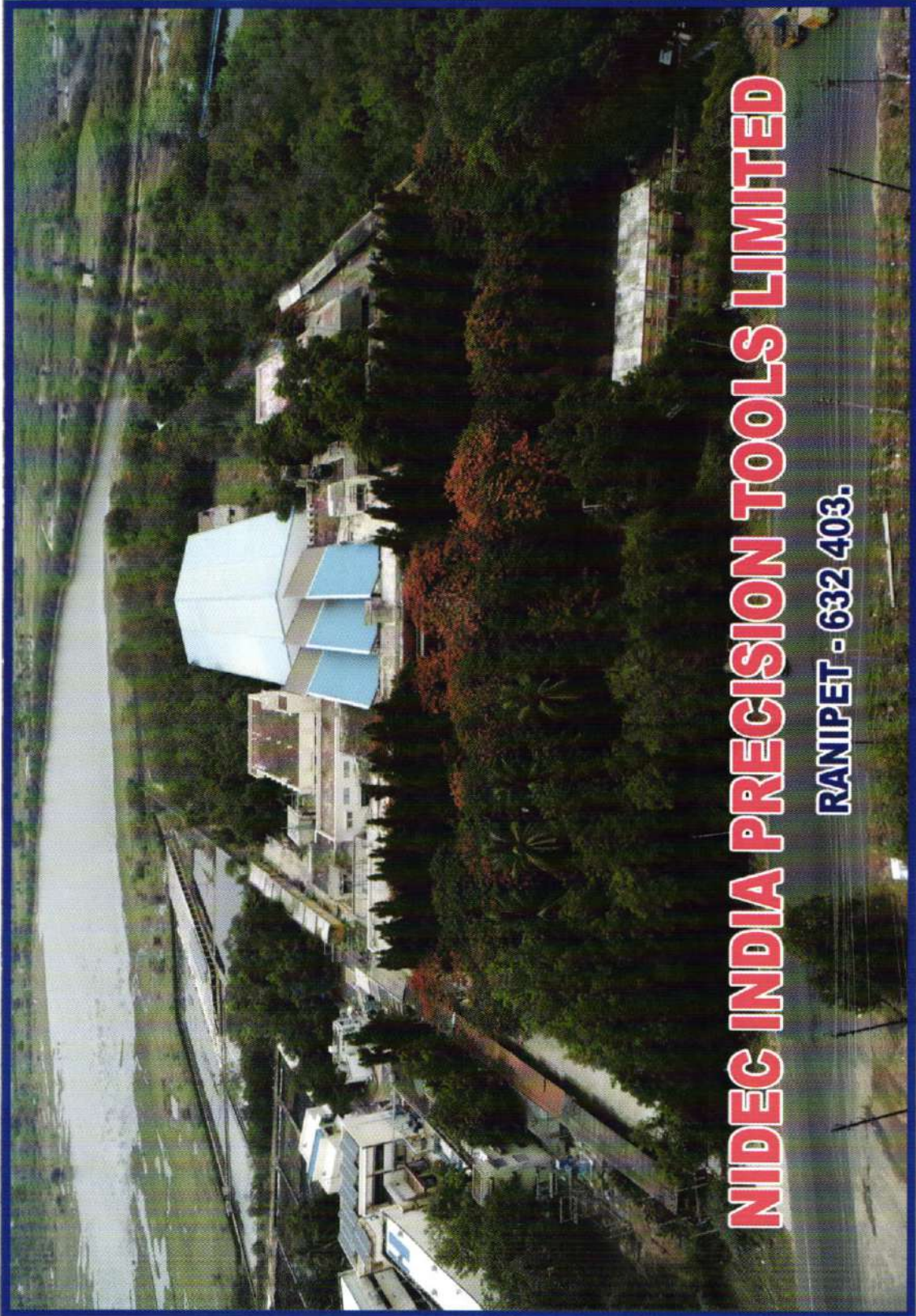


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NIDEC INDIA PRECISION TOOLS LIMITED

(Formerly Known as MITSUBISHI HEAVY INDUSTRIES INDIA PRECISION TOOLS LIMITED)

Annual Report
2022 - 2023



NIDEC INDIA PRECISION TOOLS LIMITED

RANIPET - 632 403.

NIDEC INDIA PRECISION TOOLS LIMITED

(Formerly Known as MITSUBISHI HEAVY INDUSTRIES INDIA PRECISION TOOLS LIMITED)

Board of Directors

Mr. Munetaka Nomura
Chairman & Managing Director
Mr. N. Valliappan - Director (Sales)
Mr. Yoshinao Miyoshi - Director (Up to 31.05.2023)
Mr. Kenichi Wakabayashi - Director (Up to 31.05.2023)
Mr. Praful Lalwani - Non Executive Independent Director
Mrs. A. Priya - Non Executive Independent Director

Bankers

M/s. Bank of Tokyo Mitsubishi UFJ Ltd., Chennai.
M/s. Indian Bank, Ranipet.
M/s. Citi Bank NA, Chennai.

Auditors

M/s. Srikanth & Shanthi Associates
Chartered Accountants,
No. 17, Desika Road, First Floor
Mylapore, Chennai - 600 004.

Regd. Office

2, SIPCOT Industrial Complex,
Ranipet - 632 403, Tamilnadu,
Ph : 04172 - 244361
e-mail : secretarial@nidec-ipt.in

Registrar & Transfer Agent

KFIN Technologies Ltd.,
Karvy Selenium Tower B,
Plot No. 31 & 32, Gachirabowli Financial District,
Nanakramguda Serilingampally,
Hyderabad - 500 032.
Ph. : +91 040 67161500.
Email: einward.ris@karvy.com

Corporate Identification No.

U29130TN1963PLC004990

NIDEC INDIA PRECISION TOOLS LIMITED

(Formerly Known as MITSUBISHI HEAVY INDUSTRIES INDIA PRECISION TOOLS LIMITED)

Regd. Office: 2, SIPCOT Industrial Complex, Ranipet 632 403

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Sixtieth Annual General Meeting of the Company will be held at Hotel Emerald Inn, A 22,23, Opposite to TCL Emerald Nagar, SIPCOT, Ranipet 632 403 on Thursday 23rd November 2023 at 10:15 A.M to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2023 together with the Reports of the Directors and the Auditors thereon.

SPECIAL BUSINESS:

2. **To consider and if thought fit, to pass the following as an Ordinary Resolution with or without modification: -**

"RESOLVED THAT Pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Board of Directors, Mr. Haruhiko Niitani,(DIN: 10265211) who is appointed in the capacity of an Additional Director of the Company effective date from 12th October 2023 and proposed the candidature of Mr. Haruhiko Niitani for the office of Director, be and is hereby appointed as a Director of the Company and the said Director shall be liable to retire by rotation."

3. **To consider and if thought fit, to pass the following as an Ordinary Resolution with or without modification: -**

"RESOLVED THAT Pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Board of Directors, Mr. Yoshirao Wada, (DIN: 10300387) who is appointed in the capacity of a Additional Director of the Company effective date from 12th October 2023 and proposed the candidature of Mr. Yoshirao Wada for the office of Director, be and is hereby appointed as a Director of the Company and the said Director shall be liable to retire by rotation."

4. **To consider and if thought fit, to pass the following as an Ordinary Resolution with or without modifications:-**

"Resolved that in pursuance of Sections 196,197,203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, the appointment of Mr. N. Valliappan (DIN 08493628) as "Director Sales" at the Board Meeting held on 28.09.2023 be and is hereby approved and his term of office will be for a period ending with the close of the next ensuing Annual General Meeting or 30.09.2024, whichever is earlier, on the following terms and conditions:

Particulars of Remuneration:

Salary	: Rs. 67,000/- (Rupees Sixty Seven Thousand Only) per month
Special Allowance	: Rs. 49,000/- (Rupees Forty Nine Thousand Only) per month

Statutory Payments:

The company will provide Provident Fund, Gratuity and other statutory benefits as applicable under the statute.

Commission:

Commission shall be payable on Net Profits calculated as per the provisions of Sections 197 and 198 of the Companies Act 2013, subject to the overall payments limit of 1.9 % of the Net Profits, that is the total payments including salary, commission and perquisites shall not exceed the overall limit of 1.9% with effect from 01.04.2023 of Net Profits during the financial year.

PERQUISITES:**I. Housing:**

Either

- a) Free furnished residential accommodation, owned or leased out by the Company
- Or
- b) House Rent Allowance subject to a ceiling of Rs. 20,100 per month.
- c) The expenditure incurred by the Company on Gas, Electricity, Water and furnishings will be valued as per Income Tax Rules, 1962.

II Medical Reimbursement:

Reimbursement of medical expenses incurred for self and family up to one month's salary.

III Leave Travel Concession:

One month's salary per annum as per rules of the Company

IV Personal Accident Insurance:

As per the rules of the Company the insurance will be provided.

V Other perquisites:

Encashment of leave at the end of the tenure.

Leave:

One month privilege leave provided as per rules of the Company.

Telephone & Car:

Provision of Telephone at residence and mobile phone, Provision of Car for use on Company's business

Minimum Remuneration:

In the event of loss or inadequacy of profits in any financial year, Mr. N.Valliappan shall be paid remuneration by way of salary and perquisites as per provisions of Schedule V to the Companies Act 2013.

Termination:

Either party may terminate the Agreement by giving to the other party one months' notice or pay equivalent of one month's salary to the other person, in lieu thereof."

By order of the Board

Place: Ranipet
Date: 12.10.2023

Munetaka Nomura
Chairman & Managing Director
DIN: 08417132

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him. A Proxy need not be a member of the Company. Proxy forms duly completed should be deposited at the Company's Registered office at least 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT :

Resolution No. 2

Mr. Haruhiko Niitani ,(DIN: 10265211) was appointed as a Additional Director of the Company under Section 161(1) of the Companies Act, 2013 at the meeting of the Board of Directors held on 12.10.2023 and the Board of Directors have proposed the candidature of Mr.Haruhiko Niitani for the office of Director.

Resolution No. 3

Mr. Yoshirao Wada, (DIN: 10300387) was appointed as a Additional Director of the Company under Section 161(1) of the Companies Act, 2013 at the meeting of the Board of Directors held on 12.10.2023 and the Board of Directors have proposed the candidature of Mr. Yoshirao Wada for the office of Director.

Resolution No. 4

Mr. N Valliappan was appointed as Director Sales by the Board of Directors at its meeting held on 28.09.2023 ending with the close of the next ensuing Annual General Meeting or 30.09.2024, whichever is earlier, and the approval of the shareholders is being sought by this resolution for his appointment.

Mr.N Valliappan, aged 57 years holding DIN : 08493628 is an engineering graduate and is serving this Company for more than Three decades in various capacities and is having rich experience and knowledge in Gear Cutting Tools and Broaches manufacture and marketing.

No other Director, except Mr.N Valliappan is interested in the passage of this resolution.

By order of the Board

Place: Ranipet
Date: 12.10.2023

Munetaka Nomura
Chairman & Managing Director
DIN: 08417132

REPORT OF DIRECTORS

To
The Shareholders,
Ladies and Gentlemen,

The Directors take pleasure in presenting their Sixtieth Annual Report with the Audited Accounts of the Company for the year ended 31st March 2023.

1. FINANCIAL RESULTS:

Rs. in Lakhs

PARTICULARS	2022-2023 Current Year	2021-2022 Previous Year
Revenue from Operations	11,237	9,863
Other Income	684	591
Total Revenue	11,921	10,454
Total Expenditure	8,520	7,417
Profit/(Loss) before Prior period Items & tax	3,401	3,037
Less: Prior period Items	-	-
Profit/(Loss) Before Tax	3,401	3,037
Less: Taxes	989	952
Profit /(Loss) After Tax	2,412	2,085
Dividend proposed @ CY-0% /PY- 33%	0	230
Add: Balance b/f from the previous year	10,670	8,815
Balance Profit /(Loss) c/f to the next year	13,082	10,670

Since the Company does not have any subsidiaries, associates and joint venture companies during the year under review, it does not need to consolidate its accounts

2. OPERATIONS & STATEMENT OF AFFAIRS:

The total revenue (net of GST) during this year amounted to **Rs.11,237 lakhs** as against

Rs.9,863 lakhs in the previous year. The operations for the year resulted in a profit of **Rs. 3,401 lakhs** as against Rs. 3,037 lakhs in the previous year.

Your Company was able to report a better turnover and profits for the year under consideration in view of the good order booking from the Automobile Sector and continuous focus on operating efficiency. Your Directors are expecting growth in economic conditions in the current year and expect that it would translate into better performance in terms of order booking, increased sales and Profitability. The material costs and consumables costs are likely to increase. However, the Company has in place mitigation mechanisms to protect profitability.

3. DIVIDEND:

Your Board of Directors is not proposed any dividend for the financial year 2022-23 owing to investments made in the plant expansion amounting to Rs.3,500(in Lakhs).

4. TRANSFER TO GENERAL RESERVE:

The Company has decided not to transfer any amounts to the General Reserve this year.

5. RESPONSIBILITY STATEMENT:

As required under Section 134 (3) (c) of the Companies Act 2013, the Directors confirm: -

- a. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. That 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 at the end of the financial year and of the profit or loss of the Company for that period.
- c. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That they have prepared the Annual accounts on a going concern basis.
- e. That internal financial controls were in place and were adequate and operating effectively.
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr.Kenichi Wakabayashi Director resigned his position with effect from 31st May 2023 owing to his preoccupation in Japan. The Board of Directors commends Mr.Kenichi Wakabayashi exemplary services to the Board.

Mr.Yoshinao Miyoshi – Director resigned his position with effect from 31st May 2023 owing to his preoccupation in Japan. The Board of Directors Commends Mr.Yoshinao Miyoshi for his good services to the company during his tenure on the Board.

7. FINANCIAL ACCOUNTING

The financial statements have been prepared in accordance with the generally accepted Accounting Principles and in compliance with all applicable Indian Accounting Standards(hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The significant accounting policies which are consistently applied have been set out in the Notes to the financial statements.

8. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No significant and material orders had been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future during the year.

9. ANNUAL REPORT:

The report in form MGT - 7 is appended hereto in

<https://www.nidec.com/en/nidec-machinetool/corporate/network/factory/nidec-machinetool-india-fa/>

10. BOARD MEETINGS HELD: *Please refer Annexure B.*

11. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013(14 of 2013) under Section 21:

The Company has in place an anti-sexual harassment policy in line with the requirements of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 under Section 21. The Company has not received any complaint about sexual harassment during the year 2022-23.

12. STATUTORY AUDITORS:

The members at the Annual General Meeting has appointed M/s. Srikanth and Shanthy Associates, Chartered Accountant, Chennai (Firm Registration No. 004006S) as the Statutory Auditor of your Company for a period of five years until the conclusion of 64th Annual General Meeting, in the 59th Annual General Meeting held in the financial year 2022.

The Notes on Financial Statement referred to in Auditor's report are Self-Explanatory and do not call for any further comments.

13. EMPLOYEES:

Employee relations in the Company continue to remain cordial and your directors wish to place on record their appreciation. There are no employees drawing remuneration beyond the limits prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

14. DISCLOSURES:

Information, as required under Section 134 (3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is set out in the Annexure C forming part of this report.

15. RELATED PARTY TRANSACTIONS:

All transactions with the related parties entered into during the year under review were approved by the Board/ Audit Committee that the same were at arm's length and in the ordinary course of business and in accordance with the provisions of Companies Act, 2013 and the Rules made thereunder.

Details of each of the Related Party Transaction entered into by the Company during the year under review are annexed herewith in Form AOC-2 as "Annexure D".

16. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the details relating to deposits as also requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

17. MATERIAL CHANGES AND COMMITMENTS

There was no material changes and commitments affecting the financial position of the Company during the financial year to which the financial statements relate and the date of the report.

18. COMPLIANCE WITH SECRETARIAL STANDARDS

The company has complied with the applicable Secretarial Standards as required under the provisions of the Companies Act, 2013

19. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

The Company does not hold any Subsidiary/Joint Venture/Associate Companies during the year under review.

20. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has a Risk Management Policy with an objective to formalize the process of identification of potential risk and adopt appropriate risk mitigation measures through a risk management structure. The risk policy is a step taken by the Company towards strengthening the existing internal Controls and updating the same as may be required from time to time.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments under section 186 of the Companies Act, 2013.

22. DETAILS OF FRAUDS REPORTED BY AUDITORS

There were no frauds reported by the Statutory Auditor under Section 143(12) of the Companies Act, 2013 read with Companies Amendment Act, 2015.

23. COST RECORDS

Cost records are not required to be maintained by the company as specified by the Central Government under Section 148(1) of the Companies Act, 2013, and accordingly such records and accounts are not maintained.

24. EXPLANATION TO ADVERSE REMARKS

Since there were no reservation, qualification or adverse remarks in the Auditors report, no explanation is required.

25. CORPORATE SOCIAL RESPONSIBILITY

- 1 CSR policy of the company is, "Serving the community to support common people and the underprivileged, by way of providing health services, education etc.,"
2. CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

3. 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)-NIL

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.in Lakhs)	Amount required to be set- off for the financial year, if any (in Rs.in Lakhs)
1	2019-20	1,835	37
2	2020-21	1,604	32
3	2021-22	3,037	61
	TOTAL	6,476	130

4. 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
5. Average net profit of the company as per section 135(5).Rs.2,159(in lakhs)
6. (a) Two percent of average net of the company as per section 135(5) is Rs.43(in lakhs)
- (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years.
- (c) Amount required to be set off for the financial year, if any : Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c).

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

Total Amount Spent for the Financial Year. (in Rs.in lakhs)	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.
43	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. 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 (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Regn Number.
1.	Donation of Construction of Class Rooms, Hp laptop, Printer Government Hospital	I	Yes	Tamil Nadu	Ranipet	40	Yes	-	-	Yes	-	-
2.	Donation Prime Minister Relief Fund	VIII	Yes	-	-	3	Yes	-	-	Yes	-	-
Total		-	-	-	-	43	-	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. 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 for the project (in Rs.).	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
-	-	-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-	-	-

- (d) Amount spent in Administrative Overheads
- (e) Amount spent on Impact Assessment, if applicable
- (f) Total amount spent for the Financial Year – Rs. 43
(8b+8c+8d+8e)
- (g) Excess amount for set off, if any

Sl.No.	Particular	Amount (Rs. In Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	43
(ii)	Total amount spent for the Financial Year	43
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00564
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

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

Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Lakhs)	Amount spent in the reporting Financial Year (Rs. in Lakhs).	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. in Lakhs)
				Name of the Fund	Amount (Rs. in Lakhs).	Date of transfer.	
1.	-	-	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed/ Ongoing.
1.	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-

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 (asset-wise details).
- 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).

Sd/- (Chief Executive Officer or Managing Director or Director)	Sd/- Person specified under clause (d) of sub-section (1) of section 380 of the Act (Wherever applicable).
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26. INSOLVENCY AND BANKRUPTCY:

The Company has not made application and no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

27. LOAN:

The 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 is not applicable since Company did not avail any loan with Banks or any Financial Institutions.

28. ACKNOWLEDGEMENT:

The Directors wish to acknowledge and thank the Customers, Bankers, the Sales Agents, Government Departments, Professional Consultants and lastly, but not the least the employees of the Company for their continued support and co-operation during the year and expect their continued support in the years to come.

Annexure-B

Board Meetings and Committee Meetings held during the year under consideration:

The Board met **5 times** during the year on dates. – 03/06/2023, 01/09/2022, 07/10/2022, 14/11/2022, & 10/02/2023.

Name of the Director	Board Meetings Attended (No. of Meetings held)	Attendance at last AGM	Shares held.
Munetaka Nomura	5 – (5)	Yes	Nil
N Valliappan	5 – (5)	Yes	5
Yoshinao Miyoshi	5 - (5)	No	Nil
Keinichi Wakabayshi	4 - (5)	No	Nil
Kazunori Konishi	2 – (2)	No	Nil
Prafful Lalwani	5 – (5)	Yes	Nil
A.Priya	5 – (5)	Yes	Nil

Audit Committee - Met 6 times during the year on dates 18/08/2022, 01/09/2022-2, 07/10/2022, 14/11/2022, & 10/02/2023.

Name of the Director	Audit Committee Meetings Attended (No. of Meetings held)
A.Priya	6 – (6)
Prafful Lalwani	6 – (6)
N Valliappan	6 – (6)

Remuneration & Nomination Committee – Meeting Held on 18/08/2022

Name of the Director	Nomination and Remuneration Committee Meetings Attended (No. of Meetings held)
Prafful Lalwani	1 – (1)
A.Priya	1 – (1)
Yoshinao Miyoshi	1 – (1)
Munetaka Nomura	1 – (1)

Place : Ranipet
Date : 12.10.2023

For & On Behalf of the Board
Munetaka Nomura
Chairman & Managing Director
DIN:08417132

Annexure C

Information as per Section 134 (3)(m) of the Companies act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March 2023.

A. Particulars with respect of conservation of energy :

(a) Energy Conservation measures taken:

- i) Improvement of Power Factor by Installing Capacitor banks:
Sufficient Capacitor Banks were added and the Power Factor is normally maintained, more than 0.94 at any time, in much improved conditions.
- ii) Automatic controls are sufficiently provided in all the furnaces for better control of consumption of energy with clear make and break facility.
- iii) The maximum demand, loading conditions are staggered and run in such a way that the recorded maximum demand is always within limits, every time and less recording of maximum demand.
- iv) Systematic replacement of low efficient luminaries.

- b) Proposals under implementation for reduction of consumption of energy:
The energy audit system is under implementation to reduce consumption of energy.
- c) Impact of energy conservation measures:
Energy usage optimised by process control and installation of efficient equipments.
- d) Total energy consumption and energy consumption per unit of production:
The Company is not covered in the list of specific industries. Hence the information is not furnished.
- B. Technology absorption As per Form B here-under.
- C. Foreign exchange earnings and Outgo
- f) activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans. The Company is taking all steps to garner more export orders from all sources.
- g) total foreign exchange used and earned. Foreign exchange used Rs. 1,086 (Lakhs)
Foreign exchange earned Rs. 355 (Lakhs)

Details of Foreign Exchange Earned

Rs in Lakhs

Particulars	Current Year	Previous Year
	1 st April 2022 to 31 st March 2023	1 st April 2021 to 31 st March 2022
Export of Goods calculated on FOB Basis	355	298
Other Income	-	-
Total earning in foreign exchange	355	298

Details of Foreign Exchange Outgo

Particulars	Current Year	Previous Year
	1 st April 2022 to 31 st March 2023	1 st April 2021 to 31 st March 2022
Import of Capital Goods calculated on CIF Basis:	320	
(i) raw material	653	537
(ii) component and spare parts	113	150
(iii) capital goods – Software Purchase		
Expenditure on account of:		
Royalty		
Know-how		
Professional and Consultancy fees		
Interest		
Other matters		
Dividend paid		
Total expenditure in foreign exchange	1086	687

ANNEXURE - D**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act 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 transactions under third proviso thereto.

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

There were no contracts or arrangement or transactions enter into during the year under review which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2023 are as follows:

Sr. No.	Name of Related Party and Nature of Relationship	Nature of Contracts/Arrangements / Transactions	Duration of the contracts/ Arrangements/ Transactions	Salient terms of the Contracts/ Arrangements/ Transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1	Nidec India Private Limited.	Purchase of Services.	NA	NA	NA	6.03
2	Nidec Shimpo India Manufacturing Pvt. Limited	Dividend	NA	NA	NA	7.65
4	Nidec Machine Tool Co. Ltd.,	Purchase of Goods and Service	NA	NA	NA	236.75
		Receiving Services Royalty	NA	NA	NA	111.97
		Sale of Goods	NA	NA	NA	221.25

Note: Appropriate approvals have been taken for related party transaction

FORM B**Form for disclosure of particulars with respect to absorption****Research and Development (R&D)**

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Specific areas in which R&D carried out by the Company 2. Benefits derived as a result of the above R&D 3. Future plan of action 4. Expenditure on R & D | <p>Even though the Company does not have a separate R & D wing, the R & D activities are carried out along with our regular operations resulting in effective utilisation of imported raw materials which help in reducing the outgo on foreign exchange. R & D Activity will be geared up as and when required. Nil.</p> |
|--|---|

Technology absorption, adaptation and innovation:

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. Efforts, in brief, made towards technology absorption, adaptation and innovation. 2. Benefits derived as a result of the above efforts e.g. Product improvement, Cost reduction, product development import substitution, etc. 3. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished. <ol style="list-style-type: none"> A. Technology B. Year of import C. Has technology been fully absorbed D. If not fully absorbed, areas where this has not taken place, reasons there for, and future plans of action | <ol style="list-style-type: none"> 1. Trials of Dry Cut Hobs is successfully completed and a few customers placed regular orders. 2. Use of special High Speed Steel which are developed by NMTJ, Japan. Import substitution of dry cut hobs and further business. Able to meet international competition in Indian Market. <p>: Design and manufacture of Dry Cut Hobs.
Application of special grade high speed steel and its procedure to use.
: 2005 -2006.
: Yes.
: N.A.</p> |
|---|--|

Place : Ranipet
Date 12.10.2023

By Order of the Board
Munetaka Nomura
Chairman & Managing Director
DIN:08417132

INDEPENDENT AUDITORS' REPORT

To the Members of

"NIDEC INDIA PRECISION TOOLS LIMITED"

(Formerly known as MITSUBISHI HEAVY INDUSTRIES INDIA PRECISION TOOLS LIMITED)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of "NIDEC INDIA PRECISION TOOLS LIMITED" (Formerly known as "MITSUBISHI HEAVY INDUSTRIES INDIA PRECISION TOOLS LIMITED") (the "Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 ("Act") in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit/loss, other comprehensive income, for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Act 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 judgement, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 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 financial statements or our knowledge obtained in the audit otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, the management and Board of Directors are 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Auditor Standalone Financial Statement

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

As a part of audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and audit findings, including any significant deficiencies in internal control that we identify during the 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 governance, we determine those matters that were of most significance in the audit of the financial statements of 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 benefits of such communication.

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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the afore said standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the Internal Financial Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- 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 does not have any pending litigations to disclose in its standalone financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a). Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(ies), 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). Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts no funds have been received by the Company from any person(s) or entity(ies), 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 the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the management under sub clause (a) and (b) above, contain any material misstatement.
 - v. The dividend has paid by the company during the financial year which is approved in the AGM as in accordance Section 123 of the Companies Act, 2013.

3. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act.

In our Opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of the section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the act.

PLACE : Chennai

DATE : 12.10.2023

UDIN : 23015077BHABWS7764

For SRIKANTH & SHANTHI ASSOCIATES
Chartered Accountants [FRN NO.004006S]

[V.KOTHANDARAMAN] [M.NO.015077]
Partner

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

(Referred to in our report of even date)

- 1) (i). The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (ii). The Company has a regular program of physically verifying all the Property, Plant and Equipment at its plants/offices in a phased manner over a period of 1 year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies as compared to book records were noticed on such verification.
- (iii). According to the information and explanations given to us and on the basis of our examinations of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (iv). The Company has not revalued its Property, Plant and Equipment during the year.
- (v). The Company has no proceedings, initiated or pending against it for holding any benami property under the Benami transactions (Prohibitions) Act, 1988 during the year.
- 2) (i). Physical verification of inventory has been conducting by the management at reasonable intervals.
- (ii). The company has not borrowed from banks and any other financial institutes for working capital.
- 3) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- 5) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable.
- 6) The Central Government has not prescribed the maintenance of Cost records under Section 148 (1) of the Companies Act. Accordingly, paragraph 3(vi) of the Order is not applicable.
- 7) (i). According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, cess and other material statutory dues were in arrears as at 31st March 2023 for a period of more than six months from the date they became payable.
- (ii). According to the information and explanations given to us, there are no material dues of income tax, Goods and Service Tax, duty of customs, and Cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanation given to us, the following dues have not been deposited by the company on account of dispute:

Name of Statute	Nature of Dues	Forum where dispute Is Pending	Period to which the amount relates	Amount Involved Rs. In Lakhs
ESI Act	Contribution on Machining Charges paid to Sub Contractors	Tribunal	1988-1990 & 2008-09	1.51

- 8) The Company not disclosed any transactions as income which are not recorded in the books during the year in the tax assessment under Income Tax Act, 1961.
- 9)
 - i) The Company did not have any outstanding dues to financial institutions, banks, government or debenture holders during the year.
 - ii) The company has not declared wilful defaults by any bank or financial institutes or by any other lender.
 - iii) The Company has not borrowed any term loans.
 - iv) The company has not raised any funds for short term uses.
- 10)
 - i) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x) of the Order is not applicable.
 - ii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 11)
 - i) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
 - ii) No report has been filed by the auditor under sub-section (12) of section (143) in Form ADT-4
 - iii) The company has not received any whistle blower complaints during the year.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14)
 - i) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
 - ii) We have considered the reports of the Internal Auditors for the period under audit.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered any cash transactions with the directors & if so provisions of section 192 of Companies Act, 2013 have been complied with.
- 16) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- 17) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year and preceding to the financial year.
- 18) The Auditor has not resigned during the year.
- 19) In our opinion and according to the information and explanations given to us, there is no existence of material uncertainty.
- 20) In our opinion and according to the information and explanations given to us there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- 21) According to the information and explanations given to us and based on our examination of the records of the Company, the company has no group companies. Accordingly, the clause 3 (xxi) is not applicable.

PLACE:Chennai

DATE: 12/10/2023

UDIN: 23015077BHABWS7764

For SRIKANTH & SHANTHI ASSOCIATES
Chartered Accountants [FRN NO.004006S]

[V.KOTHANDARAMAN] [M.NO.015077]
Partner

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act,2013 ('the Act')

Opinion

We have audited the internal financial controls over financial reporting of "NIDEC INDIA PRECISION TOOLS LIMITED" (Formerly known as "MITSUBISHI HEAVY INDUSTRIES INDIA PRECISION TOOLS LIMITED"), ('the Company') as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

PLACE:Chennai

DATE: 12/10/2023

UDIN: 23015077BHABWS7764

For SRIKANTH & SHANTHI ASSOCIATES
Chartered Accountants [FRN NO.004006S]

[V.KOTHANDARAMAN] [M.NO.015077]
Partner

NIDEC INDIA PRECISION TOOLS LIMITED

(Formerly Known as MITSUBISHI HEAVY INDUSTRIES INDIA PRECISION TOOLS LIMITED)

Balance Sheet as at 31st March 2023

Rs. in Lakhs

Particulars	Note No	As at 31 st March 2023	As at 31 st March 2022	As at 1 st April 2021
		Rs.	Rs.	Rs.
I. ASSETS				
1. Non-current assets				
(a) Fixed Assets				
i Property, Plant and Equipment	8	3,267	3,587	3,654
ii In tangible assets	8	12	15	24
iii Capital work-in-progress		640	2	426
(b) Long-term loans and advances	9	289	236	294
(c) Deferred tax assets (net)	4	44	28	15
2. Current assets				
(a) Inventories	10	2,291	2,109	1,481
Financial Assets				
(b) Trade receivables	11	1,974	2,139	1,739
(c) Cash and cash equivalents	12	13,905	12,406	11,116
(d) Short-term loans and advances	13	155	198	121
(e) Other current assets	14	674	146	201
Total		23,250	20,867	19,070
II. EQUITY AND LIABILITIES				
EQUITY				
1. Shareholders' Funds:				
(a) Equity Share Capital	2	697	697	697
Other Equity				
(b) Reserves and Surplus	3	21,478	19,297	17,386
(c) Share application money pending allotment		-	-	-
LIABILITIES				
2. Non-current liabilities				
Deferred tax liabilities (net)	4	-	-	-
3. Financial Liabilities				
(a) Trade Payable	5			
(i) Total outstanding Dues of Micro and small enterprises		29	24	18
(ii) Total outstanding Dues Other than Micro and small enterprises		656	387	752
(b) Other current liabilities	6	106	193	16
(c) Short-term provisions	7	284	269	201
TOTAL		23,250	20,867	19,070
Significant Accounting Policies	1			

See accompanying notes forming part of the financial statements
In terms of our report attached

For Srikanth & Shanthi Associates
Chartered Accountants

For and on behalf of the Board of Directors

V.Kothandaraman
Partner
M.No. 015077

Munetaka Nomura
Chairman & Managing Director
DIN : 08417132

N.Valliappan
Director (Sales)
DIN : 08493628

Ranipet
12.10.2023

NIDEC INDIA PRECISION TOOLS LIMITED

(Formerly Known as MITSUBISHI HEAVY INDUSTRIES INDIA PRECISION TOOLS LIMITED)

Statement of Profit and Loss for the year ended 31st March 2023

Rs. in Lakhs

Particulars	Note No	As at	As at
		31 st March 2023	31 st March 2022
		Rs.	Rs.
Continuing Operations			
Revenue from operations	15	11,237	9,863
Other Income	16	684	591
Total Income		11,921	10,454
Expenses			
Cost of materials consumed	17	2,596	2,257
Changes in inventories of finished goods and work-in-progress	18	191	(156)
Other direct manufacturing expenses	19	1,521	1,396
Employee benefits expenses	20	2,646	2,328
Finance Costs		-	-
Depreciation and amortisation expense		800	929
Impairment losses on financial assets and contract assets		-	-
Other expenses	21	767	663
Total expenses		8,520	7,417
Profit from continuing operations from before Tax		3,401	3,307
Tax Expense			
Current Tax		1,005	895
Tax relating to prior Years		-	69
Deferred tax		(17)	(12)
Profit from continuing operations from After Tax		2,412	2,085
Earnings per share (of Rs,10/-each)			
Basic and diluted(for Continuing in Process)		34.61	29.92
Basic and diluted(for discontinued in Process)			
Significant Accounting Policies	1		

See accompanying notes forming part of the financial statements
In terms of our report attached

For Srikanth & Shanthi Associates
Chartered Accountants

For and on behalf of the Board of Directors

V.Kothandaraman
Partner
M.No. 015077

Munetaka Nomura
Chairman & Managing Director
DIN : 08417132

N.Valliappan
Director (Sales)
DIN : 08493628

Ranipet
12.10.2023

NIDEC INDIA PRECISION TOOLS LIMITED

(Formerly Known as MITSUBISHI HEAVY INDUSTRIES INDIA PRECISION TOOLS LIMITED)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023 Rs. in Lakhs

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	(Rs. in Lakhs)	
A. Cash flow from Operating Activities		
Net Profit before extraordinary items and tax	3,401	3,037
<u>Adjustments for:</u>		
Depreciation	800	929
(Profit) on sale of assets	(5)	(3)
Loss on Sale of Assets		0
Other Operating Income	(9)	-
Forex Gain	-	(4)
Interest income	(670)	(561)
Operating profit before working capital changes	3,516	3,398
<u>Changes in working capital:</u>		
Trade and other receivables	165	(400)
Inventories	(182)	(629)
Loans & Advances	-	58
Trade payables	274	(359)
Short Term Loans & Advances	42	(78)
Other Current Assets	(465)	55
Other Current Liabilities & Provisions	(72)	244
Cash generated from operations	3,279	2,290
Taxes paid	(1,057)	(847)
Cash flow from extraordinary items		-
Net cash flow from operating activities (A)	2,222	1,444
B. Cash flow from Investing Activities		
Purchase of Tangible and Intangible	(1,120)	(544)
Capital Work in Progress	-	-
Proceeds from sale of fixed assets	-	3
Interest and dividend received	607	561
Net cash (used in) investing activities (B)	(513)	20
C. Cash flow from Financing Activities		
Dividends paid	(210)	(174)
Tax on dividend	-	-
Net cash (used in) financing activities (C)	(210)	(174)
D. Net increase/(decrease) in cash and cash equivalents A+B+C	1,499	1,290
Cash and cash equivalents at the beginning of the year	12,406	11,116
Cash and cash equivalents at the end of the year	13,905	12,406

- Notes: 1. Above statement has been prepared in indirect method in accordance with Accounting Standard 3 prescribed by the ICAI.
2. Cash & Cash equivalents represents Cash & Bank balances only.
3. Additions to fixed assets are stated inclusive of incremental capital work-in-progress and treated as part of investing activities.

In terms of our report attached

For Srikanth & Shanthi Associates
Chartered Accountants

For and on behalf of the Board of Directors

V.Kothandaraman
Partner
M.No. 015077

Munetaka Nomura
Chairman & Managing Director
DIN : 08417132

N.Valliappan
Director (Sales)
DIN : 08493628

Ranipet
12.10.2023

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

1. COMPANY OVERVIEW, SIGNIFICANT ACCOUNTING POLICIES, KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1.1 COMPANY OVERVIEW

NIDEC INDIA PRECISION TOOLS LIMITED Company domiciled in India with its Registered Office and Factory located at No 2, Sipcot Industrial complex, Ranipet – 632403, The Company's revenues are mainly from manufacture and sale of Gear Cutting Tools and Broaches.

1.2 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

These Financial Statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These Financial Statements for the year ended 31st March, 2023 have been prepared under Ind AS. The Financial Statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Financial Statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

b) Basis of measurement

These Financial Statements are prepared under the historical cost convention unless otherwise indicated. Property, Plant and Equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the assets' carrying amount or recognized 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. All other repairs and maintenance are recharged to the Statement of Profit and Loss during the period in which they were incurred.

c) Property, Plant and Equipment

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Profit and Loss. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Depreciation is provided on Written Down Value Method, based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

d) Intangible Assets

Separately purchased intangible assets are measured at cost. They are amortized on a Written Down Value basis over the period of their useful lives (3 years) in proportion from the date of acquisition of such assets.

The value of Property, Plant and Equipment and Intangible assets are shown at the cost of acquisition less Tax credit wherever availed or revalued cost.

Notes

f) Inventories

Inventories of Raw materials, Components, Stores and Spares, Loose tools and such of these goods while in transit, if any, are valued at lower of Cost and net realisable value. Cost is ascertained on First In First Out Basis.

Inventories of Work-in-Progress and Finished Goods are valued at lower of cost, including conversion costs and applicable overheads, or net realizable value, whichever is lower.

Loose Tools are valued at cost.

g) Financial Instruments

i) Financial Assets

Financial asset is recognized at fair value. In case of financial assets which are recognized at Fair Value Through Statement of Profit and Loss, its transaction costs are recognized in the Statement of Profit and Loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset. Financial assets are subsequently classified as measured at;

- Amortized cost
- Fair Value Through Profit and Loss
- Fair Value Through Other Comprehensive Income

ii) Trade receivables and Loans

Trade receivables are carried at transaction cost net of any expected credit loss.

iii) Equity Instruments

All investments in equity instruments (other than in Subsidiary and Associates, covered under point e) above) classified under financial assets and are designated at Fair Value Through Other Comprehensive Income Statement. These investments are initially measured at fair value. Fair value changes on equity instruments are recognized through Other Comprehensive Income.

h) Financial Liabilities

Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as Fair Value Through Statement of Profit and Loss. In case of trade payables, they are recognized at fair value.

i) Provisions and Contingent liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

j) Revenue Recognition

The Ministry of Corporate Affairs notified Ind AS 115 "Revenue from Contracts with Customers" in respect of accounting periods commencing on or after April 1st, 2022, superseding Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue".

The Company aligned its revenue recognition policy with Ind AS 115 with effect from April 1, 2022. The Company recognizes revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or services to a customer. The revenue is recognized to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of goods or service to a customer is done over time, in other cases performance obligation is satisfied at a point in time. For each performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. This method appropriately depicts the progress achieved by the Company in satisfying the performance obligation.

Income from export incentives are recognized based on their reliability.

k) Employee Benefits:

Eligible employees receive benefits from provident fund which is defined contribution plan, Both the employees and the company makes monthly contribution to the provident fund authorities, equal to specified percentage of eligible covered employees' salary. The company has no other obligations than the monthly contributions.

The Company provides for benefits in the form of gratuity at the time of retirement, death, incapacity or termination of employment. Liabilities are determined by actuarial valuation on the Balance Sheet date, based on which a contribution is made to the administrators of the scheme, viz., Life Insurance Corporation of India. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in the Other Comprehensive Income. The actual return of the portfolio of plan assets, in excess of the yield, computed by applying the discount rate used to measure the defined benefit obligation is recognized in Other Comprehensive Income.

Encashment of Earned Leave is charged off to revenue on accrual basis.

L) Income Taxes:

Income tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss or to an item recognized directly in Equity or in Other Comprehensive Income.

a) Current Tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on net basis.

b) Deferred Tax

Deferred Income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax assets are recognized only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

m) Leases

Where the company is lessor The Company's leased out assets are in the nature of operating leases and lease payments received are recognized as income on accrual basis during the lease term.

n) Foreign Currency Transactions

A. Foreign Currencies

Transactions in Foreign currencies are accounted in the books of accounts at the rates prevailing at the date of the transaction. Exchange differences arising on the settlement of such transactions are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currency are retranslated at the rate of exchange prevailing on the Balance Sheet date.

O) Research Development

No Revenue expenditure on Research and Development is charged to the Statement of Profit and Loss in the year.

Particulars	As at	As at
	31 st March 2023	31 st March 2022
	Rs.	Rs.
2 Share Capital		
Authorised:		
80,00,000 (Previous year 80,00,000) Equity shares of Rs,10/-each with voting rights	<u>800</u>	<u>800</u>
Issued, Subscribed and paid up :		
69,70,000 (P.Y 69,70,000) Equity shares of Rs.10 each with voting rights	<u>697</u>	<u>697</u>
Note:		
1. Of the above 69,70,000 Equity Shares 26,08,804 Equity Shares have been issued as Bonus Shares by capitalisation of General Reserve		
2. Of the above 69,70,000 Equity Shares, 67,25,000 Equity Shares is held by holding company		
(a) Reconciliation of number of shares		
Shares outstanding as at 1st April 2022 / 1st April 2021	6,970,000	6,970,000
Shares outstanding as at 31st March 2023 / 31st March 2022	6,970,000	6,970,000

(b) Share holding of Promoters**Share Held by Promoter at the end of the year 2023**

Sl.No	Promoter Name	No. Of Shares	% of Total Shares	% Change during the year
1	Nidec India Private Limited	67,25,000	96.48	NIL

Share Held by Promoter at the end of the year 2022

Sl.No	Promoter Name	No. Of Shares	% of Total Shares	% Change during the year
1	Nidec India Private Limited	67,25,000	96.48	NIL

3 Reserves and Surplus

Particulars	Equity Component of Compound Financial	Reserves and Surplus					Equity Instruments through other	Total	
		Capital Reserve	Capital Redemption Reserve	Shares Premium	Revaluation Reserve	General Reserve			Retained Earnings
Balance as at 31st March 2022	-	55	99	4,000	125	4,120	10,898	0	19,297
Changes in Accounting Policy or Prior Period Item	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the Current reporting Period	-	55	99	4,000	125	4,120	10,898	-	19,297
Profit/(Loss) for the year	-	-	-	-	-	-	2,412	-	2,412
Depreciation On Revalued Assets	-	-	-	-	-1	-	-	-	(1)
Total Comprehensive Income for the year	-	-	-	-	-1	-	2,412	-	2,412
Dividend on Equity Shares	-	-	-	-	-	-	(230)	-	(230)
Balance as at 31st March 2023					124		13,080		21,478

Particulars	Equity Component of Compound Financial	Reserves and Surplus					Equity Instruments through other	Total	
		Capital Reserve	Capital Redemption Reserve	Shares Premium	Revaluation Reserve	General Reserve			Retained Earnings
Balance as at 31st March 2021	-	55	99	4,000	126	4,120	8,987	0	17,386
Changes in Accounting Policy or Prior Period Item	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the Current reporting Period	-	55	99	4,000	126	4,120	8,987	-	17,386
Profit/(Loss) for the year	-	-	-	-	-	-	2,085	-	2,085
Depreciation On Revalued Assets	-	-	-	-	-1	-	-	-	(1)
Total Comprehensive Income for the year	-	-	-	-	-1	-	2,085	-	2,085
Dividend on Equity Shares	-	-	-	-	-	-	(174)	-	(174)
Balance as at 31st March 2022					125		10,898		19,297

Particulars	As at	As at
	31 st March 2023	31 st March 2022
	Rs.	Rs.
4 Deferred Tax Assets /(Liabilities) (Net)		
(a) Deferred tax liabilities		
- Depreciation on fixed assets	44	28
- Employee benefits		
Net deferred tax liabilities	44	28

5 Trade Payables**Trade Payables as at 31st March 2022**

Sl. No.	Particulars	Outstanding for following Periods from due date of Payment				Total
		Less than 1 year	1-2 Years	2-3 Years	Morethan 3 Years	
1.	MSME	24	-	-	-	24
2.	Others	381	-	-	6	387
3.	Disputed Dues - MSME	-	-	-	-	-
4.	Disputed Dues - Others	-	-	-	-	-
	Total	405	-	-	6	411

Trade Payables as at 31st March 2023

Sl. No.	Particulars	Outstanding for following Periods from due date of Payment				Total
		Less than 1 year	1-2 Years	2-3 Years	Morethan 3 Years	
1.	MSME	29	-	-	-	29
2.	Others	652	0	-	4	656
3.	Disputed Dues - MSME	-	-	-	-	-
4.	Disputed Dues - Others	-	-	-	-	-
	Total	681	0	-	4	685

6 Other Current Liabilities

Unclaimed dividend	18	15
Statutory remittances	88	178

Total	106	193
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7 Short Term Provisions**Provision for employee benefits**

Provision for bonus	21	29
Provision for Gratuity	(55)	(54)
Provision for PF & ESI	8	7

Other Provisions

Proposed Dividend		
Provision for tax on proposed dividend		
Provision for commission to Directors	120	98
Other Provisions	191	189

Total	284	269
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NOTES FORMING PART OF FINANCIAL STATEMENTS

8 FIXED ASSETS

Description of Assets	GROSS BLOCK			DEPRECIATION				Rs. In lakhs		
	Cost As on 01.04.2022	Additions / Transfer	Deletions / Transfer	Cost as at 31.03.2023	Upto 31.03.2022	Normal	Revaluation	on Deductions / Adjustments	Upto 31.03.2023	As on 31.03.2023
										NET BLOCK
Land	125			125						
Building *	1,043	-		1,043	770	23	0		-	125
Machinery	16,317	462	10	16,770	13,412	698	0		793	250
Inspection Equipments	229	-		229	194	5	0	10	14,101	2,669
Other Factory Equipments	175	6		181	103	11			199	30
Electrical Equipments	285	0		285	217	16			115	67
Furniture & Fixtures	153	3	0	156	131	4			232	53
Type-Writers, Duplicators & Telephone Equipments	31	1		32	25	1			135	22
Computers	162	4	1	164	102	35			26	6
Vehicles	38			38	17	3		1	136	28
Canteen Equipments	1	0		2	1	0			20	18
Tangible Assets Total	18,559	476	11	19,024	14,972	796	1	11	15,757	3,267
INTANGIBLE ASSETS										
Softwares	150	-		150	135	4			138	12
Intangible Assets Total	150	-		150	135	4			138	12
Previous year	17,907	854	53	18,709	14,230	929	1	52	15,107	3,602
* Includes property bought under leasehold Right (Rs.399,175) and investment in shares (Rs.500) of Co-operative Society, the lessor of Property.										
Capital - Work-In-Progress										
Rs. In lakhs										
CWP	Amount in CWP for period of			Total						
	Less than 1 Year	1-2 Years	2-3 Years		More than 3 years					
New Production Plant	638	0	0	2	640					

NOTES FORMING PART OF FINANCIAL STATEMENTS

Rs. in Lakhs

Particulars	As at	As at
	31 st March 2023	31 st March 2022
	Rs.	Rs.
9 Long Term Loans & Advances		
(Unsecured considered good)		
(a) Advance Income Tax (Net of provisions)	281	229
(b) Rent Advances	7	7
Total	<u>289</u>	<u>236</u>
10 Inventories (refer clause 3 of significant accounting policies)		
Raw Materials	1,523	1,192
Work-in-progress	507	700
Finished goods	60	57
Stores and Spares	201	161
Total	<u>2,291</u>	<u>2,109</u>

11 Trade Receivables
Trade Receivable as at 31st March'23

Sl. No.	Particulars	Outstanding for following Periods from due date of Payment				Total
		Less than 1 year	1-2 Years	2-3 Years	Morethan 3 Years	
1.	Undisputed Trade Receivables - Considered Good	1,959	0	0	3	1,962
2.	Undisputed Trade Receivables - Considered doubtful	-	-	-	13	13
3.	Disputed Trade Receivables - Considered Good	-	-	-	-	-
4.	Disputed Trade Receivables - Considered doubtful	-	-	-	15	1,974
	Total	1,959	0	-	15	1,974

Trade Receivable as at 31st March'22

Sl. No.	Particulars	Outstanding for following Periods from due date of Payment				Total
		Less than 1 year	1-2 Years	2-3 Years	Morethan 3 Years	
1.	Undisputed Trade Receivables - Considered Good	2,102	17	0	5	2,124
2.	Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-
3.	Disputed Trade Receivables - Considered Good	-	-	9	6	15
4.	Disputed Trade Receivables - Considered doubtful	-	-	-	-	-
	Total	2,102	17	9	11	2,139

12 Cash and Cash Equivalents

Cash on hand	1	1
Balance with Banks		
- Current Account	550	502
- Un paid dividend accounts	18	16
- In fixed Deposit Accounts	13,335	11,887
Total	<u>13,905</u>	<u>12,406</u>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS3 Cash flow Statement is	<u>13,905</u>	<u>12,406</u>

13 Short term loans and Advances

(Unsecured . Considered good)		
Security Deposits	67	54
Advances to Employees	3	5
Balance with Government Authorities	37	90
Prepaid expenses	48	50
Total	<u>155</u>	<u>198</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS

Rs. in Lakhs

Particulars	As at	As at
	31 st March 2023	31 st March 2022
	Rs.	Rs.
14 Other Current Assets		
Interest Accrued on deposits	207	144
Advance for Capital expenses	461	-
Advance for expenses	6	2
Claims Receivable		
	<u>674</u>	<u>146</u>
15 Revenue from operations		
Manufactured goods		
Gear Hobs	2,595	2,227
Gear Shaping & Shaving Cutters	3,871	3,459
Broaches	4,154	3,654
	<u>10,619</u>	<u>9,340</u>
Total - Sale of manufactured goods		
	<u>10,619</u>	<u>9,340</u>
Sale of Services		
Resharpening and other charges	259	235
Other operating revenues		
Sales of scrap	358	288
	<u>358</u>	<u>288</u>
Total - Revenue from operations	<u>11,237</u>	<u>9,863</u>
16 Other Income		
Interest Income		
- Interest from Fixed Deposits	667	560
- Interest on trade receivables	-	-
- Interest on others	3	2
Rent received	-	-
Miscellaneous Income	9	23
Net gain on foreign currency transactions	-	4
Profit on sale of assets	5	3
	<u>684</u>	<u>591</u>
Total		
	<u>684</u>	<u>591</u>
17 Cost of Materials Consumed		
Material consumed comprises of		
High Speed Steels		
Opening Stock	1,192	761
Add : Purchases	2,927	2,687
	<u>4,119</u>	<u>3,449</u>
Less :Closing Stock	1,523	1,192
	<u>2,596</u>	<u>2,257</u>
Cost of materials consumed	<u>2,596</u>	<u>2,257</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS

Rs. in Lakhs

Particulars	As at	As at
	31 st March 2023	31 st March 2022
	Rs.	Rs.
18 Change in inventories of Finished Goods and Work-in-progress		
Inventories at the end of the year		
Finished goods	60	57
Work-in-progress	507	700
	<u>566</u>	<u>757</u>
Inventories at the beginning of the year		
Finished goods	57	55
Work-in-progress	700	546
	<u>757</u>	<u>601</u>
Net (increase) / decrease	<u>191</u>	<u>(156)</u>
19 Other Direct Manufacturing expenses		
Consumption of Stores and spares	578	545
Outside Machining Charges	244	235
Power and fuel	392	356
Repairs and Maintenance		
- Buildings	12	18
- Machinery	170	117
- Other Assets	104	81
Insurance on Building, Machinery and Stock	20	44
Total	<u>1,521</u>	<u>1,396</u>
20 Employee benefits expenses		
Salaries, Wages and Bonus	2,068	1,810
Director's Remuneration	185	161
Contribution to Provident Fund and Family Pension	88	79
Staff Welfare Expenses	305	278
Total	<u>2,646</u>	<u>2,328</u>
21 Other Expenses		
Rent	27	26
Licences and Taxes	18	18
Commission and Discount on Sales	193	192
Excise Duty on stock difference	-	-
Auditors Remuneration		
- Statutory audit	7	6
- Certification	-	-
- Tax Matters	4	5
- For expenses	1	1
Miscellaneous expenses	517	415
Total	<u>767</u>	<u>663</u>

Particulars	As at		As at	
	31 st March 2023		31 st March 2022	
22 Consumption of Raw Materials and Machinery Spares				
Raw Materials:	Tonnes	Rs.	Tonnes	Rs.
High Speed Steel	220.39	2,596	214.85	2,257
Of the above, Imported Items		706		579
		27.19%		25.67%
Indigenous Items		1,890		1,678
		72.81%		74.33%
Machinery Spares				
Imported		34		32
		59.41%		76.63%
Indigenous		23		10
		40.59%		23.37%
23 Value of imports calculated on CIF basis				
Raw Materials		707		538
Machinery Spares		34		-
Capital Goods		355		-
24 Expenditure in foreign currency				
Travelling		3		2
25 Earnings in foreign currency				
Export on FOB basis		355		278

26 Employees benefit plans

The company has followed the Indian Accounting Standard "Employees Benefits"

The company has defined schemes for Gratuity

The funds are recognised by Income Tax

Authorities and administrated through Trustees/

Life insurance corporation of India.

The company has no further obligations beyond making contributions to the fund.

Disclosures for the Defined Benefit Plans based on Actuarial Report of M/s. LIC of India as on 31.03.2023 as under:

Particulars	As at 31 st March 2023	As at 31 st March 2022
Change in defined benefit obligation		
	Gratuity (Funded) Rs. In lacs	
	As at 31st March 2023	As at 31st March 2022
Opening defined benefit obligation	318.65	264.16
Current service cost	23.96	20.60
Interest Cost	22.30	18.49
Actuarial loss / Gain	29.71	18.28
Benefit paid	(11.95)	(2.89)
Closing defined benefit obligation	382.67	318.65
Change in Fair Value Assets		
Opening fair value of plan assets	363.56	298.57
Expected return on plan assets	28.80	24.09
Actuarial Gain / (loss)	-	-
Contribution by Employer	47.49	43.79
Benefit paid	(11.95)	(2.89)
Closing fair value of plan assets	427.9	363.56
Amount recognised in Balance Sheet		
Present value of obligation at year end	363.56	298.57
Fair value of plan assets at year end	427.90	363.56
Amount now recognised as liability		
Net (liability) / asset recognised as on 31.03.23	64.34	64.99
Principal Actuarial assumption used		
Discount rate p.a	7.25%	7.00%
Method of Valuation (Projected Unit credit Method)		
Attrition Rate	4.0%	2.0%
Salary Escalation Rate	7%	7%
27 Contingent Liabilities		
Estimated amount of contracts remaining to be executed on capital account not provided for (net advances)	982	45

28 Pending Litigations

Name of Statue	Nature of Dues	Forum where dispute is Pending	Period to which the amount relates	Amount Involved Rs. in Lakhs
ESI Act	Contribution on Machining Charges paid to Sub Contractors	Tribunal	1988-1990 & 2008-2009	1.51

29 Segment information in accordance with IND AS - 108

is not applicable due to the fact that the company does not have any different business or geographical segments

30 Related party transactions in accordance with IND AS - 24

(a) Details of related parties

Description of Relationship Name of related party
Holding Company NIDEC INDIA PRIVATE LIMITED

Key Mangement Personnel Mr. Munetaka Nomura, Chairman and Managing Director
Mr. N.Valliappan, Director (Sales)

(b) Transactions with related party

Name of Transactions
1. Nidec India Private Limited
2. Nidec Machine Tool Co, Ltd., Japan
3. Nidec Shimpoo India Manufacturing Pvt. Ltd.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Rs. in Lakhs

Particulars	As at	As at
	31 st March 2023	31 st March 2022
	Value of Transactions Rs.	Outstanding at the year end Rs.
Nidec India Private Limited		
Purchase of Goods and Service	4.22	0.35
	(2.53)	(0.34)
Dividend paid during the year	221.92	-
	(168.13)	
Nidec Shimpo India Manufacturing Pvt. Ltd.		
Purchase of Goods and Service	9	-
	(0)	
Nidec Machine Tool Co., Ltd.,		
Purchase of goods & Service	236.49	-
	(3)	
Receiving services - Royalty	111.97	50.46
	(65)	(59)
Sale of goods	221.24	22.60
	(134)	(21)

Note: Figures in brackets relates to previous year

31 Earning per Share in accordance with IND AS - 33

Face value per share	10	10
Net profit after tax	2,412	2,085
Weighted average number of share	70	70
Earning per share - basic and diluted	34.61	29.92

32 Amount remaining unpaid to Micro, Small and Medium Enterprises as at the end of 31.03.2022

-	-
30	24

33 Information Regarding Managerial**Remuneration**Remuneration to Chairman & Managing Director,
Director (Sales)

Salary	27	27
Contribution to Provident Fund	1	1
Perquisites	28	28
Commission	120	114

176	170
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NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at 31 st March 2023	As at 31 st March 2022
Computation of net profit under Sec.197/198 of Companies Act, 2013		
Profit before taxation	3,401	3,037
Prior period adjustments	-	-
Directors' Remuneration	176	161
Directors' Sitting Fees	4	4
	<u>3,580</u>	<u>3,202</u>
Profit on sale of Assets	5	3
Net Profit for Computation of Commission	3,575	3,199
Commission there of restricted to overall remuneration of 7.3% on Net Profit to Chairman and Managing Director, & Director (Sales)	<u>120</u>	<u>98</u>

34. Additional Regulatory Information

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements

Ratio

Particulars	Formula	31 March 2023			31 March 2022			% of Var	Reason for Variance
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio		
Current Ratio	Current Assets/Current Liabilities	18998	1075	18	16999	873	19	-9	
Debt-Equity Ratio	Total Debt/ Share Holder's Equity	685	697	1	411	697	1	67	Due to Increase in Trade Payable
Debt Service Coverage Ratio	Earnings available for debt service/Debt Service	Not Applicable			Not Applicable				
Return On Equity Ratio	Net Profit after Taxes/Average Share holder Equity	2412	697	3	2085	697	3	16	
Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	6769	2291	3	5664	2109	3	10	
Trade Receivables Turnover Ratio	Net Credit Sales/Average Accounts Receivable	11237	1974	6	9863	2139	5	23	
Trade Payable Turnover Ratio	Net Credit Purchase/Average Accounts Payables	7799	685	11	5539	411	13	-16	
Net Capital Turnover Ratio	Net Sales/ Working Capital	11237	17924	1	9863	16126	1	2	
Net Profit Ratio	Net Profit / Net Sales	2412	11237	0	2085	9863	0	2	
Return On Capital Employed	Earning Before Interest and Taxes/Capital Employed	2412	697	3	2085	697	3	16	
Return on Investment		Not Applicable			Not Applicable				

35. **Rounding Off:** It is mandatory for the companies to round off the figures appearing in the financial statements on the basis of 'Total Income'. Earlier this provision was optional and round off was done on the basis of 'Turnover'
36. **Short Term Borrowings :** The Company doesnot have any Short Term Borrowings during the Financial year 2022-23.
37. **Title Deeds of Immovable Property:** All the properties mentioned in the Financial Statements are held in the Name of the Company.
38. **Borrowing from Banks and Financial Institutions :** The Company has not restored to borrowing from Banks and Financial Institutions
39. **Details of Benami Property held .** The Company does not hold any Benami Property.
40. **Wilful Defaulter:** The Company has not been declared as Wilful defaulter by Bank/Financial Institution/other lender since the Company does not have any borrowings
41. **Compliance with approved Scheme(s) of Arrangements:** Not Applicable
42. **Undisclosed income.** The Company has no undisclosed income
43. **Details of Crypto Currency or Virtual Currency:** The Company did not have any transaction in Crypto Currency.
44. **Utilisation of borrowed fund and share premium:** Not Applicable
45. **Details of pending charge creation / satisfaction registration with ROC.;** Not Applicable
46. **Relationship with struck off Companies:** The Company did not have any relationship "With struck off Companies"
47. Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
- (a) repayable on demand or
- (b) without specifying any terms or period of repayment; "No such loans or advances were made in the nature of loans to promoters,directors,KMP and the related parties (as defined under the Companies Act, 2013)
48. Whether quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts. "The Company has not borrowed any money from bank / financial institution and hence not applicable."
49. The Company has revalued its Property, "Plant and Equipment. In the year of 2005."
50. **Previous year's figures**
 Previos years's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached

For Srikanth & Shanthy Associates
 Chartered Accountants

V.Kothandaraman
 Partner
 M.No. 015077

Munetaka Nomura
 Chairman & Managing Director
 DIN : 08417132

N.Valliappan
 Director (Sales)
 DIN : 08493628

Ranipet
 12.10.2023

For and on behalf of the Board of Directors

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

NIDEC INDIA PRECISION TOOLS LIMITED

(Formerly Known as MITSUBISHI HEAVY INDUSTRIES INDIA PRECISION TOOLS LIMITED)

Regd. Office: 2, SIPCOT Industrial Complex, Ranipet 632 403

CIN : U29130TN1963PLC004990

Name of the Member(s) :

Registered Address :

Email ID :

Folio No. / Client ID No. : DP ID No.

I/We, members of NIDEC India Precision Tools Limited holding..... No. of equity shares of
Re.10/- each hereby appoint:

1. Name: Email ID :

Registered Address :

Signature.....

or failing him

2. Name: Email ID :

Registered Address :

Signature.....

or failing him

3. Name: Email ID :

Registered Address :

Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 60th Annual General Meeting of the Company to be held on 23rd November 2023 at 10.15 A.M.at Hotel Emerald Inn, A 22,23, Opposite to TCL Emerald Nagar, SIPCOT, Ranipet 632 403 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. To Consider and Adopt the Audited Financial Statements of the Company for the year ended 31st March 2023 together with the Reports of the Directors and Auditors thereon.
2. Appointment of Mr. Hariuhiko Nittani, Director.
3. Appointment of Mr. Yoshirao Wada, Director.
4. Appointment of Mr. N. Valliappan as Director - Sales.

Signature of the member -----

Revenue Stamp

 ----- Signature of proxy holder(s) -----

Signed this day of 2023

NOTE:

This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP

(To be presented at the entrance)

60th ANNUAL GENERAL MEETING on Thursday, the 23rd November 2023 at 10.15 A.M. at
Hotel Emerald Inn, A 22,23, Opposite to TCL Emerald Nagar, SIPCOT, Ranipet - 632 403.

Folio No. _____ DP. ID No. _____ Client ID. _____

Name of the Member - _____ Signature _____

Name of Proxy Holder - _____ Signature _____

1. Only Member/Proxy-holder can attend the Meeting.
2. Member/Proxy-holder should bring his/her copy of the Annual Report for reference at the Meeting

NIDEC India Precision Tools Ltd.,
2, SIPCOT Industrial Complex,
Ranipet - 632 403.
CIN : U29130TN1963PLC004990