Director)

DIN: 07787889

ANIL SHARMA

(Director)

DIN: 00157911

NEHA BAHAL

(Company Secretary)

ICSI MEM. NO. 40272

Place: Noida

Date: May 27, 2024

NOTES TO ACCOUNTS

Note No 1.

GENERAL INFORMATION

RACL Geartech Ltd (referred to as 'RACL' or 'Company') was established in the year 1989 to produce automotive components in the fields of Motorcycles & Scooters, 3&4 Wheeler Passenger & Cargo Vehicles, Agricultural Machinery, Tractors, ATV, Light & Heavy Commercial Vehicles, etc. The company has also expanded into sub-assemblies, industrial Gears for electrical switch Gears and Circuit Breakers, Winches, and Cranes.

It is a customer-centric Organisation obsessed with world-class benchmarking and is supplying to top Global OEMs like BMW Mottarad, Germany, Kubota Corporation (Japan, Thailand, and USA), IT Switzerland (Same Group Company), KTM AG (Austria) Schneider Electric (Germany), Dana (Italy and China) amongst others.

RACL has acquired 100% shares of Racl Geartech Gmbh (Austria), making it as a wholly owned subsidiary.

A. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

a) Statement of Compliance

The shares of the company are listed on the Bombay Stock Exchange (BSE).

The Company's financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013 (the Act).

b) Basis of Measurement

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

Item	Measurement
Certain financial assets and liabilities	At Fair value
Net defined benefit (asset)/liability	At the Present value of defined benefit obligations

c) Use of Estimates and Judgements

The preparation of these financial statements conforms with Ind AS. It requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income, and expenses. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialized. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, fair value measurement, etc.

d) Measurement of Fair Value

Accounting Policies and disclosures require measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Levels 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

e) Operating Cycle

Based on the nature of products/ activities of the Company and the normal time between the acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the classification of its assets and liabilities as current and non-current

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 modified by the requirements of Ind AS. The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”. The disclosure requirements concerning items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees which is also Companies Functional Currency and all values are rounded to the nearest lakhs, except otherwise indicated.

B. Material Accounting Policy Information

B1 INCOME RECOGNITION

a. Revenue from Contracts with customers:

Revenue from contracts with customers is accounted for and recognized, observing the provisions of Ind AS 115 “Revenue from Contracts with Customers”.

The Company derives revenue primarily from the sale of goods to the Customer. To recognize the revenue, the Company applies the following five steps approach:

- (1) Identify the contract with a customer:** The Company observes the following criteria:
 - a) Parties to the contract have approved the contract.
 - b) Parties are committed to performing their respective obligations.
 - c) Each party's rights and payment for the contract are identified.
 - d) A contract has commercial substance.
 - e) Probable collection of the consideration by the entity.
- (2) Identify the performance obligations in the contract:** The Company assesses its promise to transfer goods to a customer to identify separate performance obligations. The Company applies judgment to determine whether each good promised to a customer is capable of being distinct, and distinct in the context of the contract, if not, the promised goods are combined and accounted as a single performance obligation.
- (3) Determine the transaction price:** The transaction price is fixed and determined based on the terms of the contract and the Company's customary practice and any consideration payable to the customers including cash amounts, credits, rebates, and other similar allowances is reduced from the transaction price.

- (4) **Allocate the transaction price to the performance obligation in the contract.** The Company allocates the transaction price to each performance obligation identified in a contract on a relative stand-alone selling price basis.
- (5) **Recognize revenue when a performance obligation is satisfied:** Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring promised goods or services to a customer (customer obtains control). For each performance obligation, The Company determines the performance obligation at a point in time when all the following conditions are satisfied:
 1. The Company has a present right to pay for the goods.
 2. The Customer has a legal title to the goods.
 3. The Company has transferred physical possession of the goods.
 4. Customer has significant risk and reward of ownership.
 5. Customer has accepted the goods.

b. Other Income:

Dividend income from investments is recognized when the company's right to receive payment has been established.

Interest income is accrued on, a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

B2 PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, plant, and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost of acquisition is inclusive of freight, duties, taxes, and other incidental expenses. Freehold land is not depreciated.

Management has reviewed the depreciation policy and machineries have been depreciated accordingly.

Properties in the course of construction for production, supply, or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes items directly attributable to the construction or acquisition of the item of property, plant, and equipment, and, for qualifying assets, borrowing costs capitalized by the Company's accounting policy. Such properties are classified into the appropriate categories of property, plant, and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognized to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. Depreciation is charged on a pro-rata basis at the straight-line method over estimated economic useful lives of its property, plant, and equipment generally per that provided in Schedule II to the Act.

Depreciation of an asset begins when it is available for use. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that it is classified as held for sale) following Ind AS 105 and the date that the asset is de-recognized. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

However, under usage methods of depreciation, the depreciation charge can be zero while there is no production.

Depreciation on additions/ deductions is calculated pro-rata from/ to the Date of additions/ deductions.

An item of property, plant, and equipment is derecognized upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss. The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

B3 INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

B4 IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

The carrying amount of assets is reviewed at each Balance Sheet date, to assess, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is charged to the statement of profit and loss Account in the year in which an asset is identified as impaired.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit or loss.

B5 INVENTORY

Inventories are valued at the lower of cost, determined on the weighted average basis and Net Realisable Value (NRV).

The cost of Finished Goods and Work in Progress comprises raw material, direct labour, another direct cost, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Costs of Inventories also include all the costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. NRV is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated cost necessary to make the sale.

B6 FOREIGN CURRENCY TRANSACTION

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences in monetary items are recognized in statements of profit or loss in the period in which they arise.

Foreign currency derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

B7 EMPLOYEE BENEFIT

Company's contributions paid/ payable during the year to Provident Fund and Employees' State Insurance Corporation (ESIC) are recognized in the statement of Profit & Loss Account; Provident Fund contributions are made to a Trust administered by the company. The interest rate payable to the members of this trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the company. The remaining contributions are made to a Government Administered Employee Pension Fund towards which the company has no further obligations beyond its monthly contributions.

Defined benefits and other long-term employee benefits are provided based on the actuarial valuation made at the end of each financial year. Actuarial gains or losses arising from such valuation are charged to Other Comprehensive Income in the year in which they arise.

B8 RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research activities is recognized as an expense in the period in which it is incurred where no internally generated asset can be recognized.

B9 FINANCIAL INSTRUMENT

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the statement of profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value are recognized in the statement of profit or loss.

a. Financial Assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

Investments in debt instruments that meet the following conditions are subsequently measured at amortized cost (unless the same are designated as fair value through the statement of profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments at FVTPL are a residual category for debt instruments and all changes are recognized in profit or loss.

Investments in equity instruments are classified as FVTPL unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income (OCI) for equity instruments that are not held for trading.

Interest income, dividend income, and exchange difference (on debt instrument) on Fair Value Through Other Comprehensive Income (FVTOCI) debt instruments are recognized in statements of profit or loss, and other changes in fair value are recognized in OCI and accumulated in other equity. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to statement of profit & loss. However, in the case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to a statement of profit & loss on disposal of investments.

b. Financial Liabilities and Equity Instruments

(1) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or equity by the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(2) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(3) Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of the costs of an asset is included in the 'Finance Costs' Line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs, and other premiums or discounts) through the expected life of the financial liability.

- Loans and borrowings are subsequently measured at amortized costs using the Effective Interest Rate method.
- Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.
- Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

- Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

B10 IMPAIRMENT OF FINANCIAL ASSETS (EXPECTED CREDIT LOSS MODEL)

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company under the contract/agreement and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are a portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When assessing whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition

B11 PROVISIONS

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, the Company will probably be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

B12 WARRANTIES

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency, and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product

failures. The timing of outflows will vary as and when warranty claims arise- typically six months to one year.

B13 CURRENT AND NON-CURRENT CLASSIFICATION

Current Assets

An asset shall be classified as current when it satisfies any of the following criteria:

- (a) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) It is held primarily to be traded.
- (c) It is expected to be realized within twelve months after the reporting date, or
- (d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in the company's normal operating cycle;
- (b) It is held primarily to be traded;
- (c) It is due to be settled within twelve months after the reporting date: or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other liabilities shall be classified as non-current.

B14 DEFERRED TAX & CURRENT TAX

a. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that taxable profits will probably be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from how the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

b. Current and deferred tax for the year

The income tax expense or credit for the year is the tax payable on the current year'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.

Current and deferred tax are recognized in statements of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively

B15 EARNING PER SHARE (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. To calculate Diluted Earnings per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares.

B16 LEASE

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for some time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- The Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

C. Cash Flow Statement

A cash flow statement is prepared segregating the cash flows from operating, investing, and financing activities. Cash flow from operating activities is reported using an indirect method. Under the indirect method, the net profit/ (loss) is adjusted for the effects of:

- Transactions of a non-cash nature;
- Any deferrals or accruals of past or future operating cash receipts or payments and,
- All other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing, and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents that are not available for general use as of the date of the Balance Sheet are also included under this category with a specific disclosure.

D. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized during the period 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 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 capitalization. Other borrowing costs are expensed in the period in which they are incurred.

As per our report of even date attached

For Gianender & Associates

Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : May 27, 2024
UDIN: 24081603BKA1BA1774

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JITENDER JAIN
(CFO)

NARINDER PAUL KAUR
(Director)
DIN: 02435942

By Order of the Board for RACL Geartech Ltd

JAGDISH KESWANI
(Director)
DIN: 02146267

MALINI BANSAL
(Director)
DIN: 00167993

HPS BEDI
(Director)
DIN: 05217488

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

ANIL SHARMA
(Director)
DIN: 00157911

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: May 27, 2024

Property, plant and equipment

(Rs. In Lakh)

Particulars	Note No.	Cost or Deemed cost			Accumulated depreciation			Impairment		Carrying Amount		
		Balance as at April 1, 2023	Additions	Disposals	Balance at March 31, 2024	Balance as at April 1, 2023	Depreciation expense	Disposals	Balance at March 31, 2024	Impairment loss/reversal during the year	Balance at March 31, 2024	As at March 31, 2023
Building		3,272.16	893.73		4,165.90	289.87	147.50	437.37	-	-	3,728.53	2,982.29
Right To Use Buildings		545.20	702.77	213.83	1,034.14	405.92	82.52	347.84	-	-	686.31	139.29
Plant & Machinery		22,567.43	7,764.35	688.87	29,642.92	5,048.27	1,899.27	6,452.78	91.03	(5.45)	23,104.56	17,428.13
Furniture & Fixtures		3.25			3.25	2.56	0.05	2.61	-	-	0.64	0.69
Vehicles		230.78	189.85	61.62	359.02	69.67	51.86	75.37	(0.00)		283.65	161.11
Office Equipments	2	291.13	379.81	0.23	670.71	96.62	56.85	153.25	0.45		517.01	194.07
Electrical Installation		208.99	25.67		234.65	71.10	15.36	86.46	-		148.20	137.89
Capital Tool Support		925.49	463.87		1,389.37	358.45	215.29	573.74	-		815.62	567.04
Right To Use Leasehold - Land		1,144.37			1,144.37	76.29	19.12	95.41	-		1,048.96	1,068.08
Total		29,188.81	10,420.06	964.54	38,644.33	6,418.75	2,447.81	8,224.81	91.48	(5.45)	30,333.49	22,678.58
Previous Year		22,644.28	6,989.13	444.60	29,188.81	4,813.02	1,865.86	6,418.75	91.47	-	22,678.59	17,739.79

Intangible Assets

Particulars	Note No.	Cost or Deemed cost			Accumulated Amortisation			Impairment		Carrying Amount		
		Balance as at April 1, 2023	Additions	Disposals	Balance at March 31, 2024	Balance as at April 1, 2023	Amortisation	Disposals	Balance at March 31, 2024	Impairment loss/reversal during the year	Balance at March 31, 2024	As at March 31, 2023
Intangible Asset	3	53.44	25.62		79.06	26.86	7.21	34.06	-	-	44.99	26.58
Total		53.44	25.62	-	79.06	26.86	7.21	34.06	-	-	44.99	26.58
Previous Year		36.14	17.30	-	53.44	23.67	3.19	26.86	-	-	26.58	12.47

Capital Work In Progress

Particulars	Note No.	Cost or Deemed cost			Accumulated Amortisation			Impairment		Carrying Amount		
		Balance as at April 1, 2023	Additions	Disposals/Capitalized	Balance at March 31, 2024	Balance as at April 1, 2023	Amortisation	Disposals/Capitalized	Balance at March 31, 2024	Impairment loss/reversal during the year	Balance at March 31, 2024	As at March 31, 2023
Capital Work In Progress*	4	176.46	641.17	176.46	641.17	-	-	-	-	-	641.17	176.46
Total		176.46	641.17	176.46	641.17	-	-	-	-	-	641.17	176.46
Previous Year		391.22	176.46	391.22	176.46	-	-	-	-	-	176.46	391.22

*Refer note - 52 for ageing of CWIP

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Non Current Assets			
(d) Financial Asset	5		
Investment in Equity Share Capital of Racl Geartech Gmbh, Austria for EURO 42500 (P.Y. EURO 17500)		0.00	0.00
Security Deposits with landlord against rented premises & Others		27.96	38.61
Security Deposits with UPPCL		148.40	107.67
Total		176.36	146.27
(e) Other Non Current Assets	6		
Capital Advances			
Advance for Machinerics		266.45	1594.22
Total		266.45	1,594.22
Current Assets			
(a) Inventories (Lower of Cost or Net Relisable Value)	7		
Raw Materials and components		1607.31	1283.08
Work-in-progress		1772.17	1530.87
Finished goods			
- In Hand		483.58	532.21
- In-Transit		3152.24	1946.02
Stores and spares		930.33	752.25
Loose Tools		4231.26	3047.31
Jigs & fixtures		494.43	437.98
Total		12,671.32	9,529.72
(b) Financial Assets			
i . Trade Recievable*	8		
Unsecured, considered good		10722.77	8449.03
Total		10,722.77	8,449.03

*Refer Note No. 53 for ageing

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ii. Cash and Cash Equivalents	9		
Balances with banks		31.59	247.85
Cash on hand		6.23	10.81
Total		37.82	258.66
iii. Other Bank Balances	10		
Other Bank Balances - Unpaid Dividend Bank A/c		23.57	16.10
Deposits with maturity more than 3 months but less 12 months*		45.39	0.11
Total		68.97	16.21

*FDR amount includes margin money on Letter of Credit.

(c) Current Tax Assets (Net)	11		
Income Tax Refundable AY 2020-21		33.20	0.00
Less: Income Tax Payable		0.00	-
Total		33.20	-
(d) Other Current Assets (Secured, considered good)	12		
Deposit with Government authorities		550.94	395.24
Interest Receivable		5.93	7.16
Prepaid Expenses		130.32	127.82
Advance to Suppliers		524.13	225.00
Other Advances		3.97	0.48
Balance with Government authorities		1799.37	792.76
Total		3,014.66	1,548.47

Note No 13

Equity Share Capital

(Rs. In Lakh)

Particulars	Note No.	Number of Shares (In Lakh)		As at March 31, 2024	As at March 31, 2023
		As at March 31, 2024	As at March 31, 2023		
Equity					
Authorised (Equity Shares of Rs.10/- each)		200.00	200.00	2000.00	2000.00
Issued & Subscribed (Equity Shares of Rs.10/- each)	13	117.90	117.90	1179.00	1179.00
Fully Paid up Share Capital (Equity Shares of Rs.10/- each)		107.82	107.82	1078.16	1078.16
Total Paid Up Share Capital		107.82	107.82	1,078.16	1,078.16

i. Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. All equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share in the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture. 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. The dividend proposed by the board of directors is to be adopted by the shareholders at the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive dividend proposed by the board of directors subject to the approval of shareholders.

The Company has declared and paid an amount of dividend for Rs. 161.72 Lakh during the FY 2023-24. (Previous year: Rs. 107.82 Lakh)

- ii. Shares held by holding/Ultimate holding company and/or their subsidiaries/associates : Nil
- iii. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting Year

(Rs. In Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Equity Shares	INR	No of Equity Shares	INR
Share outstanding at the beginning of the year	107.82	1078.16	107.82	1078.16
Share issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Share outstanding at the end of the year	107.82	1,078.16	107.82	1,078.16

iv. List of Shareholders having more than 5% equity shares

(Rs. In Lakh)

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares Held	% of Holding	No of Shares Held	% of Holding
GURSHARAN SINGH	39.43	36.57	39.43	36.57
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P.LTD.	15.03	13.94	15.03	13.94
Middleware Development Limited	7.40	6.87	7.46	6.92

(v) a. Details of Shareholders holding by promoters at the end of the year as at March 31, 2024

Shares held by the Promoters at the end of the year

(Rs. In Lakh)

Name of the Promoter	No of Shares	% of Total Shares	% Change during the year
Equity share capital			
GURSHARAN SINGH	39.43	36.57	0.00%
NARINDER PAUL KAUR	0.34	0.32	0.00%
DEV RAJ ARYA	2.23	2.07	-1.37%
RAJ ARYA	-	-	-100.00%
AADHAR INFOSYSTEMS PVT. LTD.	0.44	0.41	0.00%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	15.03	13.94	0.00%
Total	57.48	53.31	-101.37%

(vi) b. Details of Shareholders holding by promoters at the end of the year as at March 31, 2023

Shares held by the Promoters at the end of the year

(Rs. In Lakh)

Name of the Promoter	No of Shares	% of Total Shares	% Change during the year
Equity share capital			
GURSHARAN SINGH	39.43	36.57	0.00%
NARINDER PAUL KAUR	0.34	0.32	0.00%
DEV RAJ ARYA	2.26	2.10	-1.33%
RAJ ARYA	0.05	0.04	-44.76%
AADHAR INFOSYSTEMS PVT. LTD.	0.44	0.41	0.00%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	15.03	13.94	0.00%
Total	57.55	53.38	-46.09%

Other Equity

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Retained Earning	14	18,666.25	14,932.45
Securities Premium Reserve		695.31	695.31
Share Forfeiture Account		41.95	41.95
Total		19,403.51	15,669.71

- a. The Company has forfeited 10,08,400 equity share of Rs 10/- each (on 21.4.2003) and 19,00,000 convertible share warrants having paid up value of Re 1/- each (on 19.4.2010)

Movement in Other Equity

(Rs. In Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Retained Earning		
Opening Balance	14,932.45	11,325.38
Add: Comprehensive Income for the year	3,895.53	3,714.89
Less: Dividend Paid	(161.72)	(107.83)
Less: Dividend Distribution Tax	-	-
	18,666.25	14,932.45
Securities Premium Reserve		
Opening Balance	695.31	695.31
Add: Comprehensive Income for the year	-	-
Closing Balance	695.31	695.31
Share Forfeiture Account		
Opening Balance	41.95	41.95
Add: Comprehensive Income for the year	-	-
Closing Balance	41.95	41.95

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Non Current Liabilities			
(a) Financial Liabilities			
Borrowings			
Secured Loans			
Term Loan from Bank*		14749.40	11364.81
Less: Unamortised Borrowing Cost		(56.32)	(56.67)
Less: Current Maturities of Term Loan		(4,602.65)	(3,379.37)
	(i)	10,090.43	7,928.77
Car Loan**		211.26	109.22
Less: Current Maturities of car Loan		(67.97)	(33.73)
	(ii)	143.29	75.49
	1((i)+(ii))	10,233.72	8,004.26

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Unsecured			
Term Loan from Financial Institutions/ Banks		509.09	833.39
Less: Current Maturities of loan from FI		(219.95)	(289.65)
	2	289.14	543.74
Total (1+2)		10,522.86	8,548.00
Other Non current Financial Liabilities			
Lease Liabilities	16	743.15	212.40
Less: Current Maturities of Lease Liabilities		156.32	137.59
		586.83	74.81

- Secured Term Loans from banks have been guaranteed by Whole Time Directors.
- The Maturity Profile of Secured Term Loans and Other Loans are as under :
 - FY 24-25 48.88 Crores
 - FY 25-26 45.60 Crores
 - FY 26-27 29.76 Crores
 - FY 27-28 24.25 Crores
 - FY 28-29 7.61 Crores
- 3*. Loans from Bank of India, Noida Branch, IndusInd Bank Ltd, Citibank, and RBL Bank are secured on PariPassu Basis in the following manner:
 - First Charge over entire Fixed Assets of the company excluding Land and Building & vehicles (Both Present & Future)
 - Extention of EQM of Comapny's Land and Building at Gajraula U.P.

** - Vehicles are directly hypothecated to the Vehicle Financier.

The above Loans are also secured by the personal guarantee of Shri Gursharan Singh. (CMD of the Company)

The Current Maturities of Long Term Borrowings have been shown as Current liabilities under Note No. 20
4. Unsecured Loans from Financial Institutions and Banks include Loan from Foreign Bank UBS(AG)- Switzerland & Luzerner Kantonal Bank - Switzerland in CHF currency. Maturity Profile of Unsecured term Loans and Other Loans in INR are as under :
 - FY 24-25 2.20 Crores
 - FY 25-26 1.80 Crores
 - FY 26-27 0.46 Crores

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
(b) Long Term Provisions			
Gratuity	17	733.35	703.90
Leave Encashment		103.94	98.07
Total		837.29	801.97
(c) Deferred tax liabilities (Net)			
Deferred tax liabilities	18	1677.66	1184.85
Less: Deferred tax assets		(446.06)	(306.89)
Total		1,231.60	877.97
(d) Other Non- Current Liabilities			
Long Term Advances from Customers	19	0.00	0.00
Less: Current Maturities of Long Term Advances from Customers		-	-
		-	-
Current Liabilities			
(a) Financial Liabilities			
(i). Secured Borrowings	20		
a. *Pre-shipment Credit		7838.52	4573.51
*Cash Credit		3600.75	452.34
b. Current maturities of Long-term borrowings			
Current Maturities of Term Loans		4602.65	3379.37
Current Maturities of Car Loans		67.97	33.73
Current Maturities of Loans from Financial Institution		219.95	289.65
Current Maturities of Lease Liability		156.32	137.59
Total a.		16,486.17	8,866.18
c. Bill Discounting Facility		1300.66	2849.00
Total b.		1,300.66	2,849.00
Total (ia) {a.+b.}		17,786.83	11,715.18

1. Pre-shipment and cash credit are secured on PariPassu Basis in the following Manner:

- First charge by way of Hypothecation on entire stock and Book Debt of the Company
- Extension of EQM of Comapny's Land and Building at Gajraula U.P.

The above Loans are also secured by personal guarantee of Shri Gursharan Singh (CMD of the Company).

The Company has taken an advance of Rs 1300.66 lakh from RBL Bank, Standard Chartered Bank & Citibank

which are secured in the following manner:

- First Charge on Trade Receivables as per the sanctioned terms
- Second charge on the entire current movable & Fixed Assets of the company
- Personal Guarantee of Mr Gursharan Singh (CMD of the Company)

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ii. Trade payables			
Due to micro and small enterprise		1101.86	653.37
Due to other than micro and small enterprise	21	3617.43	3104.77
Due to Related Parties		3.84	7.88
Total		4,723.13	3,766.02

1. Disclosure for Micro and Small Enterprise

The amount due to Micro & Small Enterprises as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” has been determined to the extent such parties have been identified on the basis of information available with the company.

The disclosure relating to Micro, Small and Medium Enterprises as at March 31, 2024 are as under :

Particulars	As at March 31, 2024
a) Principal amount remaining unpaid	1,101.86
b) Interest due on above and the unpaid interest*	Nil
c) Interest paid	Nil
d) Payment made beyond the appointed day during the year	Nil
e) Interest due and payable for the period of delay	Nil
f) Interest accrued and remaining unpaid	Nil
g) Amount of further interest remaining due and payable in succeeding years	Nil

*Interest has not been provided as per the MSME Act as due to MSME is paid within the agreed credit period with MSME's.

2. Refer Note no. 54 for Ageing

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
iii. Other Financial liabilities - Current	22		
Salary & Wages		148.76	131.95
Interest Payable on Foreign Currency Loan		2.55	4.00
Other payables		1231.50	940.82
		1,382.81	1,076.78
(b) Other Current liabilities	23		
i. Statutory Dues			
Tax Collection At Source		0.89	0.39
TDS Payable		56.01	47.43
GST Payable		17.70	18.40
ESI & PF Payable		30.08	9.15
ii Advance received from Customers		120.43	75.33
iii Current Maturities of Long Term Advances from Customers		0.00	0.00
iv. Unpaid Interim Dividend (2019-20 to 2023-24)		23.57	16.10
Total		248.69	166.80
(c) Short Term Provisions	24		
Gratuity		162.39	170.01
Leave Encashment		29.37	34.89
Total		191.75	204.91
(d) Current Tax Liabilities (Net)	25		
Income Tax Payable		1,494.61	1,194.43
Less : Advance Taxes including TDS & TCS		(1,476.90)	(750.53)
		17.71	443.90

Revenue From Operations

(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Sale of Products - Domestic		8,470.54	8,840.58
Sale of Products - Export	26	30,075.97	24,997.25
Other Operating Revenue		2,405.70	1,983.15
Total		40,952.21	35,820.98

Other Income
(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Interest on Deposits		6.01	15.92
Interest on Advance paid to Supplier		100.23	144.61
Other Non Operating Income	27	40.73	2.50
Profit on Sales of Fixed Assets		2.29	14.93
Foreign Exchange Rate Fluctuation- Gain		425.61	735.42
Total		574.87	913.39

Cost of Raw Material Consumed
(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Opening Stock		1,283.08	663.04
Add: Purchases	28	13,226.70	13,557.66
Less: Closing Stock		(1,607.31)	(1,283.08)
Total		12,902.47	12,937.63

Change in Inventories
(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Closing Stock			
Finished Goods		483.58	532.21
Materials in Transit		3,152.24	1,946.02
Work in Progress		1,772.17	1,530.87
		5,407.99	4,009.10
Less:			
Opening Stock	29		
Finished Goods		532.21	288.05
Materials in Transit		1,946.02	661.19
Work in Progress		1,530.87	1,093.51
		4,009.10	2,042.75
(Inc)/Dec in stock		(1,398.88)	(1,966.36)

Employee Benefits Expenses

(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Salary & Incentives		3,639.92	2,985.95
Employer's Contribution to Provident Fund		47.06	39.35
Gratuity Contribution		123.05	106.02
Leave Encashment	30	52.20	29.70
Directors Remuneration		340.48	296.40
Staff Welfare Expenses		144.39	159.58
Total		4,347.10	3,617.01

Finance Cost

(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expense		2,132.01	1,433.83
Foreign Exchange Rate Fluctuation on Long Term Borrowings Net Loss	31	70.05	506.89
Other Finance Cost		161.26	124.97
Total		2,363.32	2,065.69

Depreciation and Amortisation

(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation		2,447.81	1,866.57
Amortisation	32	7.21	3.19
Total		2,455.02	1,869.76

Other Expenses

(Rs. In Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Stores & Spares Consumed		1,650.44	1,318.81
Packing Material Consumed		830.18	715.66
Loose Tools Consumed		2,189.08	1,510.57
Power, Oil & Lubricants & LPG for furnance		2,673.67	2,373.08

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Repairs & Maintenance (Plant & Machinery)		425.04	300.69
Job Work & Other Contractual Cost		4,809.34	3,842.63
Customs Duty		136.07	118.39
Others		20.62	20.48
Assets Written Off		-	124.53
		12,734.43	10,324.85
Total		12,734.43	10,324.85
Travelling & Conveyance		136.62	102.43
Vehicle Running and Maintenance		108.98	98.99
Telephone, Telex & Communication		38.95	24.92
Repairs & Maintenance -Buildings		92.89	44.69
Repairs & Maintenance -Others		19.75	20.43
Freight & Forwarding	33	1,165.40	1,066.00
Rework & Other Charges on Sales		141.24	323.39
Warehouse Charges		215.91	180.29
Austrian Subsidiary Services		-	-
UPSIDC Maintenance Charges		15.10	14.93
Directors Sitting Fees		16.59	17.00
CSR Expenditure (Refer Note 42)		74.56	56.68
Insurance		140.27	100.04
Printing & Stationary		58.19	38.03
Electricity & Water		11.93	11.89
Legal & Professional Fees (Including Statutory Audit Fees*)		323.00	236.14
Misc Expenses		219.82	407.84
Total		2,779.19	2,743.70
Total		15,513.62	13,068.55

***Payments to Statutory Auditors (Excluding GST)**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Statutory Audit Fee	9.00	6.00
(b) Other Services	0.45	0.45
Total	9.45	6.45

34. Disclosure pursuant to Ind AS 33 “Earnings per share”

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 “Earnings per share”.

Particulars	Unit	As at Mar 31, 2024	As at Mar 31, 2023
Earnings Per Equity Share:			
Profit for the year attributable to owners of the Company	Rupees	3,940.08	3,743.01
Weighted average number of equity shares outstanding for calculating basic earnings per share	Numbers	107.82	107.82
Basic & Diluted Earnings per Share	Rupees	36.54	34.72

There are no potential diluters as on the date of balance sheet

35. Disclosure pursuant to Ind AS 19 “Employee Benefit”

The details of various employee benefit provided to employee areas under:

Defined Benefit Plans

By the Payment of Gratuity Act, of 1972, the Company provides for gratuity, as a defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of the vested year of employment i.e. five years. The liability of the gratuity plan is provided based on actuarial valuation at the end of each financial year.

These plans typically expose the Company to actuarial risks such as investment risk, inherent interest rate risk, longevity risk, salary risk, and Investment Risk.

Interest Rate Risk The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase **Longevity Risk**.

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan’s liability.

Salary Risk Higher than expected increases in salary will increase the defined benefit obligation.

The most recent actuarial valuation for determining the present value of the defined benefit obligation was carried out on March 31, 2024, by Mr. I Sambasavi Rao (Membership no. 158), a Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

The principal assumptions used for the purpose of the actuarial valuations were as follows:-

A. GRATUITY

(Rs. In Lakh)

Particulars	Gratuity	
	As at Mar 31, 2024	As at Mar 31, 2023
Reconciliation of opening & closing balances of PV of defined benefit obligation		
Opening defined benefit obligation	873.90	811.60
Current service Cost	58.38	48.40

Particulars	Gratuity	
	As at Mar 31, 2024	As at Mar 31, 2023
Interest Cost on Benefit Obligation	64.67	57.62
Prior service cost-Vested benefit		
Net Actuarial gain/loss recognized during the year	40.77	28.73
Benefits paid	(141.98)	(72.45)
Closing defined benefit obligation	895.74	873.90
Current Liabilities	162.39	169.99
Non Current Liabilities	733.35	703.90
Expenses recognized in the statement of P&L Account		
Current Service Cost	58.38	48.40
Interest Cost on Benefit Obligation	64.67	57.62
Defined Benefit Cost included in P&L	123.05	106.02
Total Remeasurement in OCI	40.77	28.73
Total Defined Benefit Cost recognised in P&L and OCI	163.82	134.75
Summary of Actuarial Assumptions		
Retirement Age		
Discount Rate	7.10%	7.40%
Salary Escalation	6.00%	6.00%
Attrition Rate	58 Years	58 Years
Average Future Service	21.94	19.08
Mortality Table	IALM(2012-14) Table Ultimate	IALM(2012-14) Table Ultimate

Change in Fair Value of Plan Assets

(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	141.98	72.45
Employer Direct Settlement Payments	-	-

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(141.98)	(72.45)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets (Excluding Interest Income)	-	-
Fair Value of Plan Assets at end of year	-	-
Weighted Average Asset Allocations at the year end		
Equities	-	-
Bonds	-	-
Gilts	-	-
Insurance Policies	-	-
Total	0%	0%

Components of Defined Benefit Cost

(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Current Service Cost	58.38	48.40
Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	58.38	48.40
Interest Expense on DBO	64.67	57.62
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	64.67	57.62
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	123.05	106.02
Remeasurements - Due to Demographic Assumptions	-	-

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Remeasurements - Due to Financial Assumptions	20.92	(12.35)
Remeasurements - Due to Experience Adjustments	19.85	41.08
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	40.77	28.73
Total Defined Benefit Cost recognized in P&L and OCI	163.82	134.75
Discount Rate	7.10%	7.40%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position

(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Defined Benefit Obligation	895.74	873.90
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	895.74	873.90
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	895.74	873.90

Summary of Financial & Demographic Assumptions

Particulars	Valuation Date	
	31.03.2024	31.03.2023
Discount Rate	7.10%	7.40%
Salary Escalation - First 5 Years	6.00%	6.00%
Salary Escalation - After 5 Years	6.00%	6.00%
Expected Rate of Return on Plan Assets	N/A	N/A
Mortality Table	IALM (2012-14) Table Ultimate	
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Retirement Age	58 Years	58 Years
Average Future Service	21.94	19.08

B. LEAVE ENCASHMENT

(Rs. In Lakh)

Particulars	Leave Encashment	
	As at Mar 31, 2024	As at Mar 31, 2023
Reconciliation of opening & closing balances of PV of defined benefit obligation	132.97	120.41
Opening defined benefit obligation		
Current service Cost	26.03	21.96
Interest Cost on Benefit Obligation	9.84	8.55
Prior service cost-Vested benefit		
Net Actuarial gain/loss recognized during the year	16.33	(0.81)
Benefits paid	(51.86)	(17.15)
Closing defined benefit obligation	133.31	132.97
Current Liability	29.37	34.89
Non Current Liability	103.94	98.07
Expenses recognized in the statement of P&L Account		
Current Service Cost	26.03	21.96
Interest Cost on Benefit Obligation	9.84	8.55
Defined Benefit Cost included in P&L Account	35.87	30.51
Total Remeasurement in OCI	16.33	(0.81)
Total Defined Benefit Cost recognised in P&L and OCI	52.20	29.70
Summary of Actuarial Assumptions		
Retirement Age		
Discount Rate	7.10%	7.40%
Salary Escalation	6.00%	6.00%
Retirement Age	58 Years	58 Years
Average Future Service	21.94	18.54
Mortality Table	IALM (2012-14) Table Ultimate	

Change in Fair Value of Plan Assets
(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	51.86	17.15
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(51.86)	(17.15)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets (Excluding Interest Income)	-	-
Fair Value of Plan Assets at end of year	-	-
Weighted Average Asset Allocations at the year end		
Equities	-	-
Bonds	-	-
Gilts	-	-
Insurance Policies	-	-
Total	0%	0%

Components of Defined Benefit Cost
(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Current Service Cost	26.03	21.96
Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	26.03	21.96
Interest Expense on DBO	9.84	8.55

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	9.84	8.55
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	35.87	30.51
Remeasurements - Due to Demographic Assumptions		
Remeasurements - Due to Financial Assumptions	2.79	(2.45)
Remeasurements - Due to Experience Adjustments	13.54	1.64
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	16.33	(0.81)
Total Defined Benefit Cost recognized in P&L and OCI	52.20	29.70
Discount Rate	7.10%	7.40%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position

(Rs. In Lakh)

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Defined Benefit Obligation	133.31	132.97
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	133.31	132.97
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	133.31	132.97

Summary of Financial & Demographic Assumptions

Particulars	Valuation Date	
	31.03.2024	31.03.2023
Discount Rate	7.10%	7.40%
Salary Escalation - First 5 Years	6.00%	6.00%
Salary Escalation - After 5 Years	6.00%	6.00%
Expected Rate of Return on Plan Assets	N/A	N/A
Mortality Table	IALM (2012-14) Table Ultimate	

Particulars	Valuation Date	
	31.03.2024	31.03.2023
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Retirement Age	58 Years	58 Years
Average Future Service	21.94	18.54

C. SENSITIVITY ANALYSIS

A quantitative sensitivity analysis for significant assumptions as 31st March 2024

Particulars	GRATUITY PLAN	
	CHANGE IN ASSUMPTIONS	IMPACT ON DEFINED BENEFIT OBLIGATION
	Increase/ (Decrease)	Increase/ Decrease in Assumptions
	%	(Rs. In Lakh)
UNDER BASE SCENARIO		895.74
SALARY ESCALATION	1.00%	955.14
	-1.00%	844.63
WITHDRAWAL RATES	1.00%	900.67
	-1.00%	893.11
DISCOUNT RATES	1.00%	844.74
	-1.00%	957.04

D. RISKS ASSOCIATED WITH DEFINED BENEFIT PLAN

Where there is a benefit being promised and benefit being provided, there will always be some uncertainty for the benefit provider and the benefit recipient.

Benefit Risks in Defined Benefit Schemes

1. Risk to the beneficiaries (i.e. for employees)

Insufficient funds: The greatest risk to the beneficiary is that there are insufficient funds available to provide the promised benefits.

This may be due to :

- The insufficient funds set aside, i.e. underfunding
- The insolvency of the Employer
- The holding of investments which are not matched to the liabilities; Or
- A combination of these events

Changes to tax rates or status

2. Risks to the Benefit provider (i.e. for employer)

Parameter risk: Actuarial valuation is done basis some assumptions like salary inflation, discount rate and withdrawal assumptions. In case the actual experience varies from the assumptions, fund may be Insufficient to pay off the

For example: Suppose the plan's liability is calculated with salary inflation assumption of 5% per annum. However, Company's' actual practice is to provide increment of 10% per annum. This will result into underfunding.

Similarly, reduction in discount rate in subsequent future years can increase the plan's liability. Further, actual withdrawals may be lower or higher than what was assumed in the valuation, which may also impact the plan's liability.

Risk of illiquid assets: Another risk is that the funds, although sufficient, are not available when they are required to finance the benefits. This may be due to assets being locked for longer period or in illiquid assets.

Risk of benefit change: There may be a risk that a benefit promised is changed or is changeable within the terms of the contract. For e.g. the prevailing Act / Regulation may increase the benefits payable under defined benefit plans.

Asset liability mismatching risk: ALM risk arises due to a mismatch between assets and liabilities either due to liquidity or changes in interest rates or due to different duration.

For example: When the liability duration is, say, 10 years and with assets locked in 5-year g-sec securities. After 5years, there is huge reinvestment risk to invest maturity proceeds of assets due to uncertainty about the market prevailing yields at that time.

36. Disclosure of Segmental reporting pursuant to Ind AS 108 “Segmental Reporting”

The Company is engaged in manufacturing of Automotive Components meant for two wheeled, three wheeled and four wheeled Vehicles. Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting Systems. The company has structured its operations into single operating segment geographic distribution of however based on the activities, the chief operating decision maker identified India and outside India as two geographical segments.

Revenue from Customers	As at Mar 31, 2024	As at Mar 31, 2023
Within India	8,470.54	8,840.58
Outside India		
AUSTRIA	14228.26	11,880.17
JAPAN	3053.65	3,121.03
GERMANY	7858.37	5,300.43
SWITZERLAND	544.30	634.38
ITALY	360.41	309.69
THAILAND	17.56	30.54
VIETNAM	12.86	7.21
USA	622.80	552.29
CHINA	3372.10	3,123.40
SWEDEN	5.66	38.12
Total Outside India	30,075.97	24,997.25

37. Disclosure of Related parties / Related party transactions pursuant to Ind AS 24 “Related Party Disclosures”

A. List of Related Parties

Wholly Owned Subsidiary

Name of the Other Related Party
SUN-UP FOUNDATION (CSR TRUST)

Name of the Key Management Personnel	Designation
Mr Gursharan Singh	Chairman and Managing Director
Mr Dev Raj Arya (Retired wef 21/10/2023)	Director & CFO
Ms. Neha Bahal (Appointed wef 22/05/2023)	Company Secretary
Mr. Jitender Jain (Appointed wef 07/11/2023)	CFO
Name of the Directors	Designation
Mr Gursharan Singh	Chairman and Managing Director
Mr Dev Raj Arya (Retired wef 21/10/2023)	Director & CFO
Mr. Anil Sharma	Non- Executive Director
Mrs. Narinder Paul Kaur	Non- Executive Director
Mr. Shashank Ramesh Anikhindi	Independent Director
Mr. Jagdish Keswani	Independent Director
Mr. H.P.S. Bedi	Independent Director
Ms. Malini Bansal	Independent Director

Names of Relatives of KMPs with whom transactions have taken place during the year:-

Name of Relatives of Key Managerial Personnel	Relations
Mr Prabh Mehar Singh	Son of Mr.Gursharan Singh
Mrs. Narinder Paul Kaur	Wife of Mr.Gursharan Singh

During the current as well as previous year, the Company did not have any related party transaction with any enterprise wherein any director has any significant influence.

B. Transactions with related parties:
(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
CSR Expenditure to Sun-UP Foundation (CSR Trust)	79.70	11.24
Remuneration and Perks - Key Managerial Personnel & Directors		
- Mr. Gursharan Singh, Chairman & Managing Director	275.93	207.35
- Mr. Dev Raj Arya, Director & CFO	73.42	78.27
- Ms. Neha Bahal, Company Secretary	10.14	8.31
- Mrs. Narinder Paul Kaur (as retainership fees)	30.00	24.00
- Mr. Anil Sharma, Non-Executive Director (as retainership fees)	27.20	24.00
- Mr. Jitender Jain, CFO	46.25	
Remuneration and Perks - Relatives of Key Managerial Personnel		
- Mr. Prabh Mehar Singh	28.67	27.42
Directors Sitting Fees		
- Mr. Anil Sharma	2.25	2.45
- Mrs. Narinder Paul Kaur	1.95	1.95
- Mr. Shashank Ramesh Anikhindi	2.95	3.65
- Mr. Jagdish Keswani	4.09	3.65
- Mr. H.P.S. Bedi	1.95	1.95
- Ms. Malini Bansal	3.35	3.35

C. Closing Balances with related parties:
(Rs. In Lakh)

Name of the Key Management Personnel	Outstanding As at Mar 31, 2024		Outstanding As at Mar 31, 2023	
	Receivable	Payable	Receivable	Payable
Mr Gursharan Singh	-	105.00	-	82.04
Mr. Anil Sharma	-	2.25	-	2.16
Mrs. Narinder Paul Kaur	-	2.25	-	1.80

Financial Instruments
38. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The capital structure of the company consists of debt (long term borrowings and short term borrowings), capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders.

38(a). Gearing Ratio

The gearing ratio at the end of the reporting period was as follows

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Debt	28,153.37	20,125.59
Cash and Bank Balances	37.82	258.66
Net Debt (i)	28,115.55	19,866.93
Equity (ii)	20,481.67	16,747.87
Net Debt To Equity Ratio	1.37	1.19

38(b). Changes in liabilities arising from financing activities as per Ind-AS 7

Particulars	As at April 1st, 2023	NON CASH		Charged to P&L	As at Mar 31, 2024
		CASH FLOW	FOREIGN EXCHANGE MOVEMENTS		
Borrowings	20,263.18	8,046.51	-	-	28,309.69
Interest	4.00	(2,360.77)	-	2,363.32	2.55
Total liabilities	20,267.18	5,685.74	-	2,363.32	28,312.24

Particulars	As at April 1st, 2022	NON CASH		Charged to P&L	As at Mar 31, 2023
		CASH FLOW	FOREIGN EXCHANGE MOVEMENTS		
Borrowings	16,345.45	3,917.73	-	-	20,263.18
Interest	5.58	(2,061.69)	-	2,065.69	4.00
Total liabilities	16,351.03	1,856.04	-	2,065.69	20,267.18

38(c). (a) Risk management

The Company's objectives when managing capital is 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. Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs). The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an

optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Net Debt	28,115.55	19,866.93
EBITDA	10162.78	9077.54
Net Debt to EBITDA	2.77	2.19

(b) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.

(c) Dividends

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
On Equity shares of Rs. 10/- each		
Final dividend		
Amount of dividend paid (pertains to previous financial year)	161.72	107.83
Dividend per equity share	1.50	1.00
Interim Dividend		
Amount of dividend paid		
Dividend per equity share	-	-

39. Categories of Financial Instruments

(Rs. In Lakh)

Financial instruments by categories	31.03.2024			31.03.2023		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset						
Non-Current Financial Asset						
Security Deposit	-	-	176.36	-	-	146.27
Current Financial Asset						
i. Trade receivables	-	-	10,722.78	-	-	8,449.03
ii. Cash and cash equivalents	-	-	37.82	-	-	258.66
iii. Other Financial asset	-	-	68.97	-	-	16.21
Total Financial Asset	-	-	11,005.92	-	-	8,870.17

Financial instruments by categories	31.03.2024			31.03.2023		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial liability						
Non-Current Financial Liabilities						
Borrowings	-	-	10,522.86	-	-	8,548.00
Other	-	-	586.83	-	-	74.81
Current Financial Liabilities						
i. Borrowings	-	-	17,786.83	-	-	11,715.18
ii. Trade payables	-	-	4,723.13	-	-	3,766.02
iii. Other financial liabilities	-	-	1,382.81	-	-	1,076.78
Total Financial Liabilities	-	-	35,002.46	-	-	25,180.79

40. Fair value of Financial Assets and Liabilities at amortized cost

(Rs. In Lakh)

Financial instruments by categories	31.03.2024		31.03.2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial asset				
Non-Current Financial Asset				
Security Deposit	176.36	176.36	146.27	146.27
Current Financial Asset				
i. Trade receivables	10,722.78	10,722.78	8,449.03	8,449.03
ii. Cash and cash equivalents	37.82	37.82	258.66	258.66
iii. Other Financial asset	68.97	68.97	16.21	16.21
Total Financial Asset	11,005.92	11005.92	8,870.17	8870.17
Financial liability				
Non-Current Financial Liabilities				
Borrowings	10,522.86	10,522.86	8,548.00	8,548.00
Others	586.83	586.83	74.81	74.81
Current Financial Liabilities				
i. Borrowings	17,786.83	17,786.83	11,715.18	11,715.18
ii. Trade payables	4,723.13	4,723.13	3,766.02	3,766.02
iii. Other financial liabilities	1,382.81	1,382.81	1,076.78	1,076.78
Total Financial Liabilities	35,002.46	35,002.46	25,180.79	25,180.79

The carrying amount of financial assets/liabilities including trade receivables and payables and others; measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying value of Rupee Term Loan approximate fair value as the instruments are at prevailing market rate. The Fair values are all measured at Level 3

41. Financial Risk Management Objectives

The company's activities expose it to variety of financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed annually to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company operates internationally and a major portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk through its sales and services in the several countries and purchases from overseas suppliers in various foreign currencies.

The company has incurred expenditure in Foreign Currency (Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
Raw Material/ Tools/ Machines	6636.41	3896.52
Foreign Travelling & Services	387.29	316.13
Interest	24.19	21.81

The company has Earnings in Foreign Currency (Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
Export of Goods on FOB basis	30955.31	24971.56

The foreign currency risk from financial instruments as at Mach 31, 2023 is as follows:

(Rs. In Lakh)

Particulars	As on 31.03.2024									
	USD	EURO	CHF	GBP	Yuan	JPY	Thai Baht	Hong Kong Dollar	NT DOL-LAR	Canadian Dollar
Cash & Cash Equivalents (INR)		0.35			0.01	0.04	0.01	0.01	1.13	
Trade Receivables (INR)	6,422.05	3,061.51	-	-	-	-	-	-	-	-
Trade Payables (INR)	-	172.45	27.06	-	-	-	-	-	-	-
Interest Payables (INR)	-	-	2.55	-	-	-	-	-	-	-
Borrowings in Foreign Currency (INR)	6,045.67	793.15	508.52	-	-	-	-	-	-	-
Total	12467.72	4027.46	538.13	0.00	0.01	0.04	0.01	0.01	1.13	0.00

The foreign currency risk from financial instruments as at Mach 31, 2023 is as follows:

(Rs. In Lakh)

Particulars	As on 31.03.2023									
	USD	EURO	CHF	GBP	Yuan	JPY	Thai Baht	Hong Kong Dollar	NT DOL-LAR	Canadian Dollar
Cash & Cash Equivalents (INR)	0.98	2.11	0.86	0.75	0.46	0.03	0.05	0.02	0.12	0.06
Trade Receivables (INR)	4,970.97	1,540.61	-	-	-	-	-	-	-	-
Trade Payables (INR)	-	214.64	3.61	-	-	-	-	-	-	-
Interest Payables (INR)	-	-	4.00	-	-	-	-	-	-	-
Borrowings in Foreign Currency (INR)	5,890.69	531.81	833.39	-	-	-	-	-	-	-
Total	10862.64	2289.17	841.86	0.75	0.46	0.03	0.05	0.02	0.12	0.06

Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

Particulars	March 31, 2024		March 31, 2023	
	Payable / (Receivable)		Payable / (Receivable)	
	Amount in Foreign Currency in Lakh	Amount (Rs. In Lakh)	Amount in Foreign Currency in Lakh	Amount (Rs. In Lakh)
USD	(4.51)	(376.38)	11.19	919.72
EURO	(23.23)	(2,095.91)	(8.86)	(794.16)
CHF	5.82	538.13	9.35	841.00

Sensitivity analysis based on average outstanding Foreign currency loan

(Rs. In Lakh)

Particulars	Impact on profit/ loss after tax	
	FY 2023-24	FY 2022-23
Increase or decrease in exchange rate by Rs.1	22.44	(11.47)

Note: Profit will increase in case of decrease in foreign currency rate and vice versa

ii Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the company mainly from borrowings with variable rates. The company measures risk through sensitivity analysis.

Currently, Lending by Commercial Banks is at variable rate, which is an inherent business risk.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

(Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
Debt from Banks/ FIs - Variable rate borrowings	28,153.37	20,125.59

Sensitivity analysis based on average outstanding Debt

(Rs. In Lakh)

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2023-24	FY 2022-23
Increase or decrease in interest rate by 25 basis points	60.35	45.76

Note: Profit will increase in case of decrease in interest rate and vice versa

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

(Rs. In Lakh)

As at March 31, 2024	Carrying Amount	upto 1 year	From 2 to 4 Year	For 5th Year	More than 5 years	Total
Non Derivative Financial Liability						
Term Loan from Banks	14,693.08	4,602.65	9,333.97	756.46	-	14,693.08
Term Loan from Financial Institutions	509.09	219.95	289.14	-	-	509.09
Lease Liabilities	743.15	156.32	586.83	-	-	743.15
Car Loan	211.26	67.97	138.33	4.96	-	211.26
Loan Repayable on Demand	11,439.28	11,439.28	-	-	-	11,439.28
Bill Discounting	1,300.66	1,300.66	-	-	-	1,300.66
Trade Payables	4,723.13	4,723.13	-	-	-	4,723.13
Other Financial Liabilities	1,382.81	1,382.81	-	-	-	1,382.81
Total	35,002.46	23,892.77	10,348.27	761.42	-	35,002.46

(Rs. In Lakh)

As at March 31, 2023	Carrying Amount	upto 1 year	From 2 to 4 Year	For 5th Year	More than 5 years	Total
Non Derivative Financial Liability						
Term Loan from Banks	11,308.14	3,379.37	6,872.32	1,056.45	-	11,308.14
Term Loan from Financial Institutions	833.39	289.65	543.74	-	-	833.39
Lease Liabilities	212.40	137.59	74.81	-	-	212.40
Car Loan	109.22	33.73	69.94	5.55	-	109.22
Loan Repayable on Demand	5,025.84	5,025.84	-	-	-	5,025.84
Bill Discounting	2,849.00	2,849.00	-	-	-	2,849.00
Trade Payables	3,766.02	3,766.02	-	-	-	3,766.02
Other Financial Liabilities	1,076.78	1,076.78	-	-	-	1,076.78
Total	25,180.79	16,557.98	7,560.81	1,062.00	-	25,180.79

C) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks. Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

42. Expenditure on Corporate Social Responsibility (CSR)

(Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
a) Gross amount required to be spent for the year	74.56	56.68
Add Shortfall of last year	-	-
Total amount required to be spent	74.56	56.68
b) Amount actually spent during the year	74.56	51.54
c) Amount provisioned for ongoing projects	0	5.14
Unspent Amount	-	-
Reason for Shortfall	There is no Shortfall	There is no Shortfall

Movement in CSR Provision:

(Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
Remaining Provision for CSR Made during the last year	5.14	8.14
Less: Actual Expenditure made during the year against the remaining provision of last year	(5.14)	(8.14)
Add: Remaining Provision for CSR made during the current year	-	5.14
Closing figure of Provision	-	5.14

The Company is promoting education and empowering vocational skills as on ongoing project. Further, doing activities towards medical assistance, sanitation etc as other than ongoing projects.

IND AS -12 Income tax- Disclosures

43. Income tax expense

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Current tax		
Current income tax charged	1,030.65	1,184.97
Adjustments for current tax of prior years	20.06	9.46
Total current tax expense	1,050.71	1,194.43
Decrease/ (increase) in deferred tax Assets/ Liabilities (net)	(353.64)	(204.65)
Income tax expense	1,404.34	1,399.08

Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

(Rs. In Lakh)

Particulars	As at Mar 31, 2023	Movement Recognised in Statement of Profit and Loss	As at Mar 31, 2024
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment and Intangible Assets	(1,184.85)	(492.81)	(1,677.66)
Defined benefit obligation	306.89	139.17	446.06
Deferred Tax Asset / (Liabilities) (Net)	(877.97)	(353.64)	(1,231.60)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

(Rs. In Lakh)

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Profit before income tax expense	5344.43	5142.10
Tax at India's tax rate	1345.09	1294.16
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	685.02	555.74
Tax effect of amounts which are deductible in calculating taxable income	(1,021.28)	(720.77)
Adjustments for current tax of prior periods	20.06	9.46
Interest	1.76	46.38
Income tax expense	1030.65	1184.97

44. Property, Plant and equipment

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

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 the replaced part is derecognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation methods and useful lives

Depreciation is calculated using the straight-line method over estimated useful lives of the assets:

Assets	Useful lives (years)*
Leasehold improvements	Over the period of lease or useful life, whichever is lower
Plant & Machinery: Category	
A	20
B	15
C	10
D	5
E	3
ELECTRICAL INSTALLATION : CATEGORY	
A	15
B	10
C	5
BUILDING	30
CAPITAL TOOL SUPPORT	5
FURNITURE & FIXTURES	5
VEHICLES	5

Assets	Useful lives (years)*
OFFICE & MISC. EQUIPMENTS : CATEGORY	
A	10
B	5
C	3

*Useful life of certain assets are different than the life prescribed under Schedule II to the Companies Act, 2013 and those have been determined based on technical evaluation by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

45. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful live of intangible assets are as follows:

Assets	Useful lives (years)
Software & Licenses	3

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

46. Contingent liabilities

1. Income Tax Demands

Demand raised by Income Tax Authorities of Rs. 3.10 Lakh outstanding as of 31/03/2024. The matter is being pursued with the Income Tax authorities for necessary rectification and correction.

47. DISCLOSURE NOTE- IND AS 116

The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application on April 01, 2019. The Company elected to use the transition practical expedient to not

reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Company has leases contracts for land and premises. These lease arrangements for land are for a period upto 99 years and for premises are for a period upto 5 years. The Company also has certain leases of machinery and equipments with lease terms of 12 months or less with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. The following impacts are recognised in financial position on account of recognition of right of use assets and lease liabilities.

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Right To Use Buildings	686.31	139.29
Right To Use Leasehold - Land	1048.96	1068.08
Current lease liabilities	156.32	137.59
Non-current lease liabilities	743.15	212.40

Amount recognised in statement of profit and loss during the year on account of Ind AS 116

(Rs. In Lakh)

Particulars	FY 2023-24	FY 2022-23
Interest expense on lease liabilities (included in finance cost)	18.67	23.77
Depreciation of Right of Use assets	101.64	130.77

48. Capital Commitments

The Company entered into contracts for addition in fixed assets for Rs. 2825.37 Lakh as of 31st March 2024 against which advance payments and CWIP have also been booked as mentioned below:-

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Capital Advances	266.45	1,594.22
CWIP	641.17	176.46

49. Going concern

Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern therefore financials have been prepared on going concern basis.

50. Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to fulfil its performance obligations under the contract with customers;(ii) revision of estimations of costs to complete the contract because of additional efforts;(iii) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Investments and other financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future demand of its products. The Company has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

51. Ratio's

(Rs. In Lakh)

	Particulars	As on Mar 31, 2024		As on Mar 31, 2023	
(i)	Current Ratio:				
	Current Assets (a)				
	Inventories	12,671.32		9,529.72	
	Trade receivables	10,722.78		8,449.03	
	Cash and cash equivalents	37.82		258.66	
	Other Financial asset	68.97		16.21	
	Other current assets	3,014.66		1,548.47	
	Current Tax Assets (Net)	33.20	26,548.73	-	19,802.09
	Current Liabilities (b)				
	Current Borrowings	17,786.83		11,715.18	
	Trade Payable	4,723.13		3,766.02	
	Other financial liabilities	1,382.81		1,076.78	
	Other current liabilities	248.69		166.80	
	Current tax Liabilities (Net)	17.71		443.90	
	Provisions	191.75	24,350.93	204.91	17,373.59

	Particulars	As on Mar 31, 2024		As on Mar 31, 2023	
	Current Ratio (a/b)		1.09: 1		1.14: 1
	a. Variance : -4.4%				
	b. Reason for Changes more than 25%: NA				
ii)	Debt Service coverage Ratio :				
	Net Profit/ (Loss) After Taxes (a)	3940.08		3743.01	
	Depreciation and Amortization Expense (b)	2455.02		1869.76	
	Interest Expense ('c)	2363.32		2065.69	
	Other non cash adjustment (d)	0.00		0.00	
	Earnings available for Debt Services (e) (a+b+c+d)		8758.42		7678.46
	Total Debt repaid (f)	3,965.22		3,084.85	
	Interest Liability repaid (g)	2,360.77		2,061.69	
	Total Debt including Interest (h) (f+g)		6,325.99		5,146.54
	Debt Service Coverage Ratio (e/h)		1.39 Times		1.5 Times
	a. Variance : -7.4%				
	b. Reason for Changes more than 25%: NA				
iii)	Return on Equity Ratio :				
	Net Profit after Taxes (a)	3,895.53		3,714.89	
	Average Equity Shareholder's Fund (b)	18,614.77		14,944.34	
	Return on Equity Ratio (%) (a/b)		20.93%		24.86%
	a. Variance : -15.8%				
	b. Reason for Changes more than 25%: N.A.				
iv)	Inventory Turnover Ratio : NA				
	Revenue from Operations (a)	40,952.21		35,820.98	
	Average Inventory (b)	11,100.52		7,602.17	

Particulars	As on Mar 31, 2024		As on Mar 31, 2023	
Inventory Turnover Ratio (times) (a/b)		3.69 Times		4.72 Times
a. Variance : -21.7%				
b. Reason for Changes more than 25%: NA				
v) Trade Receivables turnover Ratio :				
Annual net Credit Sales (a)	40,952.21		35,820.98	
Opening Accounts Receivable (b)	8,449.03		7,691.62	
Closing Accounts Receivable (c)	10,722.78		8,449.03	
Average Accounts Receivable (d) (b+c/2)	9585.901		8070.322	
Trade Receivables turnover Ratio (Times) (a/d)		4.28 times		4.44 times
a. Variance : -3.8%				
b. Reason for Changes more than 25%: NA				
vi) Trade Payables turnover Ratio				
Annual net Credit Purchases:				
Cost of Material Consumed	12,902.47		12,937.63	
Changes in inventories of finished goods WIP and Stock in Trade	(1,398.88)		(1,966.36)	
Other Expenses	15,513.62		13,068.55	
Annual net Credit Purchases(a)	27,017.21		24,039.82	
Opening Accounts Payable (b)	3,766.02		2,918.01	
Closing Accounts Payable(c)	4,723.13		3,766.02	
Average Accounts Payable (d) (b+c/2)	4,244.58		3,342.01	
Trade Payable turnover Ratio (Times) (a/d)		6.37 times		7.2 times
a. Variance : -11.4%				
b. Reason for Changes more than 25%: NA				

	Particulars	As on	
		Mar 31, 2024	Mar 31, 2023
vii)	Net Capital turnover Ratio :		
	Sales (a)	40,952.21	35,820.98
	Working capital (Current Assets - Current Liabilities) (b)	2,197.80	2,428.50
	Net Capital turnover Ratio (a/b)	18.63	14.75
	a. Variance : -26.3%		
	b. Reason for Changes more than 25%: Better efficiency		
viii)	Net Profit Ratio :		
	Profit after Tax (a)	3,940.08	3,743.01
	Sales (b)	40,952.21	35,820.98
	Net Profit Ratio (%) (a/b)	9.62%	10.45%
	a. Variance : -7.9%		
	b. Reason for Changes more than 25%: NA		
ix)	Return on Capital Employed :		
	Profit/ (Loss) before Tax (a)	5,344.43	5,142.10
	Finance Cost (b)	2,363.32	2,065.69
	Earnings before Interest and Taxes (c) (a+b)	7,707.76	7,207.78
	Total Assets (d)	58,011.19	44,424.20
	Less : Total Liabilities (e)	37,529.51	27,676.33
	Less : Intangible Assets (f)	44.99	26.58
	Tangible Net Worth (g = d-e-f)	20,436.69	16,721.29
	Deferred Tax Liability (h)	1,231.60	877.97
	Total Debt (i)	28,153.37	20,125.59
	Capital Employed (j) (g+h+i)	49,821.66	37,724.84
	Return on Capital Employed (%) (c/j)	15.47%	19.11%
	a. Variance : -19%		
	b. Reason for Changes more than 25%: N.A.		

	Particulars	As on Mar 31, 2024		As on Mar 31, 2023	
x)	Debt - Equity Ratio				
	Total Debt (a)		28,153.37		20,125.59
	Share Capital	1,078.16		1,078.16	
	Reserve and Surplus	19,403.51		15,669.71	
	Shareholder's Equity (b)		20,481.67		16,747.87
	Debt - Equity Ratio (Times) (a/b)		1.38 Times		1.21 Times
	a. Variance : 14%				
	b. Reason for Changes more than 25%: NA				
xi)	Return on Investments: NA				

52. Capital Work-In-Progress

As at 31.3.2024

(Rs. In Lakh)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	641.17	-	-	-	641.17
Projects Temporarily Suspended	-	-	-	-	-
Total	641.17	-	-	-	641.17

Particulars	To be completed in				Total
	< 1 yr	1-2 Yrs	2-3 Yrs	>3 Yrs	
Projects in Progress	641.17	-	-	-	641.17
Projects Temporarily Suspended	-	-	-	-	-
Total	641.17	-	-	-	641.17

As at 31.3.2023

(Rs. In Lakh)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	176.46	-	-	-	176.46
Projects Temporarily Suspended	-	-	-	-	-
Total	176.46	-	-	-	176.46

Particulars	To be completed in				Total
	< 1 yr	1-2 Yrs	2-3 Yrs	>3 Yrs	
Projects in Progress	176.46	-	-	-	176.46
Projects Temporarily Suspended	-	-	-	-	-
Total	176.46	-	-	-	176.46

53. Trade receivables outstanding

As at 31.3.2024

(Rs. In Lakh)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	8,870.15	1,832.34	20.29	-	-	-	10,722.78
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

As at 31.3.2023

(Rs. In Lakh)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	7,654.00	795.02	-	-	-	-	8,449.03
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

54. Trade Payable outstanding

As at 31.3.2024

(Rs. In Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME (Micro & Small Enterprise)	1,101.86	-	-	-	-	1,101.86
(ii) Others	3,233.51	387.76	-	-	-	3,621.27
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

As at 31.3.2023

(Rs. In Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME (Micro & Small Enterprise)	597.08	56.29	-	-	-	653.37
(ii) Others	2,931.12	181.53	-	-	-	3,112.65
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

55. Approval of Financial Statements

The financial Statement are approved for issue by the company's Board of Directors on 27th May, 2024.

56. Previous year figures have been re-grouped, re-worked and re-classified wherever necessary, to make them comparable with current year/period figures.

Particulars	Earlier classification	Reclassification	Current Classification	Remarks
Liabilities				
Other Current liabilities				P.F Payable has been regrouped from Other
ESI & PF Payable	9.16	13.09	22.24	
Other Financial liabilities - Current				Financial liabilities-Current to Other Current liabilities
Other Payable	940.82	-13.09	927.73	

As per our report of even date attached

For Gianender & Associates

Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : May 27, 2024
UDIN: 24081603BKA1BA1774

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JITENDER JAIN
(CFO)

NARINDER PAUL KAUR
(Director)
DIN: 02435942

By Order of the Board for RACL Geartech Ltd

JAGDISH KESWANI
(Director)
DIN: 02146267

MALINI BANSAL
(Director)
DIN: 00167993

HPS BEDI
(Director)
DIN: 05217488

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

ANIL SHARMA
(Director)
DIN: 00157911

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: May 27, 2024

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A: Subsidiaries

Reporting period: 1st April, 2023 to 31st March, 2024

S. No	Particulars	RACL Geartech GmbH, Austria
1.	Reporting currency	Euro
2.	Exchange rate	As on March, 2024
3.	Share capital	42500.00
4.	Reserves and surplus	500.73
5.	Total assets	38917.25
6.	Total Liabilities	34068.67
7.	Investments	-
8.	Turnover	161628.39
9.	Profit before taxation	(34700.39)
10.	Provision for taxation	(12856.48)
11.	Profit after taxation	(47556.87)
12.	Proposed Dividend	-
13.	Percentage of shareholding	100%

- Names of subsidiaries which are yet to commence operations. NIL
- Names of subsidiaries which have been liquidated or sold during the year. NIL

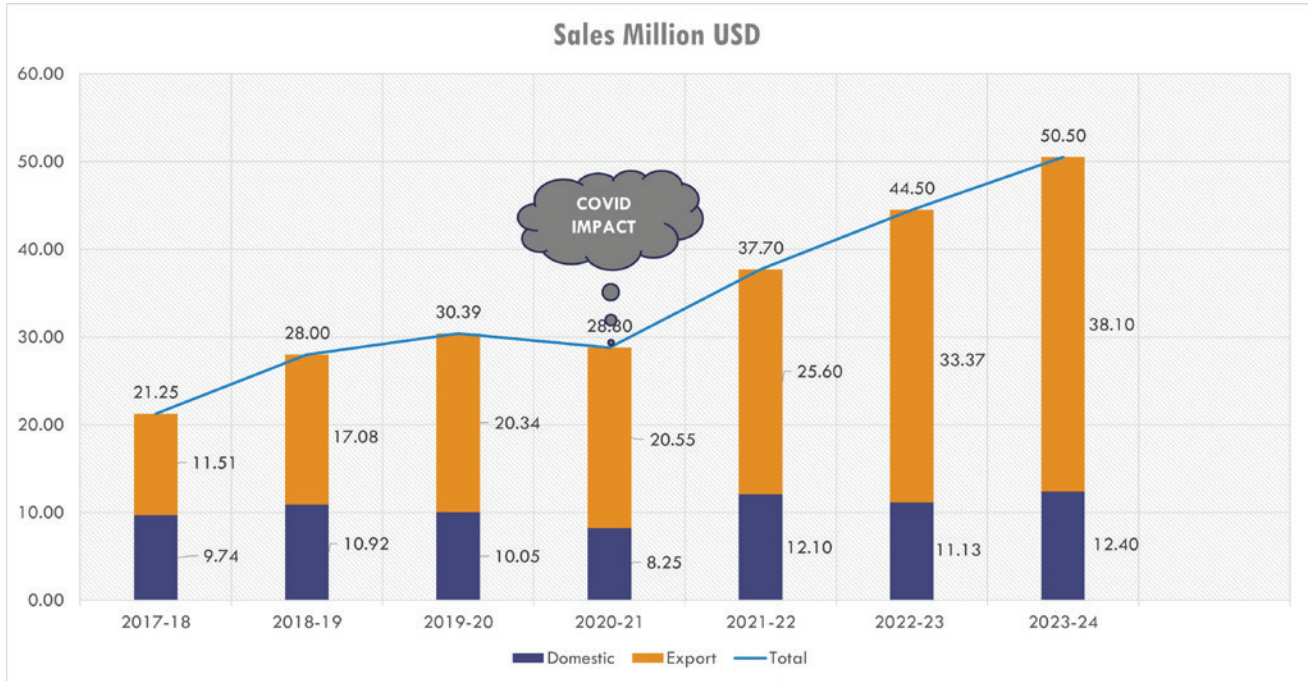
**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
RACL GEARTECH LIMITED**

Place: Noida
Date: May 27, 2024

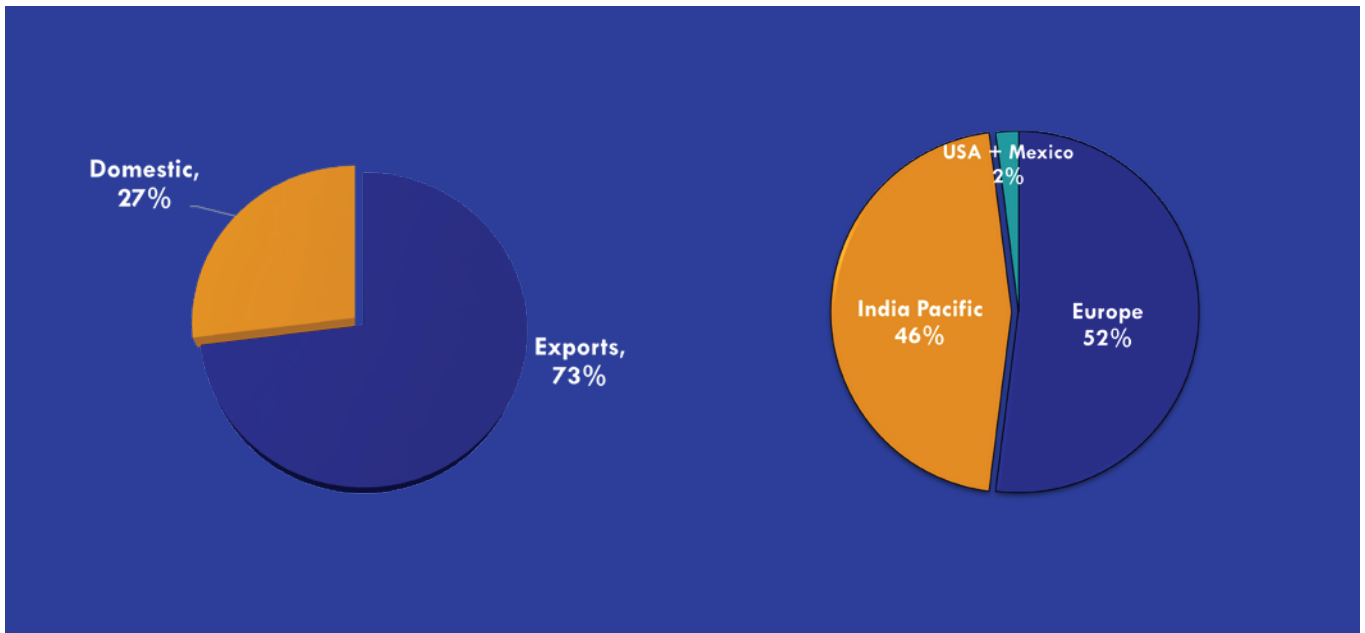
MR. GURSHARAN SINGH
CHAIRMAN & MANAGING DIRECTOR
DIN: 00057602

MR. JITENDER JAIN
CHIEF FINANCIAL OFFICER

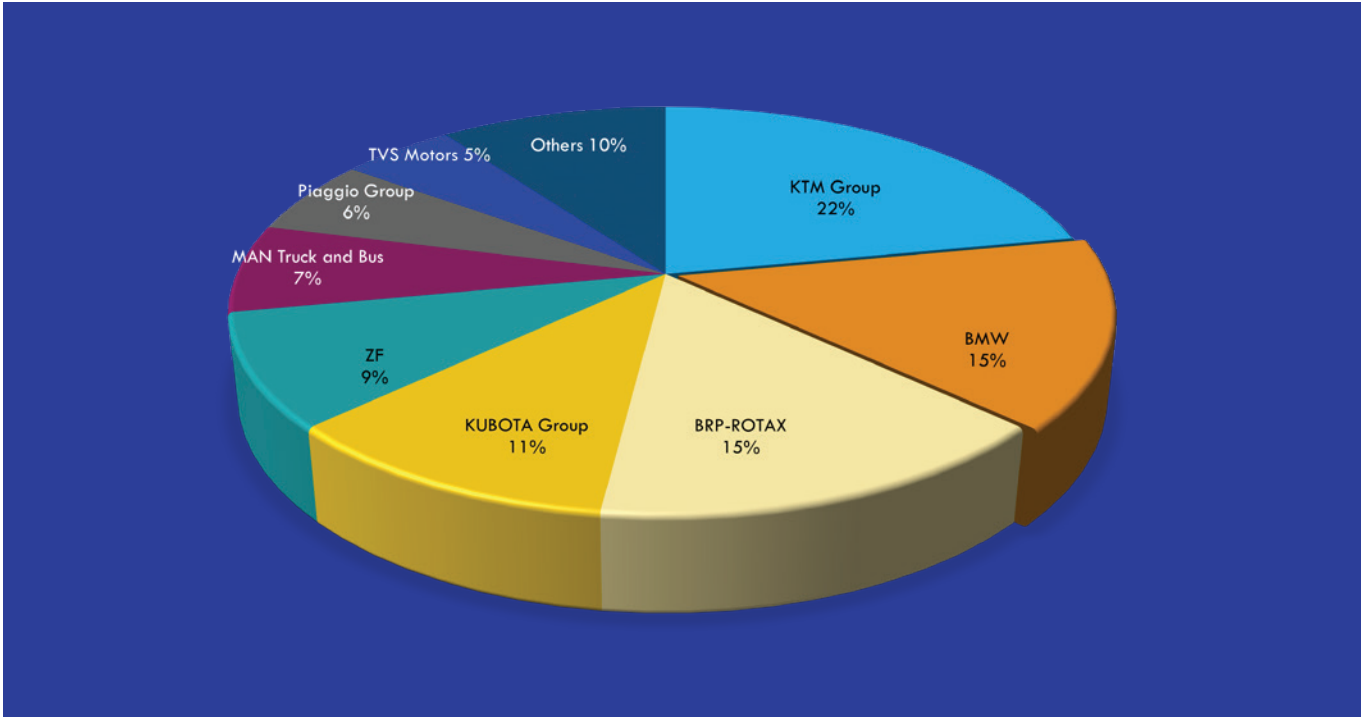
SALES PERFORMANCE (LAST YEARS TREND)



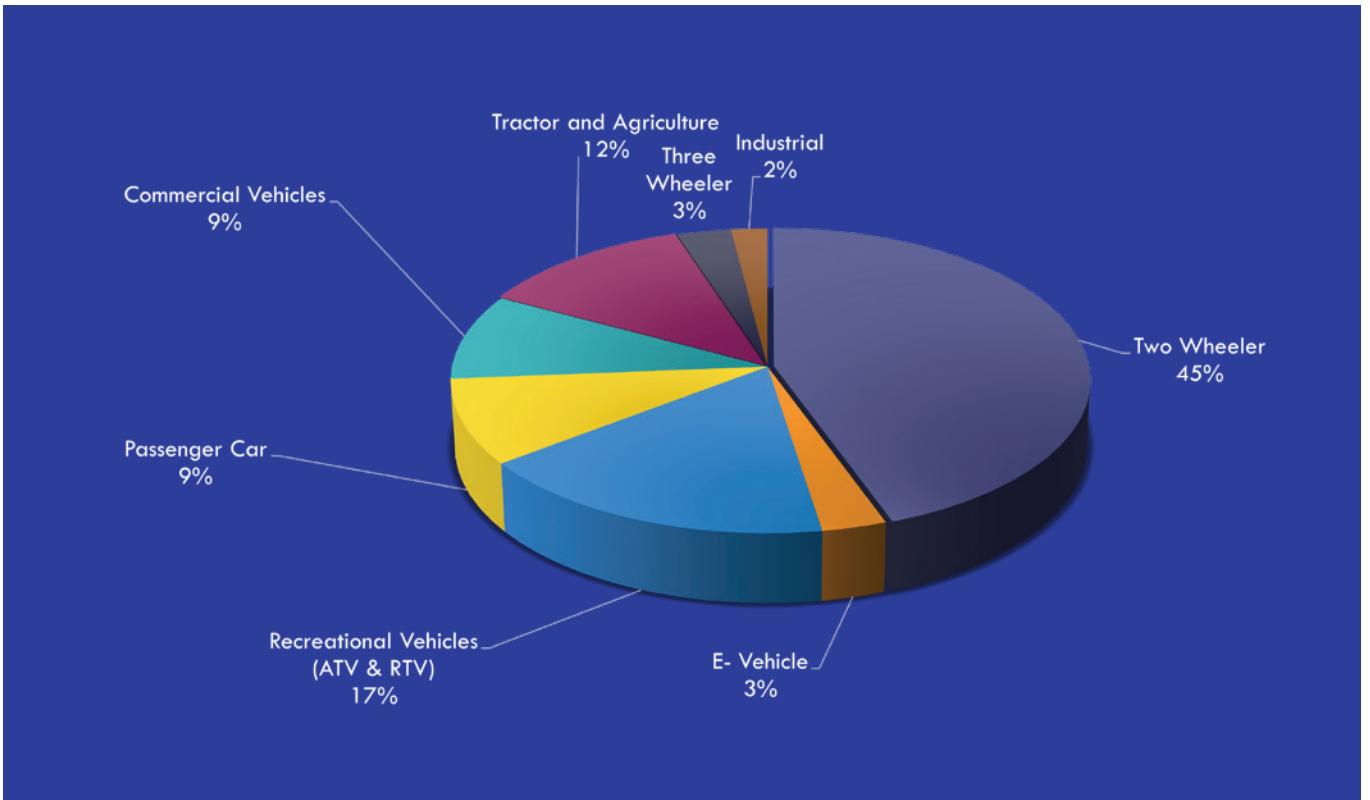
Export Contribution



Customer Contribution



Product Contribution



CSR Initiatives



India's largest technology hub for providing complex gear manufacturing solutions



Power Skiving



Gear Teeth Grinding



Hard Broaching



Induction Hardening



Laser Welding



Friction Welding

Brands We Serve



05

Warehouses respectively in **Landau an der Isar, Berlin, Gotha, and Baden-Baden in Germany,** and **Bad Wimsbach-Neydharting in Austria** in association with our strategic partners.



01

RACL Geartech GmbH, a fully owned subsidiary company in **Kremsmünster, Oberösterreich - Austria** for providing last mile support to customers



RACL Geartech Limited

B-9, Pinnacle Business Park, Sector 3, Noida,
Uttar Pradesh 201301 -INDIA
+91-120-4588500

