

**SHRIRAM PISTONS & RINGS LTD.**  
 Regd. Office: 23, 3<sup>rd</sup> Floor, Himalya House, Kasturba Gandhi Marg, New Delhi-110001  
 Tel.: +91 11 2331 5941 Fax: +91 11 2331 1203, Website: www.shrirampistons.com  
 E-mail: spr.fdc@shrirampistons.com, CIN: L29112DL1963PLC004084, PAN: AAACS0229G

**FORM DPT-1**

**CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING DEPOSITS**

[Pursuant to section 73 (2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014]

**1. GENERAL INFORMATION**

a. Name, address, website and other contact details of the company;	SHRIRAM PISTONS & RINGS LTD. Regd. Office: 23, 3rd Floor, Himalya House, Kasturba Gandhi Marg, New Delhi-110001			
b. Date of incorporation of the company	December 9, 1963			
c. Business carried on by the company and its subsidiaries with the details of branches or units, if any	Manufacture and Marketing of Pistons, Piston Rings, Piston Pins, and Engine Valves. The company's registered office is at New Delhi, and manufacturing units are at Ghaziabad (UP) & Pathredi (Rajasthan) and Assembly Units are at Gurgaon (Haryana), Sahibabad (UP), Pune (Maharashtra), Hosur (Tamil Nadu) and Becharaji (Gujrat).			
d. Brief particulars of the management of the company	The Company is managed by the Managing Director subject to the superintendence, control and direction of Board of Directors.			
e. Names, addresses, DIN and occupations of the directors	<b>NAME</b>	<b>DIN</b>	<b>OCCUPATION</b>	<b>ADDRESS</b>
	Shri Pradeep Dinodia	00027995	Practising Chartered Accountant	A-9A, Maharani Bagh, New Delhi -110065
	Shri Hari Shanker Bhartia	00010499	Industrialist	2, Amrita Shergill Marg, New Delhi -110003
	Smt. Ferida Avnish Chopra	08415847	Legal Counselor of Supreme Court and High Court	232 Jor Bagh, New Delhi-110003
	Smt. Meenakshi Dass	00524865	Company Director	27, Aurangzeb Road, New Delhi -110011
	Shri Sascha Putz	08645364	Service	Hauptstrabe 68 64665 Alsbah-Haehnlein Germany
	Shri Alok Ranjan	08254398	Service	1/83, Vivek Khand 1, Gomlingar, Lucknow-226010
	Shri Inderdeep Singh	00173538	Company Director	20-A, Aurangzeb Road, New Delhi -110011
	Shri Shinichi Unno	09189521	Service	3-3-2 #1003, Sagami-Ono, Minami-Ku, Sagami-hara-Shi, Kanagawa Prefecture, Japan
	Shri Masaaki Yamaguchi	07106759	Service	3-15-22, Takaido-Nishi, Suginami-Ku, Tokyo, Japan
	Shri Krishnakumar Srinivasan	00692717	Service	D-31, Tower -D, Raheja Atlantis, Sector-31, Gurgaon
	Shri Luv Deepak Shriram	00051065	Service	26, Sardar Patel Road, New Delhi -110021
	Shri Yasunori Maekawa	06952173	Service	R/o: 5-2-7, Miyamae, Suginami-Ku, Tokyo, Japan
f. Management's perception of risk factors	Increased focus on quality by OEMs, low cost competition in OEMs, rising commodity prices, volatility in foreign exchange rates, uncertainty of business conditions due to COVID may impact sales/profit.			
g. Details of default, including the amount involved, duration of default and present status, in repayment of i) Statutory dues ii) Debentures and interest thereon iii) Loan from any bank or financial institution and interest thereon	There is no default in repayment of : - Statutory dues. - Debentures and interest thereon - Loans from any banks or financial institution and interest thereon.			

**2. PARTICULARS OF THE DEPOSIT SCHEME**

a. Date of passing of board resolution	06-05-2022
b. Date of passing of resolution in the general meeting authorizing the invitation of such deposits	29-07-2014
c. Type of deposits, i.e., whether secured or unsecured	Unsecured
d. Amount which the company can raise by way of deposits as per the Act and the rules made thereunder, and the aggregate of deposits actually held on the last day of the immediately preceding financial year and on the date of issue of the Circular or advertisement and amount of deposit proposed to be raised and amount of deposit repayable within the next twelve months;	Amount that company can raise:- a) 10% of aggregate of paid up capital and free reserves against deposits from its shareholders - Rs. 1101.75 Million. b) 25% of aggregate of paid up capital and free reserves against deposits from public - Rs. 2754.38 Million. c) Total amount that company can raise - Rs. 3856.13 Million. d) Aggregate of deposits as on 31.3.2022 is Rs 603.57 Million. e) Aggregate of deposits as on date of issue of circular or advertisement i.e Rs. Million f) Amount of deposit proposed to be raised on the date of issue of circular i.e upto Rs. 1000 Million. g) Amount of deposit repayable within next 12 months - Rs.190.36 Million.

e. Terms of raising of deposits: Duration, Rate of interest, mode of payment and repayment	<b>Scheme A : Non - Cumulative*</b>			<b>Scheme B : Cumulative**</b>		
	<b>Period</b>	<b>Rate of Interest (P.A.)</b>	<b>Minimum Amount of deposit (Rs.)</b>	<b>Minimum Amount of deposit (Rs.)</b>	<b>Maturity Value of deposit (Rs.)</b>	<b>Yield (P.A.)</b>
	One year	5.00%	50000	21000	22074	5.12%
	Two Year	6.00%	50000	21000	23670	6.36%
	Three Year	6.50%	50000	21000	25508	7.16%
	An additional interest also would be paid, over and above the rate of interest as payable under cumulative and non cumulative schemes to the followings:- (1) 0.50 % p.a. to senior citizen (of 60 years and above) (2) 0.50 % p.a. to employees of the company. (3) 0.50 % p.a. to shareholders of the Company. *Interest on deposit under non-cumulative scheme will be paid every quarter ending June, September, December and March and is subject to the deduction of tax at source, wherever applicable. **Interest on deposit under cumulative scheme is monthly compounded and subject to the deduction of tax at source, wherever applicable.					

f. Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid	The scheme is proposed to be opened on 30.06.2022 and will be valid till next annual general meeting of the company
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g. Reasons or objects of raising the deposits	Meet short and medium-term finance requirement of the company.
h. Credit rating obtained; Name of the Credit Rating Agencies, Rating obtained, meaning of the rating obtained, date on which rating was obtained.	Credit rating IND tAA+/Stable reaffirmed on 16.07.2021 by India Ratings & Research Pvt. Ltd., which indicates strong capacity for timely payment of financial commitments.
i. Short particulars of the charge created or to be created for securing such deposits, if any;	Not applicable
j. Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons.	There is no material interest of directors / promoters or KMP in such deposits and interest rates are at par with other depositors.

**3. DETAILS OF ANY OUTSTANDING DEPOSITS (As on 31.3.2022)**

a. Amount Outstanding;	Rs.603.57 Million
b. Date of acceptance;	01.08.2012 to 31.3.2022

*(Handwritten signatures and initials in blue ink)*

c. Total amount accepted;	Rs. 210.63 Million
d. Rate of interest;	7 p.a % to 11% p.a.
e. Total number of depositors;	575 nos.
f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved;	NIL
g. Any waiver by the depositors, of interest accrued on deposits;	NIL

**4. FINANCIAL POSITION OF THE COMPANY**

a. Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement;	Financial Year		
	2021-22	2020-21	2019-20
	Million./Rs.	Million./Rs.	Million./Rs.
-Profit before depreciation & Tax	3222.54	2225.34	1894.58
-Profit before Tax	2202.04	1199.76	864.15
-Profit after tax	1635.64	887.51	730.35
-Other comprehensive income	14.99	23.17	35.38
-Total comprehensive income	1650.63	910.68	765.73

  

b. Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid or interest paid)	Financial Year		
	2021-22	2020-21	2019-20
	Million./Rs.	Million./Rs.	Million./Rs.
- Dividend declared inclusive of dividend tax	132.15	134.25	324.94
- Rate of Dividend	60%	60%	60%
- Interest coverage ratio (times)	20.28	10.55	7.98

c. A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement;	PARTICULARS	ASSETS AS AT			PARTICULARS	EQUITY & LIABILITIES AS AT		
		March 31, 2022	March 31, 2021	March 31, 2020		March 31, 2022	March 31, 2021	March 31, 2020
		Million./Rs.	Million./Rs.	Million./Rs.		Million./Rs.	Million./Rs.	Million./Rs.
	<b>ASSETS</b>				<b>EQUITY &amp; LIABILITIES</b>			
	<b>Non - current assets</b>				<b>Equity</b>			
	a) Property, Plant and Equipment	5763.35	6135.43	6440.38	a) Equity Share Capital	220.25	223.75	223.75
	b) Capital work-in-progress	46.94	57.52	191.63	b) Other Equity	12330.01	11257.72	10481.30
	c) Goodwill	14.85	14.85	14.85		<b>12550.26</b>	<b>11481.47</b>	<b>10705.05</b>
	d) Other Intangible assets	223.38	233.87	958.82	<b>Liabilities</b>			
	e) Right of use assets	888.66	641.51		Non - Current Liabilities			
	f) Intangible assets under development	8.52	19.01		a) Financial Liabilities			
	g) <u>Financial assets</u>				(i) Borrowings	403.39	484.97	423.03
	(i) Investment	48.50	0.50	0.50	(ii) preference share capital			
	(ii) Other Financial Assets	254.99	161.34	3.73	(iii) Lease liabilities	193.44	201.10	236.32
	h) Other non-current asset	252.59	563.03	761.24	(iv) Other Financial Liabilities	101.43		
					b) Provisions	262.65	215.65	316.75
					c) Deferred tax liabilities (Net)	220.16	253.22	201.62
					d) Other non-current liabilities	4.04	1.91	0.68
		<b>7,501.78</b>	<b>7,827.06</b>	<b>8,371.15</b>		<b>1185.11</b>	<b>1156.85</b>	<b>1178.41</b>
	<b>Current assets</b>				<b>Current Liabilities</b>			
	a) Inventories	3334.79	2742.16	2907.81	a) Financial Liabilities			
	b) Financial assets				(i) Borrowings	914.68	730.87	449.14
	(i) Investment	271.75	344.08	606.76	(ii) Lease Liabilities	56.44	48.04	44.82
	(ii) Trade receivables	3545.64	3232.77	2393.09	(iii) Trade Payable	3059.03	2884.31	2309.16
	(iii) Cash and cash equivalents	195.18	301.89	246.75	(iv) Other financial liabilities	147.84	215.93	435.30
	(iv) Other bank balances other than (iii) above	3301.98	2245.11	712.03	b) Other Current Liabilities	481.26	461.17	381.75
	(v) Other Financial Assets	72.79	40.45	25.57	c) Provisions	76.71	61.11	78.95
	c) Current tax assets net	0.00	1.69	27.15	d) Current tax liabilities (net)	29.87	0.00	0.00
	d) Other current assets	277.29	304.54	292.26				
		<b>10999.42</b>	<b>9212.68</b>	<b>7211.44</b>		<b>4765.84</b>	<b>4401.42</b>	<b>3699.12</b>
	<b>TOTAL ASSETS</b>	<b>18501.20</b>	<b>17039.74</b>	<b>15582.59</b>	<b>Total Equity and Liabilities</b>	<b>18501.20</b>	<b>17039.74</b>	<b>15582.59</b>

d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement;	Particular	Year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
		Million./Rs.	Million./Rs.	Million./Rs.
<b>A) Cash flow from Operating Activities</b>				
<b>Profit for the year</b>		1635.64	887.51	730.35
<b>Adjustments for :</b>				
Tax expenses recognised in statement of profit & loss		566.41	312.25	133.80
Depreciation/amortisation		1020.46	1,025.58	1,030.43
Finance costs		114.23	125.62	123.79
Bad debts/advances written off		14.05	13.26	1.47
Provision for doubtful debts (net)		(15.31)	(4.67)	26.44
Interest income		(138.51)	(91.46)	(60.42)
Net gain on sale/ valuation of current investment		(11.73)	(11.89)	(28.31)
Unrealised exchange rate variation (net)		(26.26)	(21.98)	(18.90)
Profit/Loss on sale/Retirement of property, Plant and		(7.86)	1.28	(0.19)
Fair value change in cash flow hedges (net of tax)		(9.75)	(1.14)	(5.33)
Remeasurement of post employment defined benefit		24.74	24.31	40.71
<b>Operating profit before working capital changes</b>		<b>3166.11</b>	<b>2258.67</b>	<b>1973.82</b>
<b>Adjustments for :</b>				
(Increase)/ Decrease in inventories		(592.63)	165.65	563.55
(Increase)/ Decrease in trade receivables		(296.96)	(845.60)	1,166.75



(Increase)/ Decrease in loans and other financial assets	(3.27)	8.01	96.29
(Increase)/ Decrease in other assets (current and non current)	97.39	(24.28)	(74.80)
Increase/ (Decrease) in trade payables	189.66	593.52	(413.24)
Increase/ (Decrease) in other financial liabilities (current and non current)	139.88	122.24	(2.81)
Increase/ (Decrease) in other liabilities and provisions	65.94	(136.60)	(3.72)
<b>Cash Generated from operations</b>	<b>2766.12</b>	<b>2141.61</b>	<b>3305.86</b>
Income tax paid	(572.94)	(242.99)	(338.20)
<b>Net cash from operating activities (A)</b>	<b>2193.17</b>	<b>1898.62</b>	<b>2967.66</b>
<b>B) Cash Flow from Investing Activities</b>			
Interest received	95.35	73.57	51.08
Sale of tangible assets	18.98	8.22	19.06
Purchase of equity shares	(48.00)	-	-
Purchase of tangible assets	(295.41)	(444.09)	(1,680.24)
Purchase of intangible assets	(338.39)	(16.43)	(45.16)
Purchase of current investment	(9,374.15)	(5,732.32)	(13,523.46)
Proceed from sale of current investment	9458.20	6,006.89	13,000.08
Increase/(Decrease) in margin money with banks	0.07	0.31	38.20
Increase / (Decrease) in Deposits more than 12 months	(79.63)	2.62	(2.62)
<b>Net cash (used) in investing activities (B)</b>	<b>-562.98</b>	<b>-101.22</b>	<b>-2143.06</b>

Particular	Year ended		
	March 31, 2021	March 31, 2021	March 31, 2020
	Million./Rs.	Million./Rs.	Million./Rs.
<b>C) Cash Flow from Financing Activities</b>			
Payment of lease liability	(76.45)	(67.75)	(56.89)
Interest on lease liability	(23.64)	(24.67)	(18.93)
Interest paid	(89.77)	(124.71)	(117.03)
Dividend on preference share	-	-	(6.06)
Dividend paid (Including Dividend Distribution Tax)	(132.15)	(134.25)	(324.94)
Buyback of shares including transaction cost	(449.67)	-	-
Issue/redemption of preference shares	-	-	(288.59)
Repayment of long term borrowings	-	-	(325.01)
Proceeds from deposits	210.63	303.41	238.33
Payment of deposits	(346.17)	(231.54)	(208.23)
<b>Net cash from/(used) in financing activities (C)</b>	<b>-907.22</b>	<b>-279.50</b>	<b>-1107.32</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>722.98</b>	<b>1517.90</b>	<b>-282.72</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2049.86</b>	<b>531.96</b>	<b>814.68</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2772.84</b>	<b>2049.86</b>	<b>531.96</b>
<b>Components of cash and cash equivalents</b>			
Cash in hand	0.89	1.14	0.85
<b>Balances with banks</b>			
- Current accounts	184.29	66.34	42.67
- Other Bank Balance	3311.98	2,479.53	915.27
- Working Capital loan from banks (Secured / Unsecured)	(724.32)	(497.14)	(426.83)
<b>TOTAL</b>	<b>2,772.84</b>	<b>2,049.86</b>	<b>531.96</b>

Note: 1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS)-7

e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.

The company has adopted all the applicable Indian Accounting standards (Ind AS standards) and the adoption was carried out in accordance with Ind AS 101 First Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Generally Accepted Accounting Principles as prescribed under section 133 of the Companies Act, read with rule 7 of the Companies (accounts) Rules 2014 (IGAAP). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in the accounting policy hitherto is use. The transition to IND AS was done in accordance with IND AS 101 having following effect:

- 1) The leasehold land, earlier classified as Fixed Assets as per IGAAP, has been reclassified to other Non- Current Assets as per Ind AS, however as Ind AS 116 on leases, for financial year 2019-20 the leasehold land has been re-classified under Right of Use Assets as against other non current Assets.
- 2) Under Ind AS, the company has recognised the derivative instruments separately at fair value as financial assets.
- 3) Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expenses, gains or losses have been presented in other comprehensive income.
- 4) Effective from April 01, 2019 company has adopted Ind AS 116 on leases and applied the tender to all lease contracts existed on Apr 01, 2019, resulting into creation of Right of use Assets and correspondent lease liability. The resulting impact has also been accounted under lease rental, finance cost and amortisation expenses in the Profit and Loss account.

**5. A DECLARATION BY THE DIRECTORS THAT**

- The company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest there on.
- The board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
- The company has complied with the provisions of the Act and the rules made thereunder.
- The compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government.
- The deposits accepted by the company before the commencement of the Act have been repaid or will be repaid along with interest on due dates and until they are repaid, they shall be treated as unsecured and ranking pari passu with other unsecured liabilities.
- In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- The deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement.
- The deposits accepted by the company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the company.

**6. DISCLAIMER**

It is to be distinctly understood that filing of circular or circular in form of advertisement with the registrar should not in any way be deemed or construed that the same has been cleared or approved by the Registrar or Central Government.

The Registrar or Central Government does not take any responsibility either for the financial soundness of any deposit scheme for which the deposit is being accepted or invited or for the correctness of the statement made or opinion expressed in the circular or circular in the form of advertisement. The depositor should exercise due diligence before investing in the deposits schemes.

This advertisement is issued on the authority and in the name of the Board of Directors of the Company, the text of which was approved by the Board of Directors at their meeting held on 6th May, 2022 and a copy signed by the majority of the Directors has been filed with the Registrar of Companies.

Place: New Delhi  
Date : 06.05.2022

By Order of the Board  
*Pankaj Gupta*  
(PANKAJ GUPTA)  
COMPANY SECRETARY

*Handwritten signatures and initials:*  
- *RAJ*  
- *Handwritten signature*  
- *Handwritten signature*  
- *Handwritten signature*  
- *Handwritten signature*