

ALLIED NIPPON PRIVATE LIMITED

BOARDS' REPORT

To the Members of Allied Nippon Private Limited

Your Directors have pleasure in presenting the Thirty Fifth Annual Report on the business and operations of the

Company, together with the Audited Accounts for the Financial Year ended 31st March, 2023

FINANCIAL HIGHLIGHTS

The Financial highlights for the Year under review are given below:

Particulars	Current Financial Year (2022-2023)	Previous Financial Year (2021-2022)
Revenue from Operations	3,16,81,96,192	3,25,86,32,725
Other Income	9,89,71,148	8,36,78,414
Profit/Loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	32,57,17,112	27,27,78,066
Less: Depreciation/ Amortisation/ Impairment	7,69,42,897	7,27,79,142
Profit /loss before Finance Costs, Exceptional items and Tax Expense	24,87,74,215	19,99,98,924
Less: Finance Costs	3,80,48,222	3,28,09,648
Profit /loss before Exceptional items and Tax.Expense	21,07,25,993	16,71,89,276
Profit /loss before Tax Expense	21,07,25,993	16,71,89,276
Less: Tax Expense (Current & Deferred)	5,47,77,158	3,96,82,672
Profit /loss for the year (1)	15,59,48,835	12,75,06,604
Total Comprehensive Income/loss (2)	-	-
Total (1+2)	15,59,48,835	12,75,06,604
Balance of profit /loss for earlier years	55,48,45,467	43,85,12,431
Less: Transfer to Debenture Redemption Reserve	-	-
Less: Transfer to General Reserves	-	-
Less: Dividend paid on Equity Shares	1,11,73,568	1,11,73,568
Less: Dividend paid on Preference Shares	-	-
Less: Dividend Distribution Tax	-	-
Balance carried forward	69,96,20,734	55,48,45,467

CIN: U34300DL1988PTC030910

ALLIED NIPPON PRIVATE LIMITED

(Formerly known as Allied Nippon Ltd.)

A-12, Site – IV, Industrial Area, Sahibabad – 201010 District – Ghaziabad U.P. (INDIA)

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Regd. Off: GA-2, Block No. B-1 Extension, Mohan Co-Operative Industrial Estate, New Delhi-110044, India

Tele Fax: +91 11 23753575, 23753576 E-Mail: intertrade@bol.net.in

Website: www.alliednippon.com

YEAR UNDER REVIEW, OVERVIEW OF THE INDUSTRY & ECONOMIC OUTLOOK

On Standalone basis for the year 2022-23, your Company has achieved a Net Profit after Tax of INR 1559.50 Lakhs as against INR 1275.10 Lakhs in the year 2021-22. The total turnover including other income for the year 2022-23 stood at INR 32,671.70 Lakhs as compared to INR 33,423.10 Lakhs for the year 2021-22. During the year under review, revenue from operations slightly declined to INR 31,682 Lakhs as compared to INR 32,586.3 Lakhs in the previous year. Your directors are putting in their best efforts and taking effective measures in further improving the performance of the Company.

India remains one of the fastest-growing economy in the world despite decelerating global demand and tightening of monetary policy to control inflation. India stands tall and steadfast, emerging as a beacon of resilience in the global economy. This fast growth, coupled with rising incomes, boost in infrastructure spending and increased manufacturing incentives, has accelerated the automobile industry.

During the fiscal year 2022-23, the Indian auto component industry also encountered several challenges. Notably, the prices of essential raw materials like steel, aluminum, and copper surged, resulting in heightened input costs for auto component manufacturers. Furthermore, the industry witnessed rapid technological advancements, leading to a growing demand for newer and more sophisticated components.

However, despite these hurdles, the Indian economy in the context of the auto component industry is anticipated to exhibit robust growth in the fiscal year 2023-24. This growth is underpinned by strong domestic demand and a gradual recovery in global demand. The automotive component sector is poised to play a pivotal role in driving economic expansion, with vehicle sales expected to surge. This upswing in vehicle sales will naturally translate into an increased demand for auto components.

CAPITAL EXPENDITURE ON TANGIBLE ASSETS

During the year under review, the Company has incurred a capital expenditure of Rs 12,09,62,899 as against capital expenditure of Rs. 13,29,24,545 in the previous financial year. The details of the said expenditure is as under:

Assets Description	2022-23	2021-22
	Gross	Gross
Factory Building	1,81,620	24,89,719
Plant & Machinery	9,64,81,732	8,14,13,653
Furniture & Fixtures	1,79,89,759	2,79,12,968
Equipment	47,33,674	41,22,999
Vehicles	10,39,723	1,69,85,205.43
Electrical Installation	5,36,389.50	-

DIVIDEND

Your Directors do not recommend any dividend on equity shares for the year under review.

CHANGE IN CAPITAL STRUCTURE

The Paid-Up Capital of the Company as on 31st March, 2022 was INR 5,58,67,840.

During the year under review, the Company did not issue any class or category of Shares and consequently, there has been no change in the Capital Structure since the Previous Year.

TRANSFER TO GENERAL RESERVE

During the year under review, no amount has been transferred to General Reserve.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2017, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to a Fund called Investor Education and Protection Fund (IEPF) set up by the Central Government.

During the financial year 2022-23, the Company has transferred to the credit of the Investor Education and Protection Fund (IEPF) administered by the Central Government, unpaid dividend amount of Rs. 2,388/-, which had remained unclaimed/ unpaid for a period of seven (7) consecutive years.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

MATERIAL AND SIGNIFICANT ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which may impact the going concern status and Company's operations in future.

PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

As on 31st March, 2023, your Company has Two (2) Wholly Owned Subsidiaries namely, M/s. Krishnaav Engineering Limited and M/s. Allied Nippon Components

Limited, and One (1) Subsidiary & Joint Venture Company namely; M/s. Allied Comline Limited and Two (2) Joint Venture Companies namely, M/s Allied JB Friction Private Limited and M/s Allied Westlake Private Limited.

The highlights on Performance of your Company's Subsidiary and joint Venture Companies during the Financial Year 2022- 23 are as follows:

SUBSIDIARY COMPANIES

(A) KRISHNAAV ENGINEERING LIMITED ("KEL")

KEL is the Wholly Owned Subsidiary of your Company which was incorporated under the provisions of Companies Act, 1956. The Principal Business Activity of KEL is to manufacture Aluminum Castings for Automobile Parts.

During the Financial Year 2022-23, KEL has recorded a Turnover of INR 4136.5 Lacs as compared to INR 4288.60 Lacs for the year 2021-22 and Net Profit of INR 9.4 Lacs as compared to INR 29.10 Lacs for the year 2021-22.

(B) ALLIED NIPPON COMPONENTS LIMITED ("ANCL")

ANCL is the Wholly Owned Subsidiary of your Company which was incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of Trading of automotive and allied components.

During the Financial Year 2022-23, ANCL has recorded a Turnover of INR 3.31 Lacs as compared to INR 78.42 Lacs for the year 2021-22 and a Net loss amounting to INR 15.91 Lacs as compared to a Net loss amounting to INR 75.59 Lacs for the year 2021-22.

SUBSIDIARY & JOINT VENTURE COMPANY

(A) ALLIED COMLINE LIMITED ("ACL")

ACL is the Joint Venture and Subsidiary of your Company which was incorporated as a Private Company with Limited Liability under the provisions of Companies Act, 1985 in United Kingdom. The Company is engaged in the business of wholesale distribution of motor car spares, parts and other general merchandise. The Company is holding 51% shareholding of ACL.

During the Financial Year 2022-23, ACL has recorded a Turnover of £ 12.54 Million as compared to £ 16.05 Million for the year 2021-22 and Net Profit of £ 0.19 Million as compared to £ 0.25 Million for the year 2021-22.

JOINT VENTURE COMPANIES

(A) ALLIED JB FRICTION PRIVATE LIMITED ("AJF")

AJF is the Joint Venture of your Company which was incorporated under the provisions of the Companies Act, 1956. The Company is engaged in manufacturing of Non-Asbestos Type Friction Materials (Including Disc Brake Pads, Brake Linings and Brake Shoe Assembly) and Drum Brake Assemblies for Automobiles and Motorcycles. Your Company is holding 49% shareholding of AJF.

During the Financial Year 2022-23, AJF has recorded a Turnover of INR 29492.60 Lacs as compared to INR 23278.90 Lacs for the year 2021-22 and a Net Profit amounting to INR 4498.6 Lacs as compared to INR 3395.1 Lacs for the year 2021-22.

(B) ALLIED WESTLAKE PRIVATE LIMITED ("AWPL")

AWPL is the Joint Venture of your Company which was incorporated under the provisions of the Companies Act, 2013. The Company is engaged in manufacturing and dealing in all clutch assemblies and related parts for automotive, non-automotive, industrial, railway and other allied applications. Your Company is holding 50% shareholding of AWPL.

During the Financial Year 2022-23, AWPL has recorded a Turnover of INR 1517.97 Lacs as compared to INR 870.92 Lacs for the year 2021-22 with a Net Profit amounting to INR 50.29 Lacs as compared to net loss amounting to INR 40.98 Lacs for the year 2021-22.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014, a Statement containing salient features of the Financial Statements of all the Company's Subsidiaries and Joint Venture Companies is set out as **Annexure- A** to this Report.

The Financial Statements of the Subsidiary Companies and Joint Venture Companies and other related information are available for inspection by the members at the Registered Office of the Company during the business hours pursuant to the provisions of Section 136 of the Companies Act, 2013.

Any member desirous of obtaining a copy of the Audited Financial Statements of the Subsidiary Companies and Joint Venture Companies of the Company may get the same from the Registered Office of the Company.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company's Management has established and maintained Internal Financial Controls (IFC) based on internal control over financial reporting criteria established by your 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).

Your Company has in place adequate internal control systems and procedures commensurate with the size, scale and nature of its business operations and is also in line with the Companies Act, 2013. These controls ensure that the business transactions are recorded in a timely and complete manner in the financial records, resources are utilized effectively and the assets are safeguarded.

These procedures are designed to ensure that:

- All assets and resources are acquired economically, used efficiently and are adequately protected.
- Effective and adequate internal control environment is maintained across the Company.
- All internal policies and statutory guidelines are complied with.

For preventing errors and frauds, SAP- HANA is operating successfully. In this System, there is appropriate segregation of duties, appropriate level of approval mechanism and maintenance of supporting records.

These Systems, Standard Operating Procedures (SoPs) are reviewed and updated from time to time by the Management. Based on the results of such assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed. Nonetheless your Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

During the Year under review, the systems and controls of your Company are audited by the Internal Auditors and their findings and recommendations are reviewed by the Management / Board of Directors which ensures timely implementation.

PUBLIC DEPOSITS

During the Financial Year 2022-23, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

STATUTORY AUDITORS

In terms of the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the Members of the Company at its 33rd Annual General Meeting {AGM} held on the 30th November, 2021 had appointed M/s. Dewan P. N. Chopra & Co., Chartered Accountants (Firm Registration No. 000472N), to hold office for a period of 5 (Five) years from the conclusion of the 33rd Annual General Meeting till the conclusion of the 38'th Annual General Meeting of the Company to be held in the year 2026.

AUDITORS' REPORT

There being no reservation, qualification, adverse remarks in the Auditors' Report, no further explanations are required.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors of the Company have not reported any frauds to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

ANNUAL RETURN

In accordance with the requirement of sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, the copy of the Annual Return for the Financial Year 2022-23 is available on the website of the Company www.alliednippon.com

DIRECTORS

(A) APPOINTMENT

During the year under review, there was no change in the Board of Directors. However, between the end of the Financial Year 2022-23 and the date of this Report, Mr. Vikas Uppal was appointed as Additional Director of the Company with effect from 26th April, 2023.

(B) RESIGNATION

During the year under review, Mr Vijay Dhawan (DIN: 00040687) has tendered his resignation from the position of Director w.e.f. 6th June, 2022. The Board places on record its gratitude for the contributions made by Mr. Vijay Dhawan during his long tenure on the Board of the Company.

(C) KEY MANAGERIAL PERSONNEL(S)

Pursuant to Section 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company was not required to appoint Key Managerial Personnel. However, there is Whole Time Company Secretary (CS) employed by the Company.

SECRETARIAL STANDARDS

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

During the year, there were Three (3) Committees of the Board of your Company which function according to their respective roles and defined scope.

- Corporate Social Responsibility Committee
- Share Transfer Committee
- Executive Committee

The brief details of all the above Committees of the Board and their constitution are as under: -

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company has constituted a Corporate Social Responsibility Committee (CSR) and also developed and implemented a CSR Policy in accordance with the provisions of Section 135 of the Companies Act, 2013

read with The Companies (Corporate Social Responsibility) Rules, 2014.

The composition of the Corporate Social Responsibility Committee as on 31.03.2023 was as follows:-

S. No.	Name	Status	Category of Membership
1.	Mr. Rohan Talwar	Member	Executive Director
2.	Mr. Vinod Duhoon	Member	Executive Director
3.	Ms. Rashi Talwar Bhatia	Member	Non-Executive Director

After the end of Financial year 2022-23, the Corporate Social Responsibility Committee was re-constituted and the reconstituted Committee consists of the following:-

S. No.	Name	Status	Category of Membership
1.	Mr. Rohan Talwar	Member	Executive Director
2.	Mr. Vinod Duhoon	Member	Executive Director
3.	Mr. Vikas Uppal	Member	Non-Executive Director

During the year under review, the CSR Committee of the Board of Directors of your Company met one (1) time on the following date:-

- 1st July, 2022.

The Committee monitors and oversees the CSR initiatives and activities of your Company. The CSR activities are based on the CSR Policy approved by the Board which is available at the website of your Company viz. www.alliednippon.com.

Your Company's CSR efforts in the last financial year have been concentrated on the following initiatives:-

1. Provision of Education to under privileged girls at school and Sustainable livelihood through vocational training to children & women.
2. Promote animal welfare practices and provide free medical facility and shelters to the distressed animals.
3. Primary School facilitation & upgradation
4. Provision of medical aid to needy people
5. Promoting Sports

Your Company would also undertake other need-based initiatives in compliance with Schedule VII of the Companies Act, 2013

The Annual Report on CSR activities is set out herewith as Annexure- B to this Report.

SHARE TRANSFER COMMITTEE

Your Company had constituted the Share Transfer Committee to look into and decide matters pertaining to transfer of shares, splitting of share certificates, issuance of new certificate in place of defaced /torn /damaged /spoiled/ lost share certificate and to oversee shareholders and investor complaints/grievances.

The composition of the Share Transfer Committee as on 31.03.2023 was as follows:-

S. No	Name	Status	Category of Membership
1.	Mr. Ravi Talwar	Member	Executive Director
2.	Mr. Rohan Talwar	Member	Executive Director
3.	Mr. Vinod Duhoon	Member	Executive Director
4.	Ms. Rashi Talwar Bhatia	Member	Non-Executive Director

After the end of Financial year 2022-23, the Share Transfer Committee was re-constituted and the reconstituted Committee consists of the following:-

S. No	Name	Status	Category of Membership
1.	Mr. Ravi Talwar	Member	Executive Director
2.	Mr. Rohan Talwar	Member	Executive Director
3.	Mr. Vinod Duhoon	Member	Executive Director
4.	Mr. Vikas Uppal	Member	Non-Executive Director

During the year under review, the Share Transfer Committee of the Board of Directors of your Company met one (1) time on the following date:-

- 4th April 2022;

EXECUTIVE COMMITTEE

The Board had constituted the Executive Committee for dealing with the day-to-day matters of the Company.

The composition of the Executive Committee as on 31.03.2023 was as follows:-

S. No	Name	Status	Category of Membership
1.	Mr. Rohan Talwar	Chairman	Executive Director
2.	Mr. Ravi Talwar	Member	Executive Director

3.	Mr. Vinod Duhoon	Member	Executive Director
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After the end of Financial year 2022-23, the Executive Committee was re-constituted and the reconstituted Committee consists of the following:-

S. No	Name	Status	Category of Membership
1.	Mr. Rohan Talwar	Chairman	Executive Director
2.	Mr. Ravi Talwar	Member	Executive Director
3.	Mr. Vinod Duhoon	Member	Executive Director
4.	Mr. Vikas Uppal	Member	Non-Executive Director

During the year under review, the Executive Committee of the Board of Directors of your Company met Seven (7) times on the following dates:-

- 29th June, 2022;
- 6th July, 2022;
- 5th November, 2022;
- 7th December, 2022;
- 20th March, 2023;

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year ended 31st March, 2023, the Board of Directors of your Company met Four (4) times on the following dates:-

- 1st July, 2022;
- 19th August, 2022;
- 5th September, 2022;
- 30th December, 2022.

The maximum gap between two meetings was not more than the period prescribed under the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

Related Party Transactions of your Company are reviewed and approved by the Board.

During the year under review, there were no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or other Designated Persons which may have a potential conflict with the interest of the Company at large.

The contracts or arrangements with related parties during the period under review referred to in Section 188 (1) of the Companies Act, 2013 were in the ordinary course of business and on an arm's length basis. Detail of such transactions as referred to in sub-section (1) of Section 188 of the Companies Act, 2013 in Form AOC-2 is set out herewith as **Annexure -C** to this Report.

PARTICULARS OF LOANS, GUARANTEE AND INVESTMENT

The details of Loans, Guarantee and Investments under Section 186 of the Companies Act, 2013 read with The Companies (Meeting of Board and its Powers) Rules, 2014, are as follows:-

A. INVESTMENT IN EQUITY SHARES:-

During the year under review, your Company has invested an amount of INR 7 Crores in accordance with Section 186 of the Companies Act, 2013 read with Rules thereunder by the acquisition of 70,00,000 Equity shares of Rs. 10/- each of M/s Allied Westlake Pvt. Ltd from M/s Allied Intertrade Company Limited.

B. GUARANTEE AND LOANS

During the year under review, the Company has not given guarantee or loan to any person or Body Corporate.

The outstanding amount of Corporate Guarantee given to HDFC Bank Ltd. on behalf of M/s. Allied Motors Limited (AML) as on 31.03.2023 is Rs.20,00,00,000/- (Rupees Twenty-Crores). After the end of financial year, the aforesaid Corporate Guarantee was given to Axis Bank Limited and the guarantee given to HDFC Bank was withdrawn on account of closure of credit facilities with HDFC Bank by AML.

Further, the Company has given an inter-corporate loan to M/s Allied Motors Ltd. (AML). The total outstanding loan given to AML as on 31.03.2023 is Rs. 4,80,12,943.

RISK MANAGEMENT POLICY

Your Company has developed and implemented a Risk Management Policy with an objective of timely identification, evaluation, monitoring and minimizing the risks, which may threaten the existence of the Company. The Policy has also been adopted by the Board of Directors of your Company.

VIGIL MECHANISM

The Company has adopted a policy and has established an effective mechanism called the Vigil Mechanism or Vigil Mechanism Policy, for Directors and Employees to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, in accordance with the provisions of Section 177(9) & (10) of the Companies Act, 2013. The mechanism provides for adequate safeguards against unfair treatment of whistle blower who wishes to raise a concern and also provides for direct access to the Vigilance Officer/ Managing Director through e-mail, writing and telephone for reporting the matter.

Details of the Vigil Mechanism policy are made available on the Company's website at www.alliednippon.com

DISCLOSURE FOR MAINTENANCE OF COST RECORDS

The Company is not required to maintain Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under for Prohibition, Prevention and Redressal of Complaints of Sexual Harassment of Women at Workplace.

The Policy provides a platform to the women employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the Company. During the year, no such complaints were received by the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Disclosure of information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as stipulated under Section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out herewith as Annexure- D to this Report.

PARTICULARS OF EMPLOYEES

During the year under review, 2 (two) employees were in receipt of remuneration of Rs. 1.20 Crores or more per annum or Rs. 8.50 Lakhs per month if employed for part of the year, hence, the particulars required to be reported under Rule 5(2) and Rule 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out herewith as Annexure- E to this Report.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE (IBC) 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year under review, no application was made under the Insolvency and Bankruptcy Code (IBC) 2016. Further, no proceedings are pending as at the end of the financial year under review.

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

As Company has not done any one-time settlement during the year under review, hence no disclosure is required.

DIRECTOR'S RESPONSIBILITY STATEMENT

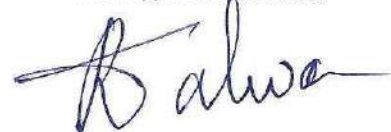
Pursuant to the provisions under Section 134 (5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors state that:

- (a) In the preparation of the annual accounts for the year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profit of the Company for the year ended on that date;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a "going concern" basis;
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors wish to convey their appreciation to all of the Company's employees for their contribution towards the Company's performance. The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, Governments and all other business associates for their continuous support to the Company and their confidence in its management.

For and on behalf of the Board of
Allied Nippon Private Limited



5th September, 2023
Noida

RAVI TALWAR
CHAIRMAN

FORM - AOC-1
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries or Associate Company or Joint Ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amount in Rs.)

S.No.	Name of the Subsidiary	The Date since when Subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency and Exchange Rate as on the last date of the relevant financial year in the case of foreign	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of Shareholding (in percentage)
1	Allied Comfine Limited, U.K.	27.05.2004	01.04.2022-31.03.2023	1 GBP= 101.4438 INR	£ 100	£ 117,797	£ 7,865,739	£ 7,747,832	-	£ 22,537,857	£ 236,109	£ 45,102	£ 271,576	£ 300,000	51%
2	Krishnav Engineering Limited, India	30.03.2007	01.04.2022-31.03.2023	INR	INR 48,18,000	4,91,52,418	10,79,95,217	5,40,24,799	-	41,35,46,745	10,21,755	INR 78,637	INR 9,43,119	Nil	100%
3	Allied Nippon Limited, India	05.12.2011	01.04.2022-31.03.2023	INR	INR 2,40,00,000	INR (1,18,14,470)	3,27,32,030	INR 5,45,940	-	INR 3,31,320	INR (15,90,652)	INR 452	INR (1,58,1104)	Nil	100%

Notes:-

- (a) During the year under review, no Subsidiaries of the Company are yet to commence their operations.
- (b) During the year under review, no Subsidiaries of the Company have been liquidated or sold.

For & on behalf of the Board of Directors of
Allied Nippon Private Limited

Rohan Talwar
Rohan Talwar
Managing Director
(DIN:-00177963)

Ravi Talwar
Ravi Talwar
Chairman & Whole Time Director
(DIN:-00177922)

Place: Noida
Date: 5 September, 2023

Monika Dhingra
Monika Dhingra
GM- Corporate Affairs & Company Secretary

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY {CSR} ACTIVITIES

1. Brief outline on CSR Policy of the Company:

Allied Nippon Private Limited strives to be a socially responsible Company and strongly believes in development which is beneficial for the society at large. CSR Policy of ANPL is to actively contribute to the social and economic development of the communities in which the Company operates.

CSR Policy:

A detailed CSR Policy was framed by the Company with approvals of the CSR Committee and Board taken on 19th August 2014. which was further revised pursuant to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, notified by the Ministry of Corporate Affairs vide Notification dated 22nd January 2021. The Policy, inter alia, covers the following:

- ✓ Vision
- ✓ Mission
- ✓ List of CSR activities/ Projects
- ✓ Quantum of amount to be spent on CSR Activities
- ✓ Implementation of CSR Activities
- ✓ Procedure for CSR Activities
- ✓ Role of CSR Committee
- ✓ Resources
- ✓ Monitoring and Evaluation
- ✓ Impact Assessment
- ✓ Capital Asset

CSR Policy gives an overview of the projects or programmes that are proposed to be undertaken by the Company in the coming years. The Company has framed a CSR Policy in compliance with the provisions of the Act, which is available on the Company's website and the weblink for the same is provided in this report.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rohan Talwar	Managing Director	1	1
2.	Mr. Vinod Duhoon	Executive Director	1	1
3	Mr. Vijay Dhawan (Resigned on 6.06.2022)	Non-Executive Director	1	0
4.	Ms. Rashi Talwar Bhatia (Appointed on 01.07.2022)	Non-Executive Director	1	0

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

4. 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: **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)

6. Average net profit of the company as per section 135(5): **INR 23,31,65,272/-**

7. (a) Two percent of average net profit of the company as per section 135(5): **INR 46,63,305/-**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(c) Amount required to be set off for the financial year, if any: **INR (2,55,120)**

(d) Total CSR obligation for the financial year (7a+7b+7c): **INR 44,08,186/-**

8. (a) CSR amount spent or unspent for the financial year 2022-23:

Total Amount Spent for the Financial Year. (In Rs.)	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
Rs. 48,40,000/-	NIL			NA	

(b) Details of CSR amount spent against ongoing projects for the financial year 2022-23:

(1) Sl. No	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Locality area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial Year (in Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
1	Provision of Education to under privileged girls at school; Sustainable livelihood through vocational training to children & women and Primary School facilitation & upgradation	promoting education	Both	Delhi, Gujarat, Rajasthan	Delhi, Jaipur, Vadodara	3 years	13,00,000	11,09,260	Nil	NO	Talwar Foundation	CSR00001866
2	Promote animal welfare practices and	Ensuring environmental	Both	Uttar Pradesh	Noida	3 years	16,00,000	15,42,717	Nil	NO	Talwar Foundation	CSR00001866

	provide free medical facility and shelters to the distressed animals	sustainability, ecological balance, protection of flora and fauna, animal welfare (Promoting Animal Welfare)										
3	Promote animal welfare practices and provide free medical facility and shelters to the distressed animals	ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare,	Both	Uttar Pradesh	Noida	3 years	15,00,000	14,90,000	10,000	NO	Kannan Foundation	CSR00000033
4	Provision of medical aid to needy people	Promoting health care including preventive health care	Both	Uttar Pradesh	Noida	3 years	7,00,000	4,98,023	Nil	NO	Talwar Foundation	CSR00001866
5	Promoting Sports	Spending for Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	Both	Delhi	Delhi	3 years	2,00,000	2,00,000	Nil	Yes		
Total							53,00,000	48,40,000				

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
	Total								

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **Not applicable**

(f) Total amount spent for the Financial Year 2022-23: **Rs. 48,40,000/-**
(8b+8c+8d+8e)

(g) Excess amount for set off, if any: **(4,31,814)**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	44,08,186
(ii)	Total amount spent for the Financial Year	48,40,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(4,31,814)
(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)]	(4,31,814)

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) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1	2019-20	NIL	5,63,680	NA	NA	NA	NIL
2	2020-21	NIL	30,00,410	NA	NA	NA	NIL
3	2021-22	NIL	NA	NA	NA	NA	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): - **Not Applicable**

(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

10. In case of creation or acquisition of capital asset, the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable (asset-wise details)**

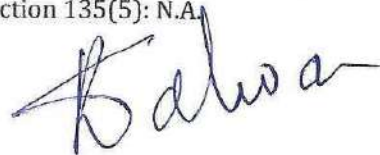
(a) Date of creation or acquisition of the capital asset(s):

(b) Amount of CSR spent for creation or acquisition of capital asset:

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:

(d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

11. Reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): N.A.



Ravi Talwar
Chairman & WTD



Rohan Talwar
Chairman- CSR Committee

**Particulars of Contracts/ Arrangements made with Related Parties
Form AOC-2**

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

This Form pertains to the 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.

DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

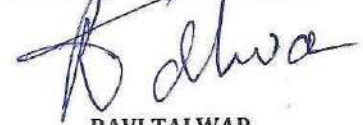
S. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the Special Resolution was passed in general meeting as required under first proviso to section 188
	None**	NA	NA	NA	NA	NA	NA	NA
** During the year 2022-23, no contracts or arrangements or transactions was entered into by the Company with the related parties which is not at arm's length basis								

DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS

S. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	M/s. Allied Motors Limited (AML) Company having Common Directors who holds along with their relatives more than 2% of the paid-up share capital of AML	Purchase Transaction	Financial Year 2022-23	Purchase of Products such as Diesel, lube etc. for an amount not exceeding Rs. 1.20 crores (Rupees One Crore Twenty Lacs) for the Financial Year 2022-23	19.08.2022	No Advance Paid
		Corporate Guarantee	Financial Year 2022-23	Corporate Guarantee Commission on corporate guarantee provided to HDFC Bank on behalf of AML. The fee @ 0.5% will be charged on AML by the Company for the Financial Year 2022-23.	04.03.2022	No Advance Received
		Sale Transaction	Financial Year 2022-23	Sale of products and services for an amount not exceeding Rs. 2 Lacs (Rupees Two Lacs) for the Financial Year 2022-23.	19.08.2022	No Advance Received
2.	M/s. Krishnaav Engineering Limited Wholly Owned Subsidiary	Purchase and Job Work Transaction	Financial Year 2022-23	Purchase of Products and Production work on Job Work basis on Products such as Brake Shoes, Brake Pads, Brake Linings, Die-Casting for an amount not exceeding Rs. 75 Crores (Rupees Seventy Five Crores) for the Financial Year 2022-23	04.03.2022	No Advance Paid
		Sale of fixed assets & Others	Financial Year 2022-23	Sale of Fixed Assets and other products such as Brake Shoes, Brake Pads, Brake Linings and other consumable products, waste, scrap, etc. for an amount not exceeding Rs. 50 Lacs (Rupees Fifty Lacs) for the Financial Year 2022-23	04.03.2022	No Advance Received
3.	M/s. Effluent Investment and Finance Private Limited (EIPL) Company in which relative of a Director is a Director / Member	Lease Agreement	Running Agreement which is renewed after every 11 months	Lease Agreement for taking on lease the space for business purpose at a monthly rent of Rs.50,000 (Rs. Fifty Thousands only)	04.03.2022	No Advance received
4.	M/s. Allied Comline Limited Subsidiary & Joint Venture Company	Sale Transaction	Financial Year 2022-23	Sale of Products such as Brake Pads etc. for an amount not exceeding Rs. 200 Crores (Rupees Two Hundred Crores) for the Financial Year 2022-23	04.03.2022	No Advance Received
		Purchase Transaction	Financial Year 2022-23	Purchase of Samples and other services, freight etc. for an amounting not Exceeding of Rs. 5 crores (Rupees Five Crores)	04.03.2022	No Advance paid
5.	M/s. Allied JB Friction Pvt. Ltd Associate & Joint Venture Company	Rendering of services	Agreement effective from 28.03.2012 until terminated	Rendering of services i.e. Legal & Secretarial, Finance, IT and other related services for an amount not exceeding Rs. 15 Lacs (Rupees Fifteen lacs) for the Financial Year 2022-23	04.03.2022	No Advance Received
		Rendering of Services	Financial Year 2022-23	Brand Fees for allowing to use the Trade Mark for an amount not exceeding Rs. 15 lacs (Rupees Fifteen Lacs) for the Financial Year 2022-23	04.03.2022	No Advance Received
		Purchase Transaction	Financial Year 2022-23	Purchase of Goods for an amount not exceeding Rs. 75 Lacs (Rupees Seventy Five Lacs) for the Financial Year 2022-23	19.08.2022	No Advance paid

		Sale Transaction	Financial Year 2022-23	Sale of Goods and MEIS License for an amount not exceeding Rs. 1.50 Crore (Rupees One crore Fifty Lacs) for the Financial Year 2022-23	19.08.2022	No Advance Received
6.	M/s. T & T Motors Private Limited Company having Common Directors who holds, along with their relatives, more than 2% paid up share capital of T & T Motors	Purchase of Fixed Assets & Availment of Services	Financial Year 2022-23	Purchase of Fixed Assets and availing of other Services for an amount not exceeding Rs. 2 Crore (Rupees Two Crore) for the Financial Year 2022-23	04.03.2022	No Advance paid
		Sale Transaction	Financial Year 2022-23	Sale of Fixed Assets and availing of other Services for an amount not exceeding Rs. 1 Crore (Rupees One Crore) for the Financial Year 2022-23	04.03.2022	No Advance Received
		Lease Agreement	Running Agreement which is renewed after every 11 months	Lease Agreement for taking on lease office premises at a monthly rent of Rs. 5,000 (Rs. Five Thousand only)	04.03.2022	
7.	M/s. Allied Nippon Components Limited Subsidiary	Space sharing agreement	Running Agreement which is renewed after every 11 months	Space Sharing Agreement for taking on lease the space for business purpose at a monthly rent of Rs. 12,000 (Rs. Twelve Thousand only)	04.03.2022	No Advance paid
3.	M/s. Allied Westlake Private Limited Associate & Joint Venture Company	Sale Transaction	Financial Year 2022-23	Sale of Goods and License for an amount not exceeding Rs. 20 Lacs (Rupees Twenty Lacs) for the Financial Year 2022-23	19.08.2022	No Advance received

For and on behalf of the Board
Allied Nippon Private Limited



RAVI TALWAR
CHAIRMAN

5th September, 2023
Noida

Particulars required by Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 and forming part of the Board's Report

A. Conservation of Energy

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

- Air cooled cooling system installed in place of refrigerant based oil cooling system in 32 stations.
- Modifications have been made to the software of two machines that were previously running continuously, but have now been adjusted to stop the motor at specific intervals. This modification has been implemented for energy conservation, reducing wear and tear on the motor and synchronize the machines' operations with other processes.
- CV lining heat molding machine where the de-gassing time was initially set to 10 seconds, but we managed to reduce it to 2 seconds, thereby decreasing the overall cycle time to 22 seconds.

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

- We are planning to equip our generator sets with a dual fuel kit to enable the use of Piped Natural Gas (PNG) as an alternative fuel source for both units.
- We are using solar power in our plant.
- We employ five heat molding machines equipped with servo AC drives and motors, offering a remarkable 13% energy savings compared to traditional machinery.
- we had also plan to w type heater in rest heat moulding machine.

(iii) Capital investment on energy conservation equipments:- Nil

B. Technology Absorption

(a) Efforts made towards technology absorption

- Developed new grade of car pads formulation CEM131 for Middle East.
- Developed new grade cost effective genuine ceramic car pads formulation CEM132 for domestic and export market.
- Developed new grade Premium HCV linings brake lining formulation BHAF115 for European OE customer.
- Developed new HCV brake lining formulation BHAF114 for domestic after market.
- Developed new 2W brake pad formulation NF12i Advik for Ola electric OE scooter.
- Developed new 2W brake shoe formulation ANL1641 N1 for TVS OE.

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

- Modification of NAM110 car pads formulation for cost reduction and performance enhancement.
- Modification of 2W brake pads formulation for cost reduction in 2W Brake pad in aftermarket to compete with other manufacturers.
- Modification of ANL1643, 3/4 Wheeler brakes lining formulation for Bosch to match aesthetic as per customer requirement.

(c) In case of Imported technology (imported during the last three years reckoned from the beginning of financial year)- No

Details of technology imported	-
Year of import	-
Whether the technology has been fully absorbed	-
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	-

(d) The expenditure incurred on Research & Development: -

C. Foreign exchange earnings and outgo:

	(Rs. In Lacs)	
	2022-23	2021-22
Foreign Exchange Outflows	2,522.52	3,813.40
Foreign Exchange Inflows	15,405.53	17,096.6

For and on behalf of the Board



5th September 2023
Noida

RAVI TALWAR
CHAIRMAN

Annexure-E

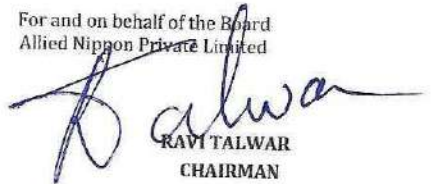
Statement containing particulars of employees as required under Rule 5(2) and Rule 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board Report for the year ended on the 31st March, 2023

Name of the Employee	Designation	Remuneration received p.a.	Qualification	Experience (Yrs.)	Date of Commencement of Employment	Age (Yrs.)	Last Employment held by Employee before joining the Company
I. Employed throughout the Year and in receipt of remuneration not less than Rs. 1,02,00,000/-							
1. Mr. Ravi Talwar	Chairman & Whole Time Director	3,13,29,112	B. Com	47 yrs.	10.03.1998	74 Yrs.	-
2. Mr. Rohan Talwar	Managing Director	2,91,87,988	MBA (Economics & Finance)	19 yrs.	27.06.2008	41 Yrs.	Previously working with HSBC Bank plc, U.K. as an Analyst
II. Employed part of the Year and in receipt of remuneration not less than Rs. 8,50,000/- per month							
			N/A				
III. Employed throughout or part of the Year and in receipt of remuneration excess drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children not less than 2% of the Equity Shares of the Company							
			N/A				

NOTES:-

- 1 Remuneration received includes Salary, House Rent Allowance, Special Allowance, Leave Travel Expenses, Reimbursement of Medical Expenses, Gas, Electricity, Water & Furnishing; Mediclaim Policy, Leave Encashment, Club Fee, Commission.
- 2 Nature of Employment is Contractual. The employees are subject to the rules and regulations of the Company in force from time to time.
- 3 None of the Employee within the meaning of clause (iii) of sub-rule (2) holds any Equity Shares of the Company.
- 4 Mr. Ravi Talwar, Chairman & Whole Time Director of the Company is the father of Mr. Rohan Talwar, Managing Director & Mrs. Rashi Talwar Bhatia, Director of the Company.
- 5 Mr. Rohan Talwar, Managing Director of the Company is the son of Mr. Ravi Talwar, Chairman & Whole Time Director and Brother of Mrs. Rashi Talwar Bhatia, Directors of the Company.

For and on behalf of the Board
Allied Nippon Private Limited


RAVI TALWAR
CHAIRMAN

Date: 5th September 2023
Place: Noida