

July 14, 2023

**DGM – Corporate Relations,
BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code - 500210

**The Listing Department
National Stock Exchange of India Limited**
Exchange Plaza, Plot No. C – 1,
Block G, Bandra – Kurla Complex, Bandra (East),
Mumbai – 400 051
Scrip Symbol – INGERRAND EQ

Dear Sir/Madam,

Subject: Notice of 101st Annual General Meeting and Annual Report 2022-23

In compliance with the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Notice convening the 101st Annual General Meeting (AGM) and Annual Report for the financial year 2022-23 which will be circulated to the shareholders through electronic mode. The 101st AGM will be held on Friday, August 11, 2023 at 12.00 noon IST through Video conferencing (VC) or Other Audio Visual Means (OAVM).

The Notice and the Annual Report will be made available on the Company's website at www.irco.com

You are requested to take the same on record and bring this to the notice of the members accordingly.

Thanking you,

Yours faithfully,
For Ingersoll-Rand (India) Limited

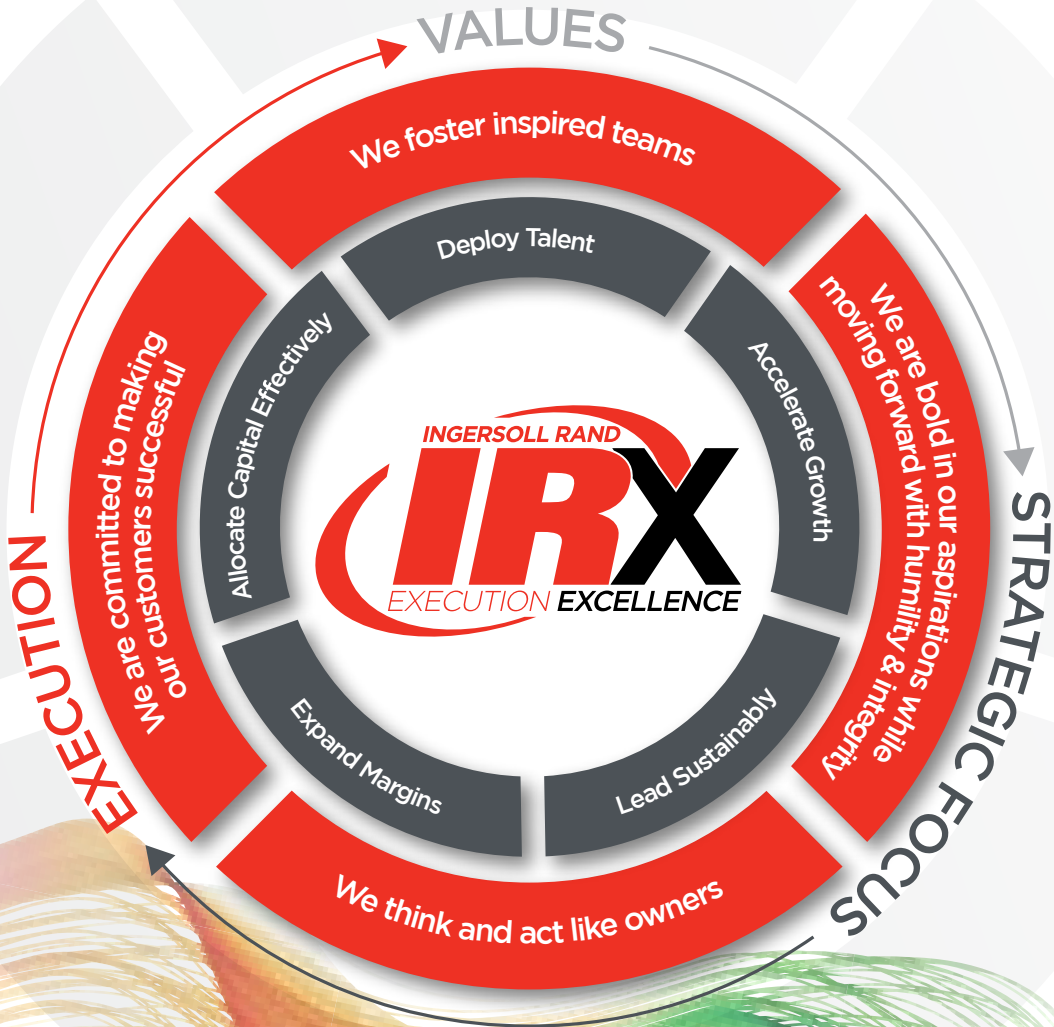
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P. R. SHUBHAKAR
Chief Financial Officer & Company Secretary

cc:
National Securities Depository Limited
Central Depository Services (India) Limited

Fueling Our Performance; Powering Our Purpose.

INGERSOLL-RAND (INDIA) LIMITED
2022-23 ANNUAL REPORT



Ingersoll-Rand (India) Limited

REGISTERED OFFICE & CORPORATE OFFICE

First Floor,
Subramanya Arcade
No. 12/1, Bannerghatta Road,
Bengaluru – 560029
Phone : +91 80 4685 5100
Fax : +91 80 4169 4399
Website : www.irco.com

REGIONAL AND OTHER OFFICES

Ahmedabad-Bengaluru-
Chennai-Gurgaon-Kolkata-
Mumbai-Pune-Secunderabad

MANUFACTURING FACILITY

21-30, G.I.D.C. Estate,
Naroda,
Ahmedabad - 382 330

BOARD OF DIRECTORS

Mr. Sekhar Natarajan	Chairman
Mr. Inder Arora	Executive Director
Mr. P. R. Shubhakar	Chief Financial Officer & Company Secretary
Mr. Naveen Samant	
Ms. Jayantika Dave	
Ms. Vijaya Sampath	

AUDITORS

Deloitte Haskins & Sells
Chartered Accountants

SOLICITORS

Krishnamurthy & Co.
Bengaluru

BANKERS

Bank of America	Bank of India
Citibank N. A.	Central Bank of India
Standard Chartered Bank	

REGISTRAR AND SHARE TRANSFER AGENTS

TSR Consultants Private Limited
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai 400 083.

Highlights of the Year

	2022-23		2021-22	
Domestic Sales	Rs.	79,816.00 lakhs	Rs.	65,135.91 lakhs
Export Sales	Rs.	26,210.84 lakhs	Rs.	18,660.86 lakhs
Sale of Services	Rs.	7,051.40 lakhs	Rs.	5,893.77 lakhs
Other Revenue from Operations	Rs.	2,000.93 lakhs	Rs.	1,301.39 lakhs
Total Revenue from Operations	Rs.	115,079.17 lakhs	Rs.	90,991.93 lakhs
Profit before tax	Rs.	24,629.90 lakhs	Rs.	14,835.43 lakhs
As a % of revenue from operations		21.40		16.30
Total Comprehensive Income	Rs.	18,269.53 lakhs	Rs.	11,437.80 lakhs
As a % of revenue from operations		15.88		12.57
Return on total resources (%)		21.27		13.68
Net worth per share	Rs.	183.11	Rs.	174.82
Earnings per share	Rs.	57.86	Rs.	34.89
Price earnings ratio*		46.27 times		50.09 times
Dividend per share for the year	Rs.	50.00	Rs.	20.00
Dividend Cover		1.16 times		1.7 times
Net revenue from operations/total assets		1.3 times		1.1 times
Total Comprehensive Income/gross fixed assets (%)		101.12		66.95
No. of employees		535		536
No. of shareholders		34,703		33,568

*Basis 52 weeks High Price on BSE – Refer Sl. No.19 of "Ten Years at a Glance" on page no.108

Distribution Schedule Of Shareholdings

	Number of Shares	Percentage(%)
Promoter & Promoter Group	2,36,76,000	75.00%
Institutional Investors (Includes Govt. sponsored Financial Institutions/ FII/Nationalized & other Banks/Mutual Funds)	21,64,037	6.86%
Bodies Corporate & Trusts	12,63,961	4.00%
Directors and their relatives	100	0.00%
Others	44,63,902	14.14%
Total	3,15,68,000	100.00%

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Notice

Notice is hereby given that the 101st Annual General Meeting of Ingersoll – Rand (India) Limited (the “Company”) will be held on Friday, August 11, 2023 at 12.00 noon (IST) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) facility without the physical presence of the Members at a common venue in conformity with the regulatory provisions and the Circulars issued by Ministry of Corporate Affairs, Government of India to transact the businesses mentioned below.

The proceedings of the Annual General Meeting (AGM) shall be deemed to be conducted at the Registered Office of the Company situated at First Floor, Subramanya Arcade, No. 12/1, Bannerghatta Road, Bengaluru 560 029 which shall be the deemed venue of the AGM.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2023 and Statement of Profit and Loss for the financial year ended on March 31, 2023 together with the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend of Rs. 20 per equity share of Rs. 10 each for the financial year ended on March 31, 2023.
3. To appoint a Director in place of Mr. Naveen Samant (DIN: 05127077), who retires by rotation and, being eligible, offers himself for reappointment.

To consider, and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT Mr. Naveen Samant (DIN: 05127077), who retires by rotation, pursuant to Article 131 of the Articles of Association of the Company and Section 152 of the Companies Act, 2013, and being eligible for reappointment, be and is hereby reappointed as a Non-Executive Director, who is liable to retire by rotation.

SPECIAL BUSINESS

4. To re-appoint Ms. Jayantika Dave (DIN: 01585850) as an Independent Director of the Company.

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 (“Act”) read with Schedule IV and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable Regulations

of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Jayantika Dave (DIN: 01585850), who was appointed as an Independent Director of the Company for a term of 5 years at the 97th Annual General Meeting for a term up to March 27, 2024 by the Members and who has submitted a declaration under Section 149 (6) of the Act and being eligible for reappointment, and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of a Director be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from March 28, 2024 to March 27, 2029 (both days inclusive).

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other Officer(s) / Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

5. To re-appoint Ms. Vijaya Sampath (DIN: 00641110) as an Independent Director of the Company.

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 (“Act”) read with Schedule IV and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Vijaya Sampath (DIN: 00641110), who was appointed as an Independent Director of the Company for a term of 5 years at the 97th Annual General Meeting for a term up to March 26, 2024 by the Members and who has submitted a declaration under Section 149 (6) of the Act and being eligible for reappointment, and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of a Director be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five)

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consecutive years commencing from March 27, 2024 to March 26, 2029 (both days inclusive).

RESOLVED FURTHER THAT pursuant to applicable provisions of the Act and rules made thereunder including any statutory modification (s) or re-enactment thereof and pursuant to provisions of Regulation 17 (1A) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, approval of members be and is hereby accorded for continuation of the Directorship of Ms. Vijaya Sampath (DIN: 00641110), as an Independent Director until the end of aforesaid tenure i.e. up to March 26, 2029 not withstanding that on May 26, 2028 she attains the age of 75 years.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other Officer(s) / Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

6. To ratify the remuneration to the Cost Auditors of the Company for Financial Year 2023 - 24

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

RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Ashish Bhavsar & Associates, Cost Accountants (Firm Registration Number 000387) appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of cost accounting records of the Company for the financial year ending March 31, 2024 be paid a remuneration of Rs. 2,75,000/- (Rupees two lakh seventy five thousand only) excluding applicable taxes and reimbursement of out of pocket expenses actually incurred during the course of audit.

RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof) be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of implementing and giving effect to this resolution.

NOTES

1. The Ministry of Corporate Affairs ("MCA") vide its Circular December 28, 2022 ("MCA Circular") and SEBI vide its Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 5, 2023 has permitted the holding of the Annual General Meeting ("AGM") through Video Conference/Other Audio Visual Means, without the physical presence of the Members at a common venue. Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circular issued by MCA and SEBI, 101st AGM of the Company is being conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM).
2. National Securities Depository Limited (NSDL) shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the AGM through VC/OAVM is explained in subsequent paragraphs below. Participation at the AGM through VC/OAVM shall be allowed on a first-come-first-served basis.
3. Pursuant to MCA Circular mentioned above, the Members will not be allowed to attend the AGM in person, and attendance of Members through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013 (the "Act").
4. **IN TERMS OF THE MCA CIRCULAR, THE AGM IS BEING HELD THROUGH VC/OAVM AND PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE CONVENING THE 101ST AGM OF THE COMPANY (THE NOTICE).**
5. However, in pursuance of Section 113 of the Act and Rules framed thereunder, corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-voting or for the participation and e-voting during the AGM, through VC/OAVM. Institutional shareholders (other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Power of Attorney / appropriate Authorization Letter with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at nateshcs@gmail.com with a copy marked to evoting@irco.com

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6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent. In case of Joint-holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to e-vote during the AGM.
7. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
8. An Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, setting out the material facts in respect of Item Nos. 4, 5 and 6 above and the relevant details of the Directors seeking reappointment as required under Regulation 26 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India is annexed hereto.
9. In compliance with the MCA Circular, the Notice calling the AGM and the Annual Report of the Company containing the Financial Statements including Board’s Report, Auditors Report and other documents for the financial year ended March 31, 2023, is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agents (the RTA), i.e. TSR Consultants Private Limited (TCPL) or the Depository Participant(s).
10. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company or RTA in case the shares are held by them in physical form. The Notice and the Annual Report for the financial year ended March 31, 2023 shall be available on the websites of the Company viz. www.irco.com and of the Stock Exchanges where Equity Shares of the Company are listed. The Notice shall be available on the e-Voting website of the agency engaged for providing e-Voting facility i.e., National Securities and Depository Limited (NSDL) viz. <https://www.evoting.nsdl.com>
11. As per Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for the ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company’s Registrars and Transfer Agents, TSR Consultants Private Limited in this regard.
12. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date on August 4, 2023.
13. A person whose name is recorded in the Register of Members or in the beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or e-voting at the AGM.
14. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
15. Any person who acquires shares of the Company and becomes a member of the Company after dispatch of Notice of the AGM and holds shares as on the cut-off date i.e. August 4, 2023 may obtain a User ID and Password by sending a request at evoting@nsdl.co.in
16. Only those Members who are present in the AGM through VC/OAVM facility and have not cast their votes on resolutions through remote e-Voting and are otherwise not barred from doing so, shall be allowed to vote through e-Voting system during the AGM. However, Members who would have cast their votes by remote e-Voting may attend the Meeting, but shall neither be allowed to change the votes already cast nor cast votes again during the Meeting and accordingly, their presence shall be counted for the purpose of quorum under Section 103 of the Act.
17. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-Voting user manual for Members available at Downloads section of www.evoting@nsdl.com
18. Members holding shares in physical mode or whose e-mail addresses are not registered, may cast their votes through e-Voting system, after registering their e-mail addresses by sending the following documents to the Company’s RTA:
 - (i) Scanned copy of signed request letter, mentioning

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the name, folio number/demat account details & number of shares held and complete postal address;

- (ii) Self-attested scanned copy of PAN card; and
- (iii) Self-attested scanned copy of any document (such as AADHAR card / latest electricity bill / latest telephone bill / driving license / passport / voter ID card / bank passbook) in support of the postal address of the Member as registered against their shareholding.

Members who hold shares in physical mode and already having valid e-mail addresses registered with the Company/RTA need not take any further action in this regard.

19. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to Company's Registrar and Share Transfer Agents at the earliest.
20. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agents of the Company.
21. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in dematerialized form may file nomination in the prescribed Form SH-13 (in duplicate) with the respective DPs and in respect of shares held in physical form, such nomination may be filed with the Company's Registrar and Share Transfer Agents.
22. Procedure to raise Questions / seek Clarifications
 - (i) As the AGM is being conducted through VC/OAVM, the Members are encouraged to express their views / send their queries well in advance for smooth conduct of the AGM not later than 5.00 PM (IST) August 9, 2023 mentioning their names, folio numbers / demat account numbers, e-mail addresses at Pramod.hegde@irco.com and only such questions/queries received by the Company till the said date and time shall be considered and responded during the AGM.
 - (ii) Members willing to express their views or ask questions during the AGM are required to register themselves as speakers by sending their requests from Tuesday, August 1, 2023 (9.00 AM IST) to Thursday, August 10, 2023 (5.00 PM IST) at Pramod.hegde@irco.com from their registered e-mail addresses mentioning their names, folio numbers / demat account numbers, PAN details and mobile numbers. Only those members who have registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Chairman of the Meeting / the Company reserves the right to restrict the number of questions, time allotted and number of speakers to ensure smooth conduct of AGM.
23. The Register of Members and the Share Transfer Books of the Company will remain closed from, July 18, 2023 to July 20, 2023 both days inclusive, for the purpose of payment of dividend, if declared at this AGM.
24. The Dividend on Equity Shares as recommended by the Board of Directors for the financial year ended on March 31, 2023, if declared at this AGM, will be paid :
 - (i) in respect of shares held in electronic form on the basis of beneficial ownership as per details furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL), as at the end of business on July 17, 2023;
 - (ii) in respect of shares held in physical form to those Members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers lodged with the Registrars and Share Transfer Agents on or before July 17, 2023. The Company will dispatch the demand drafts towards dividend on August 21, 2023 onwards;
25. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends. Bank account details given by Members to their Depository Participant(s) (DPs) and passed on to the Company by such DPs would be printed on the demand drafts of the concerned Members. Members who hold shares in dematerialized form must, therefore, give instructions regarding their bank account details to their DPs. The Company will not act on any request received directly from Members for changes in their bank account details. Further, instructions, if any, given by Members for shares held in physical form will not be applicable to the dividend paid on shares held in electronic form.
26. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct income tax at source from dividend paid to shareholders at the

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prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/TSR Consultants Private Limited (in case of shares held in physical mode) and with their respective depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source, by email to Pramod.hegde@irco.com by 11:59 p.m. IST on July 25, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Shareholders should consult their tax advisors for the applicable tax provisions.

27. For withholding of taxes as mentioned above, the residential status of the shareholders will be considered as per the data available with the Company/RTA/the Depository Participants (the "DPs"). In case there is change in their status, then the shareholders are requested to update their current status with the Company/RTA/the DPs at the earliest.
28. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document that may be required to avail the tax treaty benefits by sending an email to Pramod.hegde@irco.com. The previously mentioned declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on July 25, 2023.
29. If the tax on said Dividend is deducted at a higher rate in absence of receipt of or satisfactory completeness of the aforementioned details/documents, the shareholder may claim an appropriate refund in the Return of Income filed with their respective Tax authorities, if eligible. No claim shall lie against the Company for such taxes deducted. The Company will comply with TDS compliances prescribed. The Company will arrange to e-mail soft copy of the TDS certificate at the members registered email id in due course, post payment of said dividend. Members will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their income tax e-filing account.
30. Transfer of Unclaimed or Unpaid dividend to the Investor Education and Protection Fund (IEPF)
 - (i) Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection

Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven (7) years. Further according to the Act and IEPF Rules, shares in respect of which dividend has not been paid or claimed by the shareholders for seven (7) consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Accordingly, the Company would be transferring the unpaid or unclaimed dividend as below:

Particulars	Due Date of Transfer to IEPF Account	Last Date for payment to investors
Final Dividend for the financial year 2015-16	August 31, 2023	July 31, 2023
Interim Dividend for the financial year 2016-17	December 25, 2023	November 25, 2023

- (ii) Members are requested to ensure that they claim the dividends relating to above financial year(s) before these are transferred to the said IEPF. Members are requested to make their claims to the Company / Registrar and Share Transfer Agents immediately. Members are also requested to furnish Bank Account No., name of the Bank, Branch, IFSC Code and Place with PIN Code No. where the account is maintained to prevent fraudulent encashment of demand drafts.
- (iii) During the financial year 2022-23, the Company has transferred unclaimed dividend and the corresponding shares thereto to IEPF as follows:

Particulars	Amount of dividend in Rupees	No. of equity shares
Final dividend for the financial year 2014-15	307,536	2,602
Interim dividend for the financial year 2015-16	329,565	302
- (iv) The dividend and shares transferred to the IEPF can be claimed by the shareholders from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.
- (v) Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed Dividend amounts

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lying with the Company as on August 10, 2022 (date of last Annual General Meeting) on the website of the Company <https://www.irco.com> and also on the website of Ministry of Corporate Affairs

INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE AGM THROUGH VIDEO CONFERENCE / OTHER AUDIO-VISUAL MEANS

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVEN of Company, i.e. 124433 will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Facility of joining the AGM through VC/ OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
3. The facility for joining the AGM shall close at the expiry of 15 minutes after the scheduled time or once the capacity is filled, whichever is earlier.
4. Members are encouraged to join the Meeting through Laptops for better experience
5. Please note that members/shareholders participating from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

E-VOTING

In terms of the provisions of Section 108 and 109 of the Companies Act, 2013 (the Act) read with Rule 20 and 21 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this Section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system to members holding shares as on August 4, 2023 (End of Day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the e-voting process both remote e voting and e voting during e-AGM.

In accordance with the MCA Circular, the Members are requested to take note of the following:

Process for procuring user ID and password for e-voting for those shareholders whose email IDs are not registered with the depositories / Company.

1. Shareholders may send a request to evoting@nsdl.co.in for procuring user ID and password for e-voting.
2. If shares are held in physical mode, please provide Folio Number, name of Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card).
3. In case shares are held in demat mode, please provide DP ID and Client ID (16-digit DP ID + Client ID or 16-digit beneficiary ID), name of Member, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card).
4. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e., Login method for e-voting and voting during the meeting for individual shareholders holding securities in demat mode.

Members holding shares of the Company in electronic form can verify/update their email address and mobile number with their respective Depository Participants ("DPs").

Process for registering e-mail addresses to receive this Notice electronically and cast votes electronically:

The Company has made special arrangements with TCPL for registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/DPs are required to provide the same to TCPL on or before 5.00 p.m. (IST) on Friday, August 4, 2023.

Process to be followed for registration of e-mail address is as follows:

- a. Visit the link https://tcpl.linkintime.co.in/EmailReg/Email_Register.html
- b. Select the Name of the Company from dropdown
- c. Enter the Folio No./DP ID, Client ID, Shareholder Name, PAN details, Mobile no. and E-mail id. Shareholders holding shares in physical form are required to additionally enter one of their share certificate numbers.

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- d. System will send OTP on mobile no and email id.
- e. Enter OTP received on mobile no and email id.
- f. The system will then confirm the e-mail address for the limited purpose of service of Notice of AGM and Annual Report 2022-23.

The above system also provides a facility to the Members holding shares in physical form to upload a self-attested copy of their PAN Card, if the PAN details are not updated in accordance with the requirements prescribed by SEBI.

After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Annual Report for FY 2022-23 along with the e-Voting user ID and password. In case of any queries, Members may write to evoting@nsdl.co.in.

Alternatively, Members may send an email request to csg-unit@tcplindia.co.in along with the scanned copy of their request letter duly filled and signed by the Member (first member if held jointly), providing

the email address, mobile number, self-attested copy of PAN and client master copy in case shares are held in electronic form or copy of the share certificate in case shares are held in physical form, to enable RTA to temporarily register their email address and mobile number.

However, Members holding shares in electronic form will have to once again register their email address and mobile number with their DPs, to permanently update the said information.

In case of any queries, in this regard, Members are requested to write to TCPL at csg-unit@tcplindia.co.in or contact RTA at +91 810 811 8484

Those Members who have already registered their e-mail address are requested to keep their e-mail addresses validated with their DP/Company's RTA to enable servicing of notices / documents / Annual Reports etc. electronically to their e-mail address. Members may follow the process detailed below for registration of email ID:

Type of Holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, TSR Consultants Private Limited either by email to csg-unit@tcplindia.co.in or by post to C101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR – 1
	Update of signature of securities holder	Form ISR – 2
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
	Declaration to opt out	Form ISR – 3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds etc., held in physical form	ISR – 4
	The forms for updating the above details are available https://www.tcplindia.co.in → Investor Services → Downloads → Forms → Formats for KYC.	
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

1. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities and linking PAN with Aadhaar. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's registrars TSR Consultants Private Limited at <https://www.tcplindia.co.in> → Investor Services → Downloads → Forms → Formats for KYC. The forms for updating the same are available.
2. Members holding shares in electronic form are therefore, requested to submit their PAN to their depository participant(s). In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date June 30, 2023, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive

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payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on **April 1, 2025**, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

The instructions for e-voting are as follows:

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

Step 1: Access to the NSDL e-voting system

Step 2: Cast your vote electronically on NSDL e-voting system.

Step 1: Access to the NSDL e-voting system

Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Members whose email IDs are registered with the Company/Depository Participants (s), will receive an email from NSDL which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- A. Launch internet browser by typing the URL: <https://www.evoting.nsdl.com>
- B. Click on shareholder login
- C. Put user ID and password as initial password/ PIN noted in step (i) above. Click Login.

User - ID for Members holding shares in Demat Form:

- For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
- For CDSL: 16 digits beneficiary ID.

Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.


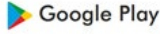


- D. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password.
- E. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.

- F. Login again with the new credentials.
- G. On successful login, the system will prompt you to select the "EVEN" i.e., "124433"
- H. Now you are ready for e-Voting as Cast Vote Page opens.
- I. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off date under "FOR /AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together shall not exceed your total shareholding as mentioned above. If the member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- J. Members holding multiple folios may choose to vote differently for each folio / demat account.
- K. Upon confirmation, the message "Vote cast successfully" will be displayed.
- L. Once you have voted on the resolution, you will not be allowed to modify your vote.
- M. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- N. Members can cast their vote online from 9.00 A.M. (IST) on August 8, 2023 to 5.00 P.M. (IST) on August 10, 2023.
- O. Institutional holders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to nateshcs@gmail.com with a copy marked to evoting@nsdl.co.in
- P. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of evoting@nsdl.com of NSDL or can be addressed to Ms. Sarita Mote, Assistant Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. E-mail: evoting@nsdl.co.in, Toll Free No. 022-4886 7000 and 022-2499 7000

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(A) Login method for e-voting and voting for individual shareholders holding securities in demat mode

In terms of the SEBI circular dated December 9, 2020 on the e-voting facility provided by listed companies and as part of increasing the efficiency of the voting process, the e-voting process has been enabled to all individual shareholders holding securities in demat mode to vote through their demat account maintained with depositories and depository participants. Shareholders are advised to update their mobile number and email ID in their demat accounts to access e-voting facility

Type of Shareholders	Login method
Individual shareholders holding securities in demat mode with NSDL	<p>I. NSDL IDeAS Facility</p> <p>If you are already registered for the NSDL IDeAS facility,</p> <ol style="list-style-type: none"> 1. Please visit the e-Services website of NSDL. Open the web browser by typing the following URL: https://eservices.nsdl.com/ either on a personal computer or mobile phone. 2. Once the homepage of e-Services is launched, click on the “Beneficial Owner” icon under “Login”, available under the “IDeAS” section. 3. A new screen will open. You will have to enter your user ID and password. After successful authentication, you will be able to see e-voting services. 4. Click on “Access to e-voting” under e-voting services and you will be able to see the e-voting page. 5. Click on options available against company name or e-voting service provider – NSDL and you will be redirected to the NSDL e-voting website for casting your vote during the e-voting period <p>If the user is not registered for IDeAS e-Services,</p> <ol style="list-style-type: none"> 1. The option to register is available at https://eservices.nsdl.com. 2. Select “Register Online for IDeAS” or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Upon successful registration, please follow steps given in points 1-5 above. <p>II. E-voting website of NSDL</p> <ol style="list-style-type: none"> 1. Visit the e-voting website of NSDL. Open web browser by typing the following https://www.evoting.nsdl.com/ either on a personal computer or mobile phone. 2. Once the homepage of e-voting system is launched, click on the “Login” icon, available under the “Shareholder / Member” section. 3. A new screen will open. You will have to enter your User ID (i.e. your 16-digit demat account number held with NSDL), Password / OTP and a verification code as shown on the screen. 4. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see the e-voting page. Click on options available against company name or e-voting service provider – NSDL and you will be redirected to the e-voting website of NSDL for casting your vote during the e-voting period. 5. Shareholders / Members can also download NSDL Mobile App ‘NSDL Speede’ facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>

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Type of Shareholders	Login method
Individual shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the e-voting period. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. 3. If the user is not registered for Easi / Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual shareholders (holding securities in demat mode) logging in through their depository participants	<ol style="list-style-type: none"> 1. You can also log in using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for the e-voting facility. 2. Once logged in, you will be able to see the e-voting option. Once you click on the e-voting option, you will be redirected to the NSDL / CDSL depository site after successful authentication, wherein you can see the e-voting feature. 3. Click on the options available against company name or e-voting service provider-NSDL and you will be redirected to the e-voting website of NSDL for casting your vote during the e-voting period

Important note: Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" and "Forgot Password" options available on the above-mentioned website.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through depository i.e. NSDL and CDSL:

Login Type	Helpdesk Details
Individual shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call the number: 022 - 4886 7000 and 022 - 2499 7000
Individual shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free number: 1800 22 55 33

(B) Login method for e-voting other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode

1. Visit the e-voting website of NSDL. Open the web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile phone.

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2. Once the homepage of the e-voting system is launched, click on the icon 'Login', available under 'Shareholder / Member'.
3. A new screen will open. You will have to enter your User ID, Password / OTP and a verification code as shown on the screen.
4. Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log in at <https://eservices.nSDL.com/> with your existing IDeAS login. Once you log in to NSDL e-services using your login credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically on NSDL e-voting system.
5. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
(a) For Members who hold shares in demat account with NSDL	8-character DP ID followed by 8-digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****.
(b) For Members who hold shares in demat account with CDSL	16-digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your User ID is 12*****.
(c) For Members holding shares in physical form	EVEN Number followed by Folio Number registered with the Company For example, if your Folio Number is 001*** and EVEN is 124433, then your User ID is 124433001***.

6. Password details for shareholders other than individual shareholders are given below:
 - (a) If you are already registered for e-voting, then you can use your existing password to log in and cast your vote.
 - (b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' for the system to prompt you to change your password.
 - (c) How to retrieve your 'initial password'?
If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID by NSDL. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit Client ID for your NSDL account, or the last 8 digits of your Client ID for CDSL account, or Folio Number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (b) Physical User Reset Password? (If you hold shares in physical mode) option available on www.evoting.nSDL.com.
 - (c) If you are still unable to get the password by the above two options, you can send a request to evoting@nSDL.co.in mentioning your demat account number / Folio Number, your PAN, your name and your registered address.
 - (d) Members can also use the OTP (One Time Password)-based login for casting their vote on the e-voting system of NSDL.
 7. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
 - (a) Click on 'Forgot User Details / Password' (If you hold shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
 8. After entering your password, tick on "Agree with Terms and Conditions" by selecting on the check box.
 9. Now, you will have to click on the 'Login' button.
 10. After you click on the 'Login' button, the homepage of e-voting will open.
- Step 2: Cast your vote electronically on NSDL e-voting system.**
1. After successfully logging in following Step 1, you will be able to see the EVEN of all companies in which you hold shares and whose voting cycle is in active status.
 2. Select the EVEN of Ingersoll-Rand (India) Limited, which is 124433.
 3. Now you are ready for e-voting as the voting page opens.
 4. Cast your vote by selecting the appropriate options i.e., assent or dissent, verify / modify the number of shares

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for which you wish to cast your vote and click on the 'Submit' and 'Confirm' buttons when prompted.

5. Upon confirmation, the message, 'Vote cast successfully', will be displayed.
 6. You can also take a printout of the votes cast by you by clicking on the 'Print' option on the confirmation page.
 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
3. The Scrutinizer shall, within a period not exceeding 48 hours from the conclusion of the Annual General Meeting unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report containing the details with respect to votes cast in favour, against, neutral/abstained, shall submit the Report to the Chairman/CFO of the Company.
 4. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.irco.com and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results will also be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
 5. All documents referred to in this Notice and accompanying explanatory statement are open for inspection at the registered office of the Company on all working days of the company between 10.00 am IST and 1.00 pm IST up to the date of the AGM and at the deemed venue of the AGM for the duration of this AGM.

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

1. The e-voting window shall be activated upon instructions of the Chairman during the e-AGM.
2. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting
3. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM
4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
5. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting

GENERAL INSTRUCTIONS:

1. Members holding shares either in demat or physical mode who are in receipt of Notice, may cast their votes through e-voting.
2. The Board has appointed Mr. K. Natesh, Practicing Company Secretary, as the Scrutinizer to scrutinize the remote e-Voting process and also e-Voting during the AGM in a fair and transparent manner.

By Order of the Board of Directors,
For **INGERSOLL – RAND (INDIA) LIMITED**

P. R. SHUBHAKAR
Chief Financial Officer & Company Secretary

Bengaluru, May 25, 2023

Registered Office:
First Floor, Subramanya Arcade,
No. 12/1, Bannerghatta Road,
Bengaluru – 560 029
CIN: L05190KA1921PLC036321
Website: www.irco.com

Annexure to the Notice

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 (“the Act”)

Item No. 4

Ms. Jayantika Dave (DIN: 01585850) was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 by the shareholders of the company at Ninety-Seventh Annual General Meeting of the Company held on August 29, 2019 for a period of five years from March 28, 2019. She holds office as an Independent Director of the Company up to March 27, 2024 (“first term” in line with the explanation to Sections 149(10) and 149(11) of the Act).

The Board of Directors (“the Board”) at the meeting held on May 25, 2023 upon recommendation of the Nomination and Remuneration Committee, based on her skills, experience, knowledge and report of her performance appraisal and subject to the approval of the members on passing a special resolution at this general meeting, has recommended for the approval of the members, the re-appointment of Ms. Jayantika Dave (DIN: 01585850) as an Independent Director of the Company for a second and final term of five years effective March 28, 2024.

- Ms. Jayantika Dave (“Jayantika”) is a Post Graduate in Management (HR & Marketing) from Delhi University.
- She is a certified Executive Coach from ICF, a certified assessor for Intercultural Development Inventory (IDI), for Myers Briggs Type Indicator (MBTI), and for Personality & Profiles Inventory (PAPI).
- She has more than three decades of experience in various capacities in Human Resources functions with different IT and Technology firms.
- She served as Director, Human Resources, Agilent Technologies Private Limited and as Vice President – Human Resources at Ingersoll Rand group in India till January 31, 2015.
- She was Non-Executive and Non-Independent Director of the Company from September 12, 2014 until her appointment as Independent Director effective March 28, 2019.

She is also a member of Audit Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee of the Company. She is also Chairperson of the Nomination and Remuneration Committee of the Board.

Ms. Jayantika is also an Independent Director on the Board of MPS Limited

Ms. Jayantika will complete one term of five years as an independent director on March 27, 2024 and is eligible for reappointment. The Company has received a declaration from Ms. Jayantika that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Ms. Jayantika is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director. In the opinion of the Board, Ms. Jayantika fulfills the conditions for re-appointment as an Independent Director specified in the Act and rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Section 149 (10) of the Act provides that an independent director shall be eligible to be re-appointed on passing of a special resolution by the Company. If reappointed, this would be her consecutive second term as independent director of the Company, which is within the permissible limits under the Section 149(10) and 149 (11) of the Act. Consent of the members by way of Special Resolution is required for re-appointment of Ms. Jayantika Dave in terms of Section 149 of the Act.

The Board considers that her association would be of immense benefit to the Company as it has been beneficial in the past and it is desirable to avail services of Ms. Jayantika Dave as an Independent Director. Accordingly, the Board recommends the special resolution at Item No. 4 of the Notice in relation to reappointment of Ms. Jayantika Dave as an Independent Director for the approval by the Members of the Company.

A copy of the draft letter for re-appointment of Ms. Jayantika Dave as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the Company upto the date of the Annual General Meeting.

Ms. Jayantika Dave is not related to any other Director and Key Managerial Personal of the Company. Except Ms. Jayantika Dave, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Item No.5

Ms. Vijaya Sampath (DIN: 00641110) was appointed as an Independent Director on the Board of the Company pursuant

Annexure to the Notice

to the provisions of Section 149 of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 by the shareholders of the company at Ninety-Seventh Annual General Meeting of the Company held on August 29, 2019 for a period of five years from March 27, 2019. She holds office as an Independent Director of the Company up to March 26, 2024 (“first term” in line with the explanation to Sections 149(10) and 149(11) of the Act).

The Board of Directors (“the Board”) at the meeting held on May 25, 2023 upon recommendation of the Nomination and Remuneration Committee, based on her skills, experience, knowledge and report of her performance appraisal and subject to the approval of the members on passing a special resolution at this general meeting, has recommended for the approval of the members, the re-appointment of Ms. Vijaya Sampath (DIN: 00641110) as an Independent Director of the Company for a second and final term of five years effective March 27, 2024.

- Ms. Vijaya Sampath (“Vijaya”) is a lawyer with over 35 years of experience in legal, secretarial and corporate compliances.
- Ms. Vijaya is graduate in English Literature from Madras University in 1972 and holds Degree in law from Mysore University with university rank in the year 1975. She is fellow member of Institute of Company Secretaries of India. She has attended the Advanced Management Program in Harvard Business School and the Strategic Alliance Program conducted by the Wharton Business School.
- Ms. Vijaya started her career with the NICCO group, Kolkata. In 1985, she joined to Duncan (GP Goenka) group and returned for a second stint in each of these groups from 1988 until December 1993. In the year 1994, she joined Indian Aluminum Company (a subsidiary of the erstwhile Fortune 100 Alcan Aluminum) initially as VP, Legal & Company Secretary and was appointed as director on the Board in the year 2000. She was also nominated as director on Utkal Aluminum International, a joint venture with Norsk Hydro, Tatas, Indian Aluminum and Alcan for setting up a million tonne aluminum refinery in Orissa.
- Ms. Vijaya joined J Sagar Associates in the year 2000, as partner in Delhi. She has led a large team of their in-house legal experts and successfully completed complex joint ventures, cross border acquisitions, PE investments and international commercial arrangements.
- In January 2004, Ms. Vijaya joined Bharti Airtel Group as global Group General Counsel and Company Secretary.

She has successfully handled legal, secretarial, corporate and regulatory compliances with high standard of transparency and governance of entire group until her retirement in March 2012. Later, she was Senior Partner in corporate law practice of Lakshmi Kumaran & Sridharan, Law firm till August 2017.

- She is also a member of Audit Committee of the Company.

Ms. Vijaya Sampath is also an Independent Director on the Board of following companies:

- o Safari Industries (India) Limited
- o Varroc Engineering Limited
- o Craftsman Automation Limited
- o Intellect Design Arena Limited
- o VA Tech Wabag Limited
- o Mankind Pharma Limited

Ms. Vijaya Sampath will complete one term of five years as an independent director on March 26, 2024 and is eligible for reappointment. The Company has received a declaration from Ms. Vijaya Sampath that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Ms. Vijaya Sampath is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director. In the opinion of the Board, Ms. Vijaya Sampath fulfills the conditions for reappointment as an Independent Director specified in the Act and rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the management.

Section 149 (10) of the Act provides that an independent director shall be eligible to be reappointed on passing of a special resolution by the Company. If re-appointed, this would be her consecutive second term as independent director of the Company, which is within the permissible limits under the Section 149(10) and 149 (11) of the Act. Consent of the members by way of Special Resolution is required for re-appointment of Ms. Vijaya Sampath in terms of Section 149 of the Act.

Ms. Vijaya Sampath turns 75 years of age on May 26, 2028. In accordance with Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval from the members by way of Special Resolution is pre-requisite to appoint or continue a director who has attained age of 75 years. This second

Annexure to the Notice

term of her appointment as an independent director ends on March 26, 2029 i.e., after her attainment of 75 years of age. Accordingly, her continuation of Directorship as an Independent Director, with effect from May 27, 2028 till the expiry of her tenure i.e. March 26, 2029 requires the approval of members by way of special resolution.

The Board considers that her association would be of immense benefit to the Company as it has been beneficial in the past and it is desirable to avail services of Ms. Vijaya Sampath as an Independent Director. Accordingly, the Board recommends the special resolution at Item No. 5 of the Notice in relation to reappointment of Ms. Vijaya Sampath as an Independent Director for the approval by the Members of the Company.

A copy of the draft letter for re-appointment of Ms. Vijaya Sampath as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the Company upto the date of the Annual General Meeting.

Ms. Vijaya Sampath is not related to any other Director and Key Managerial Personal of the Company. Except Ms. Vijaya Sampath, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Item No.6

The Board of Directors of the Company (the 'Board'), on the recommendation of the Audit Committee, has approved the appointment of M/s. Ashish Bhavsar & Associates, Cost Accountants (Firm Registration Number 000387), as Cost Auditor to conduct the audit of the cost records of the Company as per the Companies (Cost Records and Audit) Rules, 2014 for the financial year ending on March 31, 2024. M/s. Ashish Bhavsar & Associates, Cost Accountants, have submitted a letter confirming their eligibility for appointment as cost auditor.

The Board has, subject to the approval by the Members at this Annual General Meeting, determined the remuneration of the cost auditor at Rs. 2,75,000/- excluding reimbursement of out of pocket expenses actually incurred by them in connection with the cost audit and applicable taxes.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditor is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought as referred to in the resolution at Item No. 6 of the Notice for the payment of remuneration amounting to Rs.2,75,000/- excluding applicable taxes and out of pocket expenses for the financial year ending on March 31, 2024.

None of the Directors or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, interested or concerned, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set forth at Item No. 6 of the Notice for approval by the Members.

By Order of the Board of Directors,
For **INGERSOLL – RAND (INDIA) LIMITED**

P. R. SHUBHAKAR
Chief Financial Officer & Company Secretary

Bengaluru, May 25, 2023

Registered Office:
First Floor, Subramanya Arcade,
No. 12/1, Bannerghatta Road,
Bengaluru – 560 029
CIN: L05190KA1921PLC036321
Website: www.irco.com

Annexure to the Notice

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

[PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

1.	Name of the Director	Mr. Naveen Samant
	Director Identification Number	05127077
	Date of Birth / Age	December 15, 1977 / 45 years
	Date of appointment as Director	February 10, 2020
	Qualification	Master degree in International Commercial Law from Cardiff University, United Kingdom
	Brief profile and nature of expertise in specific functional areas	<ul style="list-style-type: none"> Mr. Naveen is a qualified lawyer and has professional experience of over 20 years in legal vertical. Mr. Naveen started his career as an Associate with Dua Associates, Bengaluru, in the year 2001. After completing his masters in UK in 2005, he joined Dell International Services as UK/India Legal Adviser. In the year 2007, he joined Subex Limited in Bengaluru as Sr. Legal Counsel, EMEA and joined Ingersoll Rand Group in the year 2010 as Legal Counsel for India operations. Mr. Naveen has extensive knowledge and experience in the areas of Corporate and Commercial Laws, Litigations, Mergers & Acquisitions, Commercial Contracts, Intellectual Property and allied legislations. At present Mr. Naveen is working as Legal Counsel Leader, MEIA Region of Ingersoll Rand group and is on the payroll of Ingersoll Rand Technologies and Services Private Limited.
	Directorships held in other listed companies in India	Nil
	Memberships / Chairmanships of committees held in other listed companies in India	Nil
	Shareholding in the Company	Nil
2.	Name of the Director	Ms. Jayantika Dave
	Director Identification Number	01585850
	Date of Birth / Age	January 24, 1955 / 68 years
	Date of appointment as Director	March 28, 2019
	Qualification	Post Graduate in Management (HR & Marketing)
	Brief profile and nature of expertise in specific functional areas	<ul style="list-style-type: none"> She is a certified Executive Coach from ICF, a certified assessor for Intercultural Development Inventory (IDI), for Myers Briggs Type Indicator (MBTI), and for Personality & Profiles Inventory (PAPI). She has more than three decades of experience in various capacities in Human Resources functions with different IT and Technology firms. She served as Director, Human Resources, Agilent Technologies Private Limited and as Vice President – Human Resources at Ingersoll Rand group in India till January 31, 2015. She was Non-Executive and Non-Independent Director of the Company from September 12, 2014 until her appointment as an Independent Director effective March 28, 2019

Annexure to the Notice

Directorships held in other listed companies in India	1. MPS Limited
Memberships / Chairmanships of committees held in other listed companies in India	1. MPS Limited – Member, Stakeholders Relationship Committee
Shareholding in the Company	Nil
3. Name of the Director	Ms. Vijaya Sampath
Director Identification Number	00641110
Date of Birth / Age	May 26, 1953 / 70 years
Date of appointment as Director	March 27, 2019
Qualification	Graduate in English Literature from Madras University and Degree in law from Mysore University with university. She is fellow member of Institute of Company Secretaries of India.
Brief profile and nature of expertise in specific functional areas	<ul style="list-style-type: none"> • Ms. Vijaya started her career with the NICCO group, Kolkata. In 1985, she joined to Duncan (GP Goenka) group and returned for a second stint in each of these groups from 1988 until December 1993. In the year 1994, she joined Indian Aluminum Company (a subsidiary of the erstwhile Fortune 100 Alcan Aluminum) initially as VP, Legal & Company Secretary and was appointed as director on the Board in the year 2000. She was also nominated as director on Utkal Aluminum International, a joint venture with Norsk Hydro, Tatas, Indian Aluminum and Alcan for setting up a million tonne aluminum refinery in Orissa. • Ms. Vijaya joined J Sagar Associates in the year 2000, as partner in Delhi. She has led a large team of their in-house legal experts and successfully completed complex joint ventures, cross border acquisitions, PE investments and international commercial arrangements. • In January 2004, Ms. Vijaya joined Bharti Airtel Group as global Group General Counsel and Company Secretary. She has successfully handled legal, secretarial, corporate and regulatory compliances with high standard of transparency and governance of entire group until her retirement in March 2012. • Later, she was Senior Partner in corporate law practice of Lakshmikumaran & Sridharan, Law firm till August 2017. • She was appointed as an Independent Director of the Company effective from March 27, 2019.
Directorships held in other listed companies in India	<ol style="list-style-type: none"> 1. Safari Industries (India) Limited 2. Varroc Engineering Limited 3. Craftsman Automation Limited 4. Intellect Design Arena Limited 5. VA Tech Wabag Limited 6. Mankind Pharma Limited

Annexure to the Notice

Memberships / Chairmanships of committees held in other listed companies in India	<ol style="list-style-type: none">1. Safari Industries (India) Limited – Member Audit Committee,2. Varroc Engineering Limited - Member Audit Committee3. Craftsman Automation Limited - Member Audit Committee4. Intellect Design Arena Limited - Member Audit Committee5. VA Tech Wabag Limited - Member Audit Committee
Shareholding in the Company	Nil

Details of Memberships/Chairmanship of Audit Committee and Stakeholders' Relationship Committee are provided.

Directorships in foreign companies, membership in governing councils, chambers and other bodies, partnership in firms etc. are not considered.

The aforementioned Directors are not mutually related to any other Director(s) of the Company.

Directors' Report

To

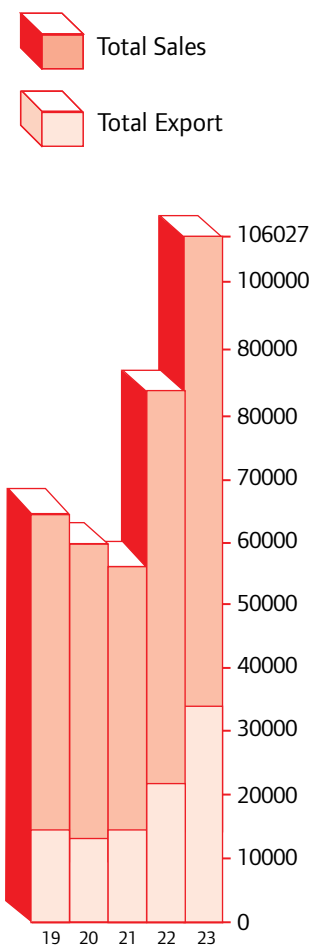
THE MEMBERS,

INGERSOLL – RAND (INDIA) LIMITED

Your Directors are pleased to submit the 101st Annual Report along with the Audited Balance Sheet and Statement of Profit and Loss for the year ended March 31, 2023, that is, the year under review.

GROSS SALES

(in Rs. Lakhs)



1. FINANCIAL SUMMARY OF THE COMPANY

	(Rupees in Lakhs)	
	2022-23	2021-22
Gross Profit:	26,504	16,501
(Less): Depreciation and amortization expenses	(1,633)	(1,410)
(Less): Finance costs	(241)	(255)
Profit before taxation and exceptional items	24,630	14,836
(Less): Provision for Current Tax	(6,443)	(3,834)
(Less): Deferred Tax for the year	74	(61)
Add/(Less): Current Tax relating to prior years (net)	<u>3</u>	<u>74</u>
Net Profit	18,264	11,015
Other comprehensive income: (net of tax)	<u>5</u>	<u>423</u>
Total comprehensive income for the year	18,269	11,438
Add: Balance in retained earnings brought forward from earlier years	<u>21,632</u>	<u>11,141</u>
	39,901	22,579
Appropriations:		
Dividends paid (including tax thereon)	15,784	947
Balance carried to Balance Sheet as retained earnings	<u>24,117</u>	<u>21,632</u>
	39,901	22,579

2. MANAGEMENT DISCUSSION AND ANALYSIS

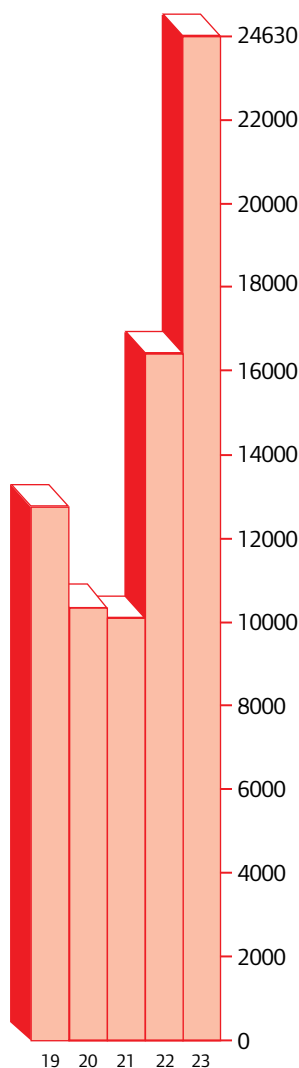
I. Industry Structure and Development:

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

PROFIT BEFORE TAX

(in Rs. Lakhs)



Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

'Make in India' is a major national programme of the Government of India designed to facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best in class manufacturing infrastructure in the country. The primary objective of this initiative is to attract investments from across the globe and strengthen India's manufacturing sector.

'Startup India' is a Government of India flagship initiative to build Startups and nurture innovation. Through this initiative, the Government plans to empower Startup ventures to boost entrepreneurship, economic growth and employment across India.

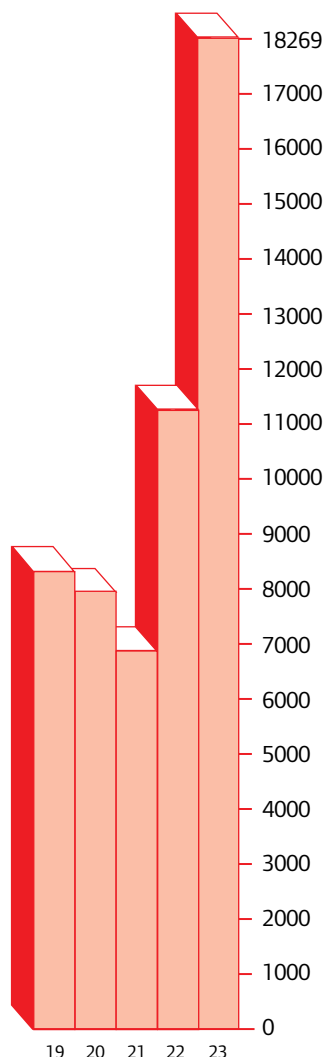
India's Capital Goods manufacturing industry serves as a strong base for its engagement across sectors such as Engineering, Construction, Infrastructure and Consumer goods, amongst others. Capital Goods sector contributes to 12% of India's manufacturing output and 1.8% to GDP. Market valuation of the capital goods industry was US\$ 43.2 billion in FY22. (Economic Survey of India)

India Air Compressor Market is forecast to grow at a progressive rate in the upcoming years. In general, air compressors are widely used in various industries such as construction, power, automotive, food & beverage, electronics and manufacturing. In India, the demand for air compressors is cumulative due to the growing industrial sector and on the other hand, the automotive industry is the major consumer of air compressors in India which further augmenting the Air Compressor Market Size in India. The India Air Compressor Market is anticipated to grow rapidly owing to the factors such as the growing demand for portable air compressors and increasing investment in the construction industry.

According to data released by the Ministry of Finance, India's goods and services tax (GST) collection in April 2023 increased by 12 per cent year-on-year to reach an all-time high of Rs. 187 lakh crore (US\$ 22.9 billion) primarily driven by increased year-end sales, data analytics ensuring better compliance, and sustained economic growth.

According to a recent World Economic Forum (WEF) study, the Indian job market is expected to expand by 22% over the next five years and artificial intelligence (AI), machine learning, and data segments will create the top jobs.

PROFIT AFTER TAX
(in Rs. Lakhs)



India's manufacturing exports for FY2021-22 reached an unprecedented US\$ 418 billion, an overall growth of more than 40% compared to the US\$ 290 billion from the previous year. Govt. of India launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. (Economic Survey of India)

Recovering from pandemic-induced contraction, Russian-Ukraine conflict and inflation, the Indian economy is staging a broad-based recovery across sectors, positioning to ascend to the pre-pandemic growth path in FY2022-23

India's GDP growth is expected to remain robust in FY2023-24. GDP forecast for FY2023-24 to be in the range of 6-6.8%.

Your Company's products are primarily sold to industries in the automotive, metals, pharmaceutical and textile sectors and these sectors have registered strong growth in the previous quarter.

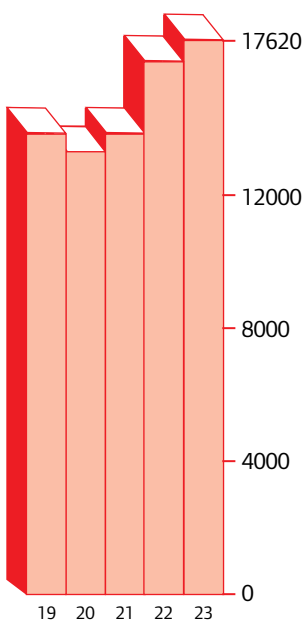
- II. **Segment-wise operational performance:** Air Solutions is the only segment in your Company's operations. The gross revenue of Air Solutions business for the year under review was Rs. 115,079 lakhs as against Rs. 90,992 lakhs in the previous financial year, an impressive growth of over 26%. Your Company continues to focus on local innovation and creating markets "In India; For India; By India".

The profit before tax is Rs. 24,630 lakhs in the year under review as against Rs. 14,836 lakhs in the previous financial year, a significant jump of over 66%.

- III. **Outlook:** India's GDP forecast to be in the range of 6-6.8 per cent in financial year 2023-24. The Asian Development Bank (ADB) has projected a moderate economic growth rate for India due to various factors such as a global slowdown, tight monetary conditions and elevated oil prices. According to the latest ADB outlook, India's economic growth rate is expected to reach 6.4% in FY2023-24 from 6.8% in FY2022-23, while the growth forecast for the current year has been revised downwards to 6.4% from 7.2% earlier projected. However, India's economic growth rate is still stronger than many peer economies and reflects robust domestic consumption and less dependence on global demand.

- IV. **Risk and Concerns:** The primary operating risks which could impact the Company relates to slow-down in the automotive, metals, pharmaceutical and textile sectors, exposure to seasonality for some of its businesses, competition from Indian and global players, volatile exchange rates, interest rate fluctuation, credit risks, import dependence, procurement concentration risks, volatile commodity prices risks, changes in tax and other legislations as well as risks arising out of higher input costs. The Company constantly monitors the challenges from amongst the eco-system comprising competition, industry, product life cycle, raw materials cost and takes steps to maintain and enhance existing competence. The primary threat over and above competitors created by COVID 19 was the demand supply gap, inflationary pressure and supply chain disruption which seems to be easing off though geo political volatile conditions still pose a threat. Availability of spurious parts and components at cheap prices continue to disrupt the fair competition. We see an increase in activity of using imports of substandard complete packages which is an added threat. Fluctuating foreign currency rates will have impact on imports.

GROSS BLOCK
(in Rs. Lakhs)



V. **Opportunities and Threats:** A confluence of factors on the global and local fronts, such as geo-political equations between countries, the usage of tariff and non-tariff barriers to address trade imbalances, volatility in crude oil and commodity prices, could impact business continuity and consumer confidence. The Company will continue to closely monitor the macro and micro level trends in the global and Indian economy and will take necessary steps to address these challenges.

VI. **Discussion on financial performance with respect to operational performance:** Analyzing Operational and Financial Performance is essentially about converting management data that the project team has collected into useful information. The same is then used to make management decisions and inform for future actions. As such it is important to regularly review the combined technical and operational/financial performance.

The basic process for analyzing operational and financial performance is more standardized than the process for analyzing technical performance and involves some standardized aspects. It comprises an analysis of data resulting from implementation of Operational Plan. Analysis of operational and financial performance is a continuous process, and it is important to find ways to fit this analysis into the overall organizational plan. The Board is well aware and has a clear idea about where budget variances are coming from at frequent intervals of time. The Board takes timeline corrective steps which may be tactical or strategic ones to match the outcome of the operational performance with the financial performance.

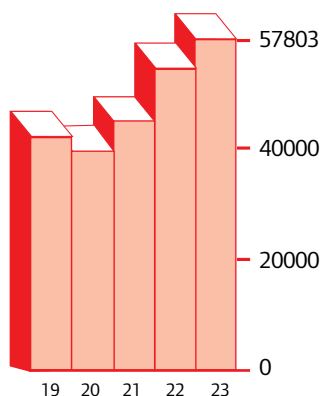
The technical and project managers are well informed about the financial impact of their performance. This helps them to operate efficiently and effectively and to understand the impact of their performance on the financial results of the organization as a whole.

VII. **Material developments in Human Resources / Industrial Relations front, including number of people employed:** Ingersoll Rand is committed to fostering the inspiring team. Ingersoll Rand has well defined talent deployment processes that help to attract and identify the top talents in the market. Ingersoll Rand has derived a competitive Career – Growth opportunity for developing the talent. Well-designed training and development programs, self – learning Linked – in tools, highly engaged Mentorship Programs provides the employees wider tools for their development. The Company strives to provide fair treatment at workplace, a transparent and equitable compensation system, flexible work timings and an environment that ensures health and well-being for all our employees, partners & communities. Company is committed to hire, develop and retain the best talent in the industry.

The Company constantly endeavors to adopt the best policies to keep its employees motivated, engaged and aligned to the core values of the Company. The Company undertakes various employee engagement initiatives, fosters a culture of continuous learning and development to create future leaders. The Company measures its employee engagement index through annual pulse survey with a commitment from the managers on the actions required to enhance engagement.

As on March 31, 2023, the company had 535 permanent employees on its rolls.

NET WORTH
(in Rs. Lakhs)



VIII. Safety, Health and Environment: At Ingersoll Rand, we believe all injuries and work related diseases are preventable and your Company takes all proactive measures to achieve the goals of “no work-related injuries” and safe operations. Your company has established the high level of safety standards & procedures to ensure safe working conditions for employees/contractors and visitors are trained to follow safe operating behaviors at workplace. We believe human behaviors can be changed, so we have implemented behavioral based safety program in the organization. We also encourage our employees to follow best safety practices during personal activities at home and while driving on roads. The management is committed and responsible in complying with all safety norms and takes adequate precautionary measures to prevent workplace related incidents.

Your Company is committed for lead sustainably and continues to analyze management of hazardous and non-hazardous wastes and working with a long-term goal of zero waste to landfill. Your Company is committed to reduce 60% greenhouse gas (GHG) emission by 2030 as part of this goal. Several energy conservations projects and energy management practices are implemented at plant. The products developed and launched have higher energy & water efficiency and uses materials with low environmental impact compared to previous generation products.

IX. Technology Innovation: Your Company has continued to invest in technology innovation to sustain its leadership position and be the pioneer of best-in-class solutions for its customers. This year, your Company has added new products and upgraded existing range to the wide gamut of products and through new models for small to medium-scale industries in the form of 3-5.5KW rotary screw compressor, oil free compressors in bigger range of 200-355KW for pharma and F&B sector along with Plant Air Centrifugal NX5000 complimented by HOC dryers to serve the industrial markets. Your company is also realigning its strategy by introducing products to cater all segments of market.

X. Disclosure as per Paragraph B (1) (i) and (j) under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). *

Sl. No.	Particulars	As on March 31, 2023	As on March 31, 2022	Percentage change
1	Return On Equity	32.33%	23.61%	36.92%
2	Net Profit Ratio	15.61%	11.93%	30.86%
3	Return on Capital Employed	42.70%	26.98%	58.27%

The increase in above ratios are mainly due to increase in Net profit as result of higher turnover as compared to the previous year.

* Disclosure has been given only for such ratios listed in the said SEBI Listing Regulations, which has a difference of equal to or more than 25% as on March 31, 2023 in comparison to the previous financial year ended on March 31, 2022.

3. DIVIDEND

On November 11, 2022 your Company has declared an interim dividend at the rate of Rs. 30/- per equity share, absorbing Rs. 9,470.40 lakhs (including TDS), out of surplus in the statement of profit and loss account. The Board at its meeting held on May 25, 2023 has subject to the approval of the members at the ensuing Annual General Meeting recommended a final divided of Rs. 20/- per share for the financial year ended on March 31, 2023, which if approved by the members would be result in a cash outflow of Rs. 6,313.60 lakhs.

As per Regulation 43A of the SEBI Listing Regulations, the dividend distribution policy of the Company has been disclosed in the Corporate Governance Report and on the website of the Company at www.irco.com

4. TRANSFER TO RESERVES

Pursuant to the provisions of the Act, your Directors do not propose to transfer any amount to the General Reserves. The entire profit after tax for the year under review will be held in Retained Earnings.

5. THE STATE OF COMPANY'S AFFAIRS

For the year ended March 31, 2023, your Company has recorded revenues of Rs.115,079 lakhs from continuing operations which is 26% higher compared to that of previous financial year, in the fiscal year under review. Our profits after tax for the year ended March 31, 2023 stood at Rs.18,264 lakhs which is 66% higher compared to profit after tax of previous financial year.

Our principal sources of liquidity are cash and cash equivalents and the cash flow that we generate from our operations. We continue to be debt-free and maintain sufficient cash to meet our strategic and operational requirements.

Your Company's products are primarily sold to industries in the automotive, metals, pharmaceutical and textile sectors and these sectors have registered strong growth in the previous quarter.

Your Company, even amid an unprecedented global crisis, continues to succeed as a business with exemplary governance and responsiveness to the needs of all our stakeholders.

6. LISTING OF EQUITY SHARES

The equity shares of the Company are listed on the trading platform of BSE Limited and National Stock Exchange of India Limited, both being recognized stock exchange having nationwide trading terminal.

7. INVESTMENT IN NEW MANUFACTURING PLANT

The Board of Directors of the Company at their meeting held on December 22, 2022 have approved setting up a new manufacturing plant at an investment of about Rs. 170 crores to be situated in Gujarat State, India to increase the manufacturing and output of the existing products and also to manufacture new products.

The new plant is expected to be operational by end of September 2024 and will have a capacity to produce about 5,000 units of air compressors per month. The new plant upon becoming fully operational will manufacture new range of air compressors, air treatment devices, hydrogen compressors etc. to cater to the requirement of domestic market as well as export market in Europe, Middle East and Africa regions.

8. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, which has occurred, affecting the financial position of the Company between the end of the financial year of the Company i.e., March 31, 2023 and the date of signing this report.

9. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS IMPACTING THE GOING CONCERN STATUS

There are no significant and material order(s) passed by any of the Regulators or Courts or Tribunals, which could affect the going concern status of the Company and its future operations.

During the financial year under review, no application was made by or any proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

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

The Company has established an internal control system commensurate with the size, scale, and complexity of its operations. To enhance the standards of controls and governance, the Company has adopted various measures to ensure that robust internal financial controls exist concerning operations, financial reporting, and compliance.

Significant features of the Company's internal control system are:

- A well-established, independent, Internal Audit team operates in line with best-in-class governance practices. It reviews and reports to the Audit Committee about compliance with internal controls, the efficiency and effectiveness of operations as well as key process risks.
- The Audit Committee periodically reviews internal audit plans, significant audit findings, and adequacy of internal controls.
- Systematic self-certification of adherence to key internal controls, as part of control self-assurance by process owners, monitors, and reviewers.
- Adherence with a comprehensive information security policy and continuous upgrades of the Company's IT systems for strengthening automated controls.
- Appropriate segregation of duties and usage of technology for continuous controls monitoring and enhanced controls assurance.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

During the year, the internal controls were tested and found effective, as a part of the Management's control testing initiative. Accordingly, the Board, with the concurrence of the Audit Committee and the Auditors believe that the Company's Internal Financial Controls were adequate and operating effectively for the financial year ended March 31, 2023.

11. DETAILS OF JOINT VENTURES, SUBSIDIARIES AND ASSOCIATES

Ingersoll-Rand Industrial U.S Inc. is the holding Company and Ingersoll-Rand Inc. is the ultimate holding company of your Company. Your Company does not have any associate, subsidiary or joint venture either in India or anywhere else in the world. Hence, the disclosure under Rule 8 of the Companies (Accounts) Rules, 2014 is not provided.

12. DEPOSITS

During the year under review, your Company has not accepted any deposits from the public within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. There are no amount outstanding on account of principal or interest on public deposits as on March 31, 2023. Hence, no further disclosure in this regard is required to be made.

13. AUDIT

A. STATUTORY AUDIT:

M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S) were appointed as the Statutory Auditors of the Company for a term of 5 years at the 100th Annual General Meeting to hold office till the conclusion of 105th Annual General Meeting of the Company.

The Audit Report issued by M/s. Deloitte Haskins & Sells, Chartered Accountants on the financial statement of the Company for the year ended March 31, 2023 is part of the Annual Report. The Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. Further, during the financial year 2022-23, the Statutory Auditors have not reported any instances of fraud to the Audit Committee or Board as per Section 143 (12) of the Act.

B. INTERNAL AUDIT

The Company has an in-house dedicated team for internal audit which conducts regular internal audit and provides their report to Audit Committee on quarterly basis.

C. COST AUDIT:

The Company has maintained adequate records and books of accounts pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed under Section 148 of the Companies Act, 2013 (the Act). The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Ashish Bhavsar & Associates, Cost Accountants, (ICMA Firm Registration No. 000387) as Cost Auditors for conducting the audit of the cost records maintained by the Company for the year ending March 31, 2024. The Cost Auditor has confirmed that they are not disqualified pursuant to the provisions of Section 141 of the Act read with Section 139 and 148 of the Act. M/s. Ashish Bhavsar & Associates, being eligible, have provided their consent to act as the Cost Auditors of the Company for the financial year 2023-24. The requisite resolution seeking approval for remuneration proposed to be paid to the Cost Auditors, as approved by the Board of Directors on the recommendation of Audit Committee has been set out in the Notice of the 101st Annual General Meeting of your Company.

The Company will file the cost audit report for the Financial Year ended March 31, 2023, with the Central Government before the due date.

D. SECRETARIAL AUDIT:

The Board of Directors of the Company had appointed Mr. Natesh K, Practicing Company Secretary (Certificate of Practice No. 7277), as the Secretarial Auditor to conduct an audit of the secretarial records for the financial year 2022 – 23. The Company received consent from Mr. Natesh K for conducting audit of the secretarial records for the financial year ending March 31, 2023.

Pursuant to Regulation 40(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) certificates have been issued for the year ended March 31, 2023 by M/s. Parikh & Associates, Company Secretaries certifying due compliance of the share transfer formalities by the Company/its RTA.

The Secretarial Audit Report for the financial year ended March 31, 2023 pursuant to section 204(1) of the Act and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in the Annexure – D to this report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

The Secretarial Compliance Report for the financial year ended March 31, 2023, in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to requirement of Regulation 24A(2) of SEBI Listing Regulations, is set out in Annexure- D1 to this report.

14. SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

15. SHARE CAPITAL

The Company has only one class of share viz. equity share with a face value of Rs.10 each. During the year under review, there is no change in the issued and subscribed capital of your Company. The outstanding capital as on March 31, 2023 is Rs.3,156.80 lakhs comprising 31,568,000 equity shares of Rs.10/- each. Share capital audit as per the directives of the Securities and Exchange Board of India to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital is being conducted on a quarterly basis by Parikh & Associates, Company Secretaries. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL). The Audit Reports are placed on the table of the Board Meeting and duly forwarded to the stock exchanges where the equity shares of your Company are listed.

16. ANNUAL RETURN

The Annual Return of the Company for the financial year 2022-23 as required under Section 92(3) read with Section 134(3)(a) of the Act is available on the website of the Company and can be accessed on the Company's website www.irco.com

17. BOARD MEETINGS

A minimum of four Board Meetings are held each year to review the quarterly financial results and operating performance of the Company. Apart from this, additional Board Meetings were also convened to address specific needs of the Company.

The agenda and agenda notes are circulated to all the Directors well in advance, usually a week before the meeting. All the agenda items are backed by agenda notes and relevant supporting papers to ensure adequate information is provided to enable the Directors to have focused discussions at the meeting and take informed decisions. All relevant information as mentioned in Part A of Schedule II of the SEBI Listing Regulations were tabled before the Board.

The details of the meetings of the Board of Directors of the Company convened and attended by the Directors during the financial year 2022-23 are given in the Corporate Governance Report, which forms part of this Annual Report. The maximum interval between any two consecutive Board meetings did not exceed 120 days, as prescribed in the Act.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo required to be disclosed as per the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is set out in Annexure – A forming part of this report.

19. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company continues to contribute time and financial support to the communities and beneficiaries in and around its areas of operation. This year too, your Company has continued its CSR initiatives to focus on providing education & skill development, healthcare, conservation of environment and community development. These activities are in accordance with Schedule VII of the Act. The Board of Directors and CSR Committee review and monitor from time to time all the CSR activities being undertaken by the Company. The CSR policy of your Company is available on the website of the Company at www.irco.com

During the financial year 2022-23, your Company incurred CSR Expenditure of Rs. 247.36 lakhs and the details of the same is set out in Annexure – B forming part of this report.

During the financial year ended March 31, 2023, three meetings of the CSR Committee of the Board were held on May 30, 2022, June 27, 2022 and February 10, 2023. The details of the Directors who attended the meetings during the year are given in CSR Report, which forms part of this Annual Report.

20. INDEPENDENT DIRECTORS

The Board has an optimum combination of Independent and Non-Independent Directors. In line with the requirements of the SEBI Listing Regulations, half of the Board's strength comprise of Independent Directors. As on March 31, 2023, Mr. Sekhar Natarajan, Ms. Jayantika Dave and Ms. Vijaya Sampath are independent directors of the Company.

All new independent directors as and when inducted into the Board are familiarized with the operations and functioning of the Company.

The Company has received Declarations of Independence as stipulated under Section 149 (7) of the Act and Regulation 25 of the SEBI Listing Regulations from each of the Independent Directors confirming that:

- He/she meets the criteria of independence and is not disqualified from being appointed/continuing as Independent Director as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations.
- He/she has complied with the Code of Conduct laid down under Schedule IV of the Act.
- In terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, he/she has

registered himself/herself with the Independent Director's database maintained by the Indian Institute of Corporate Affairs.

- In terms of Regulation 25(8) of the SEBI Listing Regulations, he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge their duties, the veracity of which has been assessed by the Board of Directors.

All the independent directors have confirmed that they are not debarred from holding the office of director by virtue of any SEBI order or any other such authority. In the opinion of the Board, the independent directors have high level of integrity and experience and are proficient in their respective fields of expertise and will contribute to the overall growth of the Company.

The Company has over the years been fortunate to have eminent persons from diverse fields to serve as Independent Directors on its Board. Pursuant to the SEBI Listing Regulations, the Nomination & Remuneration Committee of the Board ensured diversity of the Independent Directors in terms of experience, knowledge, perspective, background, gender and culture.

21. AUDIT COMMITTEE

The Company has constituted an Audit Committee in accordance with the provisions of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations. The matters relating to the composition, meetings, and functions of the Audit Committee are included in the Corporate Governance Report, forming part of this report. The Board has accepted the Audit Committee's recommendations during the year wherever required and hence no disclosure is required under Section 177(8) of the Act with respect to rejection of any recommendations of Audit Committee by Board.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. DIRECTORS:

Mr. Amar Kaul, Non-Executive and Non-Independent Director and Ms. Preeti Mohanty, Executive and Non-Independent Director, have resigned from the Board effective March 6, 2023. The Board places on record its appreciation for their contribution since their appointment.

In accordance with the applicable provisions of the Companies Act, 2013 read with terms of the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on March 6, 2023, considered and approved the following appointments, subject to the approval of the shareholders:

- Appointment of Mr. Inder Arora (DIN 10041497) as an additional director (executive & non-independent category), with effect from March 7, 2023 for a period of 5 consecutive years subject to retirement by rotation.
- Appointment of Mr. P. R. Shubhakar (DIN 06688703) as an additional director (executive & non-independent category), with effect from March 7, 2023 for a period of 3 consecutive years subject to retirement by rotation.

As stipulated under Regulation 17 (1C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of Director is required to be approved by the shareholders at the next general meeting or within a period of three months from the date of appointment, whichever is earlier. Accordingly, the Company has obtained approval of Members by way of Ordinary Resolution through e-voting/postal ballot for the said appointments on May 23, 2023.

Mr. Naveen Samant retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. The Board recommends the appointment Mr. Naveen Samant as Director (non-Executive and non-Independent) of the Company.

The term of Ms. Vijaya Sampath and Ms. Jayantika Dave as Independent Directors of the Company will end on March 26, 2024 and March 27, 2024 respectively. Upon the recommendation of the Nomination & Remuneration Committee and the Board of Directors, appropriate resolutions has been set out in the Notice of the Annual General for the reappointment of both Ms. Vijaya Sampath and Ms. Jayantika Dave as Independent Directors for a second term of 5 years commencing from the expiry of their current term.

B. KEY MANAGERIAL PERSONNEL:

- The Board of Directors at their meeting held on March 6, 2023 on the recommendation of the Nomination and Remuneration Committee, has appointed Mr. Inder Arora as Executive Director, for a period of 5 years with effect from March 7, 2023 up to March 6, 2028.
- The Board of Directors at their meeting held on March 6, 2023 on the recommendation of the Audit Committee, Nomination and Remuneration Committee, has appointed Mr. P. R. Shubhakar as Executive Director designated as Chief Financial Officer, for a period of 3 years with effect from March 7, 2023 up to March 6, 2026.
- Mr. Inder Arora who was appointed as Manager under the Companies Act, 2013 with effect from October 15, 2021, consequent his appointment as Director, has resigned as Manager effective at the end of the day on March 6, 2023.
- Ms. Preeti Mohanty has assumed office in a global role as Vice President, Finance of ITS EMEA, consequently, she stepped down from the office of Chief Financial Officer effective at the end of the day on March 6, 2023

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2023 are

Sl. No.	Name	Designation
1.	Mr. Inder Arora	Executive Director
2.	Mr. P. R. Shubhakar	Executive Director, Chief Financial Officer & Company Secretary

23. PARTICULARS OF EMPLOYEES

The statement of Disclosure of Remuneration as required to be disclosed under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), is appended as Annexure – C to the Report. The information as per Rule 5(2) of the Rules, forms part of this Report. However, as per first proviso to Section 136(1) of the Act and second proviso of Rule 5(2) of the Rules, this Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure is related to any Director of the Company.

24. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Your Company is committed to conducting its business with the highest standards of ethics, integrity, and transparency across its operations, in compliance with the applicable laws and regulations. In line with a strong commitment to governance and compliance, vigil mechanism as envisaged in the Act, the Rules prescribed thereunder and the SEBI Listing Regulations has been implemented through the Company's Whistle Blower Policy encompassing various elements and components in an integrated manner.

The Code of Conduct of your Company serves as a guide for daily business interactions, reflecting your Company's standard for appropriate behavior and living corporate values. The Code of Conduct is applicable to all employees of the Company. An Ethics Committee has been constituted to administer this Policy.

The suppliers and vendors of the Company are also required to adhere to Code of Conduct as it is a prerequisite for conducting business with your Company.

The Company has a Whistle Blower Policy in place, which is the mechanism for directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct, violations of legal or regulatory requirements, incorrect or misrepresentation in any financial statements and reports etc. This policy covers reporting of any violation, wrongdoing or non-compliance, including without limitation, those relating to the Code of Conduct, policies and standard procedures of the Company, and any incident involving leak or suspected leak of unpublished price sensitive information (UPSI) or unethical use of UPSI in accordance with (or

under) the SEBI (Prohibition of Insider Trading) Regulations, 2015. The policy provides for adequate safeguards against victimization of those who avail the mechanism and also provides for direct access to the Chairman of Audit Committee in exceptional cases. The Audit Committee of the Company oversees the implementation of the Whistle Blower Policy.

Detailed update on the functioning of the Whistle-Blower Policy and compliance with the Code of Conduct has also been provided in the Corporate Governance Report, forming part of this report.

The Whistle Blower Policy can be accessed on the website of the Company at www.irco.com

25. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has in place a Nomination and Remuneration Committee in accordance with the requirements of the Act read with the rules made thereunder and Regulation 19 of the SEBI Listing Regulations. Your Board has adopted a Remuneration Policy for identification, selection and appointment of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company. The Policy provides criteria for fixing remuneration of the Directors, KMPs, SMPs as well as other employees of the Company.

The Board, on the recommendations of the Nomination and Remuneration Committee, appoints Director(s) of the Company based on his/her eligibility, experience and qualifications and such appointment is approved by the Members of the Company at General Meetings or by way of e-Voting/postal ballot. Generally, the Executive Directors and Independent Directors are appointed for a period of five years. The Executive Directors, KMPs and SMPs shall retire as per the applicable provisions of the Act and the policy of the Company. While determining remuneration of the Directors, KMPs, SMPs and other employees, the Nomination and Remuneration Committee ensures that the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate them and such remuneration comprises a balance between fixed and variable pay reflecting performance objectives appropriate to the working of the Company and its goals. Annual increments are also approved by the Nomination and Remuneration Committee. Remuneration to Directors is paid within the limits as prescribed under the Act and the limits as approved by the Members of the Company, from time to time. The remuneration policy of the Company is uploaded on its website at www.irco.com

26. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act, SEBI Listing Regulations and the Remuneration Policy of the Company, your Company conducts a Board Evaluation process for the Board of Directors as a whole, Board Committees and also for the Directors individually by seeking responses/inputs from all the Directors to an assessment questionnaire. A structured questionnaire was prepared after taking into consideration inputs received from the directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, independence, governance, ethics and values, adherence to corporate governance norms, interpersonal relationships, attendance and contributions to the meetings etc.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairperson of the Board, who were evaluated on parameters such as participation and contribution by a director, commitment, including guidance provided to the senior management outside of Board / committee meetings, effective deployment of knowledge and expertise, effective management of relationship with various stakeholders, independence of behaviour and judgment etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairperson was carried out by the Independent Directors. The evaluation process has been explained in the corporate governance report. The Board reviewed the evaluation results as collated by the Nomination and Remuneration Committee. Further, in a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and its Chairman was evaluated as stipulated under the SEBI Listing Regulations. The Chairperson, based on the Evaluation done by the Directors, informed that the performance of Directors are satisfactory and they are recommended for continuation as Directors of the Company.

In line with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017, the Company has adopted the criteria recommended by the SEBI.

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

During the year under review, your Company has not given any loans or provided any guarantees or made any investments within the meaning of Section 186 of the Act. There is no instance to report the 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. Hence, no further disclosure are required to be made under this section.

28. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered into by the Company during the year under review with Related Parties were in ordinary course of business and on arm's length basis in accordance with the provisions of the Act.

Your Company has formulated a policy on Related Party Transactions which has been uploaded on website of the Company at www.irco.com

All transactions with related parties were reviewed and approved by the Independent Directors who are members of the Audit Committee in accordance with the SEBI Listing Regulations and are in accordance with the Policy on Related Party Transactions, formulated and adopted by the Company. Prior omnibus approval of the Independent Directors who are members of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. A statement giving details of all Related Party Transactions is placed before the Audit Committee for their review on a quarterly basis.

There are no materially significant related party transactions entered into by the Company with its promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The details of the related party transactions as per Indian Accounting Standards (Ind AS) – 24 are set out in Note No. 35 to the Financial Statements of the Company. The Company in terms of Regulation 23 of the SEBI Listing Regulations submits, within stipulated time from the date of publication of its financial results, disclosures of related party transactions on a consolidated basis to the stock exchanges.

Particulars of contracts or arrangements with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are provided in Annexure - E in Form AOC-2 and forms part of this report.

29. CORPORATE GOVERNANCE

At the Company, we ensure that we comply with the corporate governance guidelines and best practices sincerely, to boost long-term shareholder value and to respect minority rights. The Company considers it an inherent responsibility to disclose timely and accurate information regarding its operations and performance, as well as the leadership and governance of the Company.

Pursuant to Regulation 34 read with Schedule V of SEBI Listing Regulations, a separate report on Corporate Governance has been set out in Annexure – F forming part of this report along with the compliance certificate from Mr. Natesh K, Company Secretary in practice confirming compliance with the requirements of Corporate Governance.

30. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report as stipulated under Regulation 34(2)(f) of SEBI Listing Regulations read with National Guidelines on Responsible Business Conduct (NGRBC), issued by Ministry of Corporate Affairs is set out in Annexure G forming part of this report.

31. RISK MANAGEMENT POLICY

Pursuant to the requirement of Regulation 21 of the SEBI Listing Regulations, the Company has constituted a Risk Management Committee (RMC), consisting of Board members and senior executives of the Company. The policy includes the identification therein of elements of risk, which in the opinion of the board may threaten the existence of the Company. The Audit Committee has additional oversight in the area of financial risks and controls. The Company has in place a Risk Management framework to identify, evaluate business risks and challenges.

All properties and insurable interests of the Company have been fully insured.

32. DIRECTORS AND OFFICERS INSURANCE (D&O)

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance ('D&O') for all its Directors and members of the Senior Management.

33. PREVENTION OF SEXUAL HARASSMENT POLICY

The Company believes that every employee should have the opportunity to work in an environment which is free from any kind of behavior or conduct which could be considered as sexual harassment. The Company is committed to treating every employee with dignity and respect. The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) consultants, trainees, volunteers, third parties and/or visitors at all business units or functions of the Company are covered by the said policy. An Internal Compliance Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

The Company periodically conducts training sessions and workshops for employees across the organization to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act. The Company had mandated all employees to undergo online training on Prevention of Sexual Harassment (POSH). The Company has filed Annual Return pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to appropriate authority.

The following is a summary of sexual harassment complaints received and disposed off during the year:

S.No.	Particulars	Status of the No. of complaints received and disposed off
1	Number of complaints on Sexual harassment received	Nil
2	Number of Complaints disposed off during the year	Nil
3	Number of cases pending for more than ninety days	Nil
4	Number of workshops or awareness programme against sexual harassment carried out	The Company regularly conducts necessary awareness programmes for its employees
5	Nature of action taken by the employer or district officer	Nil

34. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations provided to them, your Directors, pursuant to Section 134 (3) (c) of the Act, state:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- that appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit and loss of the Company for the year ended on March 31, 2023;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis;
- that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

35. ACKNOWLEDGEMENTS

Your Directors take this opportunity to place on record their gratitude and appreciation to all employees of the Company for their whole-hearted efforts as well as their hard work, dedication and collective contribution to the Company's performance. The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers and all other business associates for their continued support to the Company and for the faith reposed in the management.

For and on behalf of the Board of Directors of
Ingersoll-Rand (India) Limited

Sekhar Natarajan
Chairman
(DIN: 01031445)

Date : May 25, 2023
Place: Mumbai

Annexure - A

THE INFORMATION REQUIRED UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

(i) The following energy conservation measures were taken:

1. The solar roof top project has continued helping reduce power consumption from grid. For period Apr-22 to Mar-23, solar produced 928600 KWH. The plant used 40% of its energy need from Solar and rest was from grid.
2. Below actions are implemented in financial year 2022-23 and other identified actions are planned in financial year 2023-24 under A (ii). Overall savings of 10% electricity consumption was achieved.
 - a) Replacement of plant air compressor with more efficient version with inbuilt VFD and remote monitoring along with Dryers and exhaust system leading to 20% energy conservation in Plant compressor related consumption.
 - b) Additional installation of 3 High Volume Low Speed fans to improve effective optimization of HVAC.
 - c) Running initiatives across plant to focus on energy conservation with both administrative control, user participation and kaizen at workplace.
3. Attained 5% reduction in fresh water consumption by reuse of treated domestic water through process improvements and continued leveraging Zero Liquid Discharge system.

(ii) Additional investments and proposals, if any, being implemented for reduction in energy consumption:

1. New plant project: The organization has started work on putting up a new facility with sustainability practices in mind for energy conservation, water conservation and waste reduction through reduce, reuse, and recycle.
2. Existing plant at Naroda, Ahmedabad will also undergo layout changes while incorporating similar sustainability practices currently in use.
3. Solar rooftop coverage will increase in current plant and planned to instal in new plant as well as part of our principle of growing and operating sustainably.

(iii) Impact of (i) and (ii) above has resulted in reduction of energy consumption and consequent impact on reducing the cost of production of goods:

Our total energy cost is less than one per cent of total sales and considering the nature of our production process, further conservation could at best be marginal.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

(i) We, being a part of global entity, are constantly working with global SMEs in the field of new product design and development. Efforts in brief, made towards technology absorption, adaptation and innovation are as follows:

1. Developing low pressure technology
2. Leveraging best global engineering practices for new product development
3. Development of next generation of compressors and dryers
4. World class R&D lab infrastructure for new product development
5. Developing Hydrogen compressors for mobility market.

Specific areas in which the Company carries out R & D:

Compressors and Dryers

Types:

1. Heatless desiccant Dryer
2. Heat of compression dryers

Annexure - A (Contd..)

3. High pressure air compressors
4. Hydrogen compressors
5. Small and Large Reciprocating air-cooled and Water-Cooled – Single and Multi-stage
6. Contact Cooled Rotary Screw & Oil Free Rotary Screw – Single and Multi-stage
7. Engine driven compressors
8. Centrifugal Compressors
9. Cycling , Non Cycling Refrigerated Dryers .

Areas:

1. Energy Efficiency
2. Low pressure compressors
3. Modeling and simulations
4. Prime Movers with advance technology for compressors
5. SEA for optimizing acoustical performance
6. Remote connectivity : IoT
7. Design for Vibration
8. Sustainability

Benefits derived as a result of the above R & D:

1. Next generation energy efficient products.
2. Incremental improvement in existing product performance.
3. Digital connectivity of compressors and dryers to monitor actual performance in the field.
4. Proactive approach to reduce breakdowns.
5. High acceptance of products in critical applications.
6. Carbon footprint reduction

Future Plan of Action:

1. Focus on energy efficient products.
2. Future design shall be in line with environment friendly and recyclable material.
3. Leverage current technologies in different applications to bring inorganic growth.
4. Work on new technology areas of coating, composites, additive manufacturing, variable drives refrigerant compressors etc.

(ii) Benefits derived as a result of the above efforts:

1. Enhanced existing product portfolio with new series of rotary compressor and centrifugal compressor with targeted weight optimization and manufacturing process simplification in view of reducing raw material consumption
2. Launched energy efficient heatless desiccant air dryer and large capacity refrigerated cyclic and non-cycling air dryers having the best in class energy consumption.
3. Enhance speed of product development cycle
4. Futuristic design keeping environmental impact

Annexure - A (Contd..)

5. Digital connectivity for keeping higher uptime
6. Strong reputation in front of customer for energy efficiency and reliability
7. Growth with multi brand and multi-tire offering
8. Contribute to global green initiatives with products meant for emerging hydrogen market
9. Heat of compression technology to benefit with overall running cost of the customer.

(iii) In case of imported technology [imported during the last 3 years reckoned from the beginning of the financial year], following information is furnished:

Technology Imported	Year	Status
Cyclic Refrigerated compressed air dryers	2021	In production
Highly efficient Screw compressor (200-250 kW)	2021	In production
Digital connectivity for remote monitoring system	2020	In production
Desiccant dryers	2021	In production
Heat of compression dryers	2022	In production
Highly efficient oil free Screw compressor(200-350kW)	2023	In Production

(iv) Expenditure of R & D:

(i) Capital	Rs. 3.71 Lakhs
(ii) Recurring	Rs. 370.31 Lakhs
(iii) Total	Rs. 374.02 Lakhs
(iv) Total R & D expenditure as a percentage of total turnovers	0.33%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned:

(Rs. Lakhs)

(i)	Earnings in foreign exchange on account of exports, deemed exports Income from services rendered and recovery of expenses.		27,393.89
(ii)	Value of imports calculated on FOB basis	27,767.97	
(iii)	Expenditure in foreign currency on account of travelling, royalty and others	3,961.79	31,729.76
Net Earnings / (Outgo) in Foreign Exchange			(4,335.87)

For and on behalf of the Board of Directors of
Ingersoll-Rand (India) Limited

Sekhar Natarajan
Chairman
(DIN: 01031445)

Date: May 25, 2023
Place: Mumbai

Annexure - B

CORPORATE SOCIAL RESPONSIBILITY REPORT

1. Brief outline on Corporate Social Responsibility (CSR) Policy of the Company:

At Ingersoll Rand, our vision and mission guides us well into being a corporate with a heart and purpose. Our business is rooted in anticipating and addressing global trends that impact the way we live, work and move. Sustainability is the very foundation of our business with our longstanding commitment to Environment, Social and Governance (ESG) issues. Every day, we think like owners to innovate for our customers, create long-term value for our shareholders and contribute to a more sustainable world.

Ingersoll Rand strives to embody the best practices in corporate citizenship. Our CSR Policy reflects the same and details out the philosophy that drives our CSR interventions in India along with the approach to deliver solutions that help improve lives in the community. In line with our philosophy, we select our projects after detailed need assessment studies and with implementation partners that share our vision in this journey. With careful monitoring and detailed impact analysis, we continue to build scalable projects that run over a 3-5 year horizon making a deeper impact in the communities we want to engage.

2. Composition of CSR Committee during the financial year:

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. Amar Kaul	Chairman/Chairman of the Board	3	3
2	Ms. Jayantika Dave	Member / Independent, Non-Executive Director	3	3
3	Mr. Sekhar Natarajan	Member / Independent, Non-Executive Director	3	3
4	Mr. Naveen Samant	Member / Non-Independent, Non-Executive Director	3	3

The CSR committee was re-constituted by the Board at its meeting held on 6th March 2023 and below is the composition of the Committee as on 31st March 2023. There were no meetings of the Committee held after 6th March 2023 up to 31st March 2023.

Sl. No.	Name of Director	Designation/Nature of Directorship
1	Mr. Inder Arora	Chairman/Executive Director
2	Ms. Jayantika Dave	Member / Independent, Non-Executive Director
3	Mr. Sekhar Natarajan	Member /Chairman of the Board/ Independent, Non-Executive Director
4	Mr. Naveen Samant	Member / Non-Independent, Non-Executive Director

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:

The composition of CSR committee, CSR Policy Policy and CSR Projects approved by the Board has been uploaded on the website of the Company - www.irco.com

4. 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):

Not applicable

Annexure - B (Contd..)

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:

Nil

6. Average net profit of the Company as per Section 135(5)

The average net profit of the Company for the last three financial years is Rs. 12,357.38 lakhs

7. (a) Two percent of average net profit of the company of last three financial years as per Section 135(5)

Rs. 247.15 lakhs

- (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years

Nil

- (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)

The Company is required to spend an amount of Rs. 247.15 lakhs as CSR expenditure during the financial year 2022-23.

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

Total Amount Spent for the Financial Year (in Rs. 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
247.36	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

Sr. 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 Registration No.
Not Applicable												

Annexure - B (Contd..)

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

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. Lakhs)	Mode of implementation – Direct (Yes No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration No
1	STEM - Sponsorship Program for Engineering Students	Clause (ii) – promotion of education	Yes	Gujarat	Entire State	13.20	No	Foundation For Excellence	CSR00002053
2	STEM - Train the Trainers Program / Capacity Building for Educators	Clause (ii) – promotion of education	Yes	Gujarat	Gandhinagar	22.60	No	Agastya International Foundation & IIT Gandhinagar	CSR00003442 CSR00012226
3	Community Development through Lake Revival Project	Clause (iv) – ensuring environment sustainability	Yes	Haryana	Gurugram	95.00	No	SEEDS (Sustainable Environment and Ecological Development Society)	CSR00001691
4	Increasing Access to Primary Healthcare Services	Clause (i) – promoting health care	Yes	Gujarat	Ahmedabad	16.50	No	Smile Foundation	CSR00001634
5	Mid –Day Meal Program	Clause (i) – eradicating hunger	Yes	Gujarat	Ahmedabad	59.10	No	Akshaya Patra Foundation	CSR00000286
6	Skilling and Providing Livelihood	Clause (ii) – promotion of education	Yes	Haryana	Gurugram	40.96	No	National Skill Development Corporation (NSDC)	CSR00005903
	Total					247.36			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs.247.36 lakhs

(g) Excess amount for set off, if any

S. No.	Particular	Amount (in Rs lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	247.15
(ii)	Total amount spent for the Financial Year	247.36
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.21
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.21

Annexure - B (Contd..)

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil
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)

(a) Date of creation or acquisition of the capital asset(s)	Not Applicable
(b) Amount of CSR spent for creation or acquisition of capital asset	Not Applicable
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable

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):
Not Applicable

Details of CSR projects undertaken during the financial year 2022-23

Focus: Towards STEM

Sponsorship Program for Engineering Students

Four years ago, Ingersoll Rand took an innovative step and supported 30 students for sponsorship program. These students have secured admission based on merit in engineering colleges in Gujarat but were unwilling to pursue due to lack of funds. Candidates were selected from a network of 35 engineering colleges, which are approved by AICTE (*All India Council for Technical Education*).

With the mission of sponsorship program for engineering students, Ingersoll Rand is to transform the lives of academically brilliant and financially needy students in Gujarat by awarding merit cum means scholarships. All the students have excelled in academic over the course years, maintaining an average GPA of 8 and above. 12 (35%) out of 30 students supported under this program are girls.

Train the Trainers Program / Capacity Building for 50 Agastya Educators

Ingersoll Rand in partnership with Center for Creative Learning, Indian Institute of Technology, Gandhinagar and Agastya International Foundation organized Train the Trainers Program for 50 Agastya Educators. The objective of this program is to impart practical knowledge to the students. It has been observed that the children learn theoretical knowledge well but fail when it comes to actually applying that knowledge practically. We need to make classes more engaging, provide experiential hands-on learning, foster creativity, spark innovation and focus on concepts along with hands-on sessions, the center showcased how to integrate art, sports and storytelling sessions in curriculum teaching /learning.

Focus: Community Development/ Environmental Sustainability

Community Development through Lake Revival

Another great step of Public-Private-Partnership is collaboration with GMDA (Gurugram Metropolitan Development Authority) for Restoration of Wazirabad Lake, Gurugram. Wazirabad Lake, which was previously a waterbody remained a dump yard for many years. The aim of this project is to rejuvenate the water body and revive the adjoining area to render urban areas more resilient to the threat of climate change. In FY 2021-22 we built Lake View Park adjacent to the Lake in Gurugram, Haryana. The park covers 2 acres of land surrounded by high-rise buildings and is opposite to a waterbody of 18 acres - a first step towards commitment of Lake Revival.

In FY 2022-23, Ingersoll Rand supported development of one side of 18-Acre Wazirabad Lake in Sector 53, Gurugram, Haryana. The scope of this project is Land Bank Development, Jogging and Cycling Track Creation, Area Development, Seaters, Plantation, Lighting Visibility and Signage Board. Approximately 15,000 people i.e., 3,000 families were reached through this intervention.

Annexure - B (Contd..)

Impact of this project are Increased Biodiversity, Enhanced Recreational Opportunities, Mitigation of Flooding, Improved Aesthetic Value and Plantation.

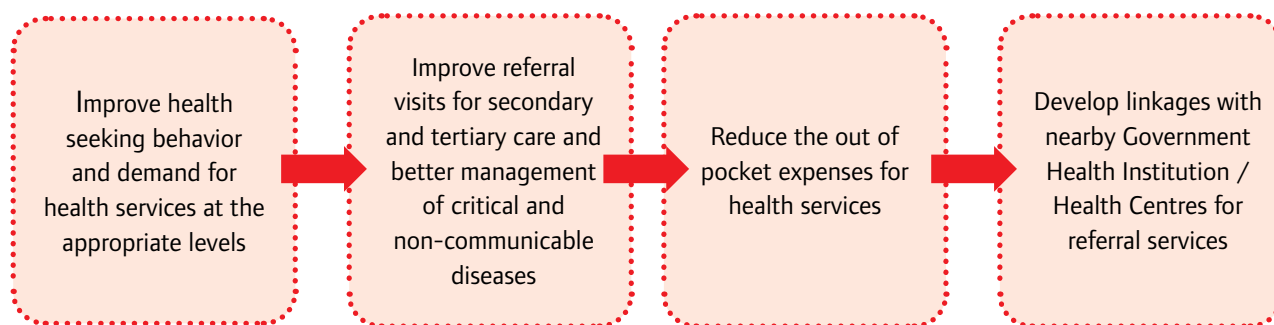
Focus: Healthcare and Nutrition

Increasing Access to Primary Healthcare Services

A huge mass of people in India often face limitations to avail and access primary health treatments due to financial barriers. Poor transportation, lack of information and communication and limited health care facilities are the reason behind this situation. Strengthening Primary Health Care is a major step that the company has taken this year towards achieving the goal of mitigating the diseases at early stage.

The project also addresses the primary health care needs of the underprivileged population in the identified location of Naroda-Ahmedabad area through preventive, promotive & curative services at their doorstep.

Outcome of the Intervention



- Reduced out of pocket expenses
- Improved accessibility of basic health care
- Improved health seeking behavior
- Improved preventive and promotive behaviours for maternal and child health
- Strengthened public-private partnership to increase access and quality of ANC/PNC/FP services
- In FY 2022-23 Smile on Wheels (SoW) has successfully reached 17,062 direct beneficiaries (15,019 direct consultation / treatments through SoW, 270 OPDs & 2,043 through 3 eye checkup camps)
- Mobile Health Clinic (OPDs)
 - ✓ A total Number of 270 OPDs were conducted from 1st April 2022 to 31st March 2023, through field operations.
 - ✓ In this reporting period / year, SoW successfully reached and treated a grand total of 15,019 no. of beneficiaries through regular consultations.
 - ✓ The beneficiary comprised of 38.21% females, 30.19% males and 31.60% needy children who were given the primary health care.
- Point of Care Test

As part of the curative services, rapid tests are usually conducted through rapid kits during field operations, to accurately diagnose the problem and provide the beneficiary with suitable treatment. Blood Sugar (Random) and Hemoglobin (Hb) tests were most commonly carried out. The tests were conducted as per the suggestion of the Medical Officer and a proper record was maintained to track the test results. During this reporting period 1,589 points of care and tests were conducted.

Annexure - B (Contd..)

- **Information, Education and Communication (IECs)**

Another core objective of the SoW program is to provide preventive and promotive services to the community. With an objective to create awareness about various health and social issues, Individual counseling has been done instead of IEC activities (with focused groups while maintaining proper social distancing). Other topics such as sickle cell anemia (prevalent disease of the area), menstrual health and hygiene, hypertension, diabetes etc. are also discussed. Counseling was also done on COVID-19, in order to enhance the consciousness and knowledge of the slum people during the pandemic.

- **Special Eye Camp**

Apart from routine OPD operations in this Financial Year, 3 special Eye camps were conducted. The camp focused on providing eye care services i.e., eye checkup and power glass distribution. During the health camps a range of services like routine eye check-up, counseling, providing eye drops, and eye glass were provided under the curative services. In the camps, a total of 2,043 beneficiaries were reached out. On the basis of the eye tests report, the eyeglasses were prescribed by the doctor. 1,882 eyeglasses were distributed.

Mid –Day Meal Program

Our endeavor is to provide quality healthcare & sanitation facilities to the disadvantaged and poor, to help them lead a healthy life. Mid – Day Meal program aims to enhance the enrollment, retention and attendance while simultaneously improving nutrition level among children. A hungry child cannot concentrate on their studies; this program ensures that the first and most critical obstacle to get a child educated is eliminated.

Program is in line with Govt of India’s National Program of Nutritional Support to Primary Education (NPNSPE).

Project Deliverables in FY 2022-23

- No. of Schools: 34
- No. of Children: 4,546
- No. of Meals: 9,13,447
- No. of Working Days: 200

Project Impact

- Improved enrolment rate at government schools.
- Regular attendance
- Enhanced performance and nutritional profile of children
- Reduction of the dropout rate
- The arrangement also serves as a source of economic support to the family, as every school day, one nutritional meal for their child is taken care.

Focus area: Skilling and Providing Livelihood

Supporting Government’s Initiative, ‘Skill India Mission’

While the Indian economy is poised to grow impressively, we believe efforts need to be made in creating more economic independence for the youth by training them to be placed in the industry. As a leading player in the manufacturing sector, Ingersoll Rand continues to increase focus in the areas of skill development and job creation for the educated youth of our country. Our aim is to make growth more inclusive and help the educated, unemployed youth to imbibe skills and help them with opportunities for economic independence.

Annexure - B (Contd..)

To support National Skill Development Mission, Ingersoll Rand partnered with National Skill Development Fund (NSDF) and The National Skill Development Corporation (NSDC), with the aim of instilling economic security and stability among youth through skill training & holistic development, there by facilitating enhanced access to employment opportunities in industry jobs or through self-employment. Project focused to train CNC Operator Machine Technician level 3 in the automotive sector/ industry.

Target	Trained	Assessed	Placed
205	205	190	183

Placement: 89 % of CNC operators are placed in industry against agreed placement of 70 %.

Employee Volunteering

Our employees are an essential part of our CSR journey in the country as they commit their time and energy in furthering the social causes. We invest in the long-term well-being and development of our associates and communities in pursuit of putting more back into society, than what we take from it.

Our social sustainability vision extends to involvement in the communities in which Ingersoll Rand associates live and work. Across the country, our employees support our local communities. Our extended CSR network in offices across India, work with local NGO partners to ensure support for our programs in their location along with effective monitoring and employee engagement.

This year again, we committed through our employee volunteering efforts, to champion various causes in order to make life better for local communities. Activities included participation in Skill Development initiative ceremony and interaction with trained CNC operators, serving meals to differently abled community members, participation in earth day activities, interaction with Agastya Educators and involvement in other CSR events.

Ingersoll Rand employees voluntarily support the organization create a real impact in the society, consistently engage, inspire and believe in making life better for communities around us.

For and on behalf of the Board of Directors of
Ingersoll – Rand (India) Limited

Sekhar Natarajan
Chairman
(DIN: 01031445)
Mumbai
May 25, 2023

Inder Arora
Chairman of CSR Committee
(DIN: 10041497)
Udaipur
May 25, 2023

Annexure - C

INFORMATION PURSUANT TO RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Sl. No	Name and designation of Director/KMP	Remuneration for FY 22-23 (INR Lakhs)	% increase in remuneration in FY 22-23	Ratio of remuneration of each director to median remuneration of employees for FY 22-23	Comparison of remuneration of KMP against the performance of the Company
1.	Mr. Amar Kaul – Chairman & Non-Executive Director*	---	-	Not Applicable	Refer Note No.2
2.	Ms. Jayantika Dave, Independent Director	12.00	-	Not Applicable	Not Applicable
3.	Mr. Sekhar Natarajan, Independent Director, Chairman [§]	12.00	-	Not Applicable	Not Applicable
4.	Ms. Vijaya Sampath, Independent Director	12.00	-	Not Applicable	Not Applicable
5.	Mr. Naveen Samant, Non-Executive Director	---	-	Not Applicable	Not Applicable
6.	Ms. Preeti Mohanty – Whole Time Director and Chief Financial Officer [#]	125.79	10%	Not Applicable	Refer Note No.2
7.	Mr. P. R. Shubhakar – Executive Director, Chief Financial Officer & Company Secretary [^]	134.89	8%	Not Applicable	Refer Note No.2
8.	Mr. Inder Arora, Executive Director [%]	132.25	15%	Not Applicable	Refer Note No.2

*Resigned as Director cum Chairman effective March 6, 2023.

[§] Appointed as Chairman effective March 7, 2023

[#] Resigned as Executive Director cum Chief Financial Officer effective March 6, 2023

[^] Appointed as and Chief Financial Officer effective March 7, 2023

[%] Appointed as Executive Director effective March 7, 2023

Notes:

- The Company does not pay any remuneration to non-executive directors other than commission.
- Salaries of employees of the Company are driven by the Company's Remuneration Policy basis the performance of respective business segments, market situation, forecast for the ensuing financial year and the comparative information as available with Company.
 - The percentage increase in the median remuneration of 9.5% employees in the financial year.
 - The number of permanent employees on the rolls of company.
 - Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.
 - The key parameters for any variable component of remuneration availed by the directors.

Average percentage increase in the salaries of employees other than the managerial personnel is 10% as against average percentage increase in salaries of managerial personnel is 11%

The key parameter for variable remuneration availed by directors include financial performance, time spent in attending meetings, time spent participating in strategy development, advice given to management on strategic matters etc.

For and on behalf of the Board of Directors of
Ingersoll-Rand (India) Limited

Sekhar Natarajan
Chairman
(DIN: 01031445)

Date: May 25, 2023
Place: Mumbai

Annexure - D

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

FORM MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members

INGERSOLL-RAND (INDIA) LIMITED

First Floor, Subramanya Arcade,
No. 12/1, Bannerghatta Main Road,
Bangalore - 560029, Karnataka, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ingersoll-Rand (India) Limited** (hereinafter called 'the Company'). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023 and made available to me, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB).
- (v) The following Regulations and Guidelines are prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable.
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not Applicable.
 - (e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable.
 - (f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients; Not Applicable.
 - (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable.
 - (h) Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; Not Applicable.

Secretarial Audit Report (Contd..)

- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;

I have also examined compliance with the applicable clauses of the following: -

- (i) Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.
(ii) Listing Agreements entered into by the Company with BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

During Financial year 2022-2023 the Company has complied with the provisions of the Act, Rules, Regulations, Directions, Guidelines, Standards, etc. mentioned above.

I further report that:

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

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

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there was no other event/action having major bearing on affairs of the Company.

Place : Bangalore
Date : 23.05.2023
UDIN : F006835E000358780

Natesh K
Practicing Company Secretary
FCS No. 6835; CP No. 7277

Note: This report is to be read with Annexure A which forms an integral part of this report.

Secretarial Audit Report (Contd..)

ANNEXURE A

The Members
INGERSOLL-RAND (INDIA) LIMITED
First Floor, Subramanya Arcade,
No. 12/1, Bannerghatta Main Road,
Bangalore - 560029, Karnataka, India.

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

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

Place : Bangalore
Date : 23.05.2023
UDIN : F006835E000358780

Natesh K
Practicing Company Secretary
FCS No. 6835; CP No. 7277

Annexure - D1

SECRETARIAL COMPLIANCE REPORT OF INGERSOLL-RAND (INDIA) LIMITED

FOR THE YEAR ENDED 31ST MARCH 2023

I have examined:

- (a) all the documents and records made available to me and explanations provided by **Ingersoll-Rand (India) Limited** ("the listed entity"),
- (b) the filings/ submissions made by the listed entity with the stock exchanges,
- (c) the website of the listed entity,
- (d) all the other document(s)/ filing(s), as may be relevant and relied upon the same for issuing this certificate,

for the year ended 31st March 2023 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, and guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder, and the Regulations, circulars, and guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended from time to time;
- (e) Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014, as amended from time to time;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2015, as amended from time to time;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;

based on the above examination, I hereby report that during the Review Period:

- (a) The listed entity has complied with the applicable provisions of the above Regulations and circulars/ guidelines issued thereunder.
- (b) The listed entity has maintained proper records, wherever applicable, under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.
- (c) There were no actions taken against the listed entity/its promoters/directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder in so far as it appears from my examination of those records.

Annexure - D1 (Contd..)

- (d) The reporting of actions by the listed entity with the observations, if any, made in previous reports does not arise during the Review Period.

The additional affirmations by Practicing Company Secretary (PCS) in Annual Secretarial Compliance Report (ASCR) in terms of the BSE Circular Reference No. 20230410-41 dated: April 10, 2023, are given hereunder:

Sl. No.	Particulars	Compliance Status (Yes/No)	Observations/Remarks by PCS
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes	Nil
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors as required by the listed entity. • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI 	Yes	Nil
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website. 	Yes	Nil
4.	Disqualification of Director: None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	Nil
5.	To examine details related to Subsidiaries of listed entities: (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	Yes	Nil
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	Nil
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	Nil
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee.	Yes	Nil

Annexure - D1 (Contd..)

Sl. No.	Particulars	Compliance Status (Yes/No)	Observations/Remarks by PCS
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	Nil
11.	Actions taken by SEBI or Stock Exchange(s), if any: No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	Yes	Nil
12.	Additional Non-compliances, if any: I have not observed any other additional non-compliance for any other applicable SEBI regulations/circulars/guidance notes etc.	Yes	Nil

Natesh K

Company Secretary in Whole-time Practice

FCS 6835, C.P. No. 7277

Place: Bangalore

Date: 19.05.2023

UDIN: F006835E000339343

Annexure - E

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 arrangements or transactions entered into during the year ended March 31, 2023 which were not at arms length basis.

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

The details of material contracts or arrangements or transactions at arms length basis for the year ended March 31, 2023 are as follows:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Transaction Value (Rs. in Lakhs)	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 (Rs. in Lakhs)
Ingersoll-Rand Industrial US Inc., USA Immediate holding company	Sale of finished goods Purchase of raw materials, components and traded goods Recharge of expenses Dividend paid Employee share based payment expense	19,527.24 19.72 1,183.05 11,680.00 126.32	1st April 2022 to 31st March 2023	The Related Party Transactions (RPTs) entered into during the year were in the ordinary course of business, on arms length basis and repetitive in nature	Shareholders had vide postal ballot approved the RPTs for a period upto 31st March 2025. Necessary approvals were granted by the Audit Committee from time to time.	Nil
Ingersoll-Rand Industrial Ireland Limited, Ireland Fellow Subsidiary	Purchase of raw materials, components and traded goods Sale of finished goods Recovery of freight, insurance and packing charges Purchase of fixed assets Expenses recharged by other companies	5,582.17 3,587.11 71.05 1.05 163.96	1st April 2022 to 31st March 2023	The Related Party Transactions (RPTs) entered into during the year were in the ordinary course of business, on arms length basis and repetitive in nature	Shareholders had vide postal ballot approved the RPTs for a period upto 31st March 2025. Necessary approvals were granted by the Audit Committee from time to time.	Nil
Gardner - Denver Engineered Products India Private Limited, India Fellow Subsidiary	Purchase of raw materials, components and traded goods Sale of finished goods Purchase of fixed assets Sub-leasing of premises/rent received Recharge of expenses Reimbursement of expenses	163.96 7,116.65 58.15 12.40 35.06 7.12	1st April 2022 to 31st March 2023	The Related Party Transactions (RPTs) entered into during the year were in the ordinary course of business, on arms length basis and repetitive in nature	Shareholders had vide resolution passed at 99th AGM held on September 2, 2021 had approved the RPTs for a period upto 31st March 2026. Necessary approvals were granted by the Audit Committee from time to time.	Nil

For and on behalf of the Board of Directors of
Ingersoll-Rand (India) Limited

Sekhar Natarajan
Chairman
(DIN: 01031445)

Date: May 25, 2023
Place: Mumbai

Annexure - F

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Your Directors present the Company’s Report on Corporate Governance for the year ended March 31, 2023

MANDATORY REQUIREMENTS

A. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance is an ethically-driven business process that is committed to values aimed at enhancing an organization’s wealth-generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders’ expectations. At Ingersoll Rand, it is imperative that our Company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders. Ingersoll – Rand (India) Limited as a part of the Ingersoll–Rand group is committed to the highest standards of business ethics and values to benchmarking itself with global standards of Corporate Governance. Our corporate governance is a reflection of our value system, encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices and performance, and ensure that we gain and retain the trust of our stakeholders at all time. We ensure the application of best governance practices, adherence to high ethical values, healthy stakeholder relations and achievement of our objectives while meeting the stakeholder’s needs.

Your Company ensures adequate, timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company to the stock exchanges and the investors.

Your Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V of SEBI Listing Regulations as applicable, with regard to corporate governance.

B. BOARD OF DIRECTORS

Composition and category of directors:

The Company has a balanced and diverse Board of Directors (“Board”). The Company’s Board has an optimum mix of Executive and Non-Executive Directors, to maintain independence and separate the functions of governance and management. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 (the ‘Act’). As on March 31, 2023, the Board consists of Six Directors comprising two Executive Directors, one Non-Executive Non-Independent Director and three Non-Executive Independent Directors. The Board comprises two women Directors, both of whom are Non-Executive Independent Directors.

Number of Board Meetings:

Nine Board Meetings were held during the financial year 2022-23 and the gap between two consecutive meetings did not exceed 120 days. The meetings were held on May 30, 2022, June 27, 2022, August 9, 2022, November 11, 2022, December 20, 2022, December 22, 2022, February 10, 2023, March 6, 2023 and March 27, 2023. Necessary quorum was present throughout all the meetings.

Composition, Status and Attendance at the Board Meetings and the last Annual General Meeting (AGM):

Name of Director	Status i.e., Executive and Non-Executive & Independent	Number of Board Meetings		Attendance at the last AGM (August 10, 2022)
		Held during the year	Attended during the year	
Mr. Amar Kaul* (Chairman)	Non-Executive	9	8	Yes
Ms. Jayantika Dave	Non-Executive & Independent	9	8	Yes
Mr. Sekhar Natarajan@ (Chairman)	Non - Executive & Independent	9	9	Yes

Report on Corporate Governance (Contd..)

Name of Director	Status i.e., Executive and Non-Executive & Independent	Number of Board Meetings		Attendance at the last AGM (August 10, 2022)
		Held during the year	Attended during the year	
Ms. Vijaya Sampath	Non - Executive & Independent	9	9	Yes
Mr. Naveen Samant	Non – Executive & Non-Independent	9	9	Yes
Ms. Preeti Mohanty#	Executive & CFO	9	8	Yes
Mr. P. R Shubhakar^	Executive & CFO	9	1	No
Mr. Inder Arora\$	Executive	9	1	No

*Resigned as Director cum Chairman effective March 6, 2023.

@ Appointed as Chairman effective March 7, 2023

Resigned as Executive Director cum Chief Financial Officer effective March 6, 2023

^ Appointed as Executive Director and Chief Financial Officer effective March 7, 2023

\$ Appointed as Executive Director effective March 7, 2023

As per disclosure received from the Directors,

- None of the Directors of the Company for the financial year ended on March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies;
- None of the Directors hold directorships in more than seven listed companies;
- None of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director;
- None of the Directors of your Company are inter-se related to each other.

The Company has obtained a certificate from Mr. Natesh K, Company Secretary in Practice, in accordance with sub regulation (3) of Regulation 34 read with sub clause (i) of Clause 10 of Para-C of Schedule V of SEBI Listing Regulations, that none of the Directors on the Board of the Company for the financial year ended on March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies, by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other Statutory Authority, which is annexed herewith.

None of the Independent Directors are Promoters or related to Promoters or the Promoter Group. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company. None of the independent directors of the Company is a non-independent director of another company on the board of which any non-independent director of the Company is an independent director

Number of other Companies or Committees the Director (being a Director as on the date of the Directors' Report) is a Director or member / Chairman respectively:

Name of Director	No. of Other Companies on Which Director (other than Private Limited Companies)	No. of Committees* [other than Ingersoll – Rand (India) Limited] in which member
Mr. Amar Kaul@ (Chairman)	NIL	NIL
Ms. Jayantika Dave	1	1
Mr. Sekhar Natarajan% (Chairman)	2	3
Ms. Vijaya Sampath	6	5
Mr. Naveen Samant	NIL	NIL
Ms. Preeti Mohanty#	NIL	NIL
Mr. P. R. Shubhakar^	NIL	NIL
Mr. Inder Arora\$	NIL	NIL

* Only Audit Committee and Stakeholders' Relationship Committee are considered as per SEBI Listing Regulations.

@ Resigned as Director cum Chairman effective March 6, 2023.

Report on Corporate Governance (Contd..)

% Appointed as Chairman effective March 7, 2023

Resigned as Executive Director cum Chief Financial Officer effective March 6, 2023

^ Appointed as Executive Director and Chief Financial Officer effective March 7, 2023

\$ Appointed as Executive Director effective March 7, 2023

The Board at its meeting held on May 25, 2023 confirmed

- The names of the listed entities in which he/she is a director and category of directorship held (as below)
- That Independent Directors fulfill the conditions specified in SEBI Listing Regulations and are independent of the management.

Sl. No.	Name of the director	Name of the listed entities where the person is a director as on March 31, 2022	Category of Directorship	Names of Committees on which the director is a Member or Chairman	Original date of appointment
1	Mr. Sekhar Natarajan (Chairman)^	Ingersoll-Rand (India) Limited	Independent Director	a. Audit Committee-Chairman	July 27, 2016
		Bayer Cropscience Limited	Independent Director	a. Audit Committee - Chairman	October 01, 2019
		Colgate Palmolive (India) Limited	Independent Director	a. Audit Committee Member b. Stakeholders Relationship Committee - Member	May 21, 2020
2	Ms. Jayantika Dave	Ingersoll Rand (India) Limited	Independent Director	a. Audit Committee - Member b. Stakeholders Relationship Committee Member	September 12, 2014 (Independent director from March 28, 2019)
		MPS Limited	Independent Director	a. Stakeholders Relationship Committee - Member	October 30, 2019
3	Ms. Vijaya Sampath	Ingersoll-Rand (India) Limited	Independent Director	a. Audit Committee Member	March 27, 2019
		Safari Industries (India) Limited	Independent Director	a. Audit Committee Member	September 22, 2014
		Varroc Engineering Limited	Independent Director	a. Audit Committee Member	July 20, 2017
		Intellect Design Arena Limited	Independent Director	a. Audit Committee Member	October 25, 2018
		Craftsman Automation Limited	Independent Director	a. Audit Committee Member	April 3, 2018
		VA Tech Wabag Limited	Independent Director	a. Audit Committee Member	July 31, 2020
4	Mr. Naveen Samant	Ingersoll-Rand (India) Limited	Non-Executive Director	a. Stakeholders Relationship Committee - Chairman	February 10, 2020

Report on Corporate Governance (Contd..)

Sl. No.	Name of the director	Name of the listed entities where the person is a director as on March 31, 2022	Category of Directorship	Names of Committees on which the director is a Member or Chairman	Original date of appointment
5	Mr. P. R. Shubhakar	Ingersoll-Rand (India) Limited	Executive Director	NIL	March 7, 2023
6	Mr. Inder Arora	Ingersoll-Rand (India) Limited	Executive Director	a. Audit Committee Member	March 7, 2023

* Only Audit Committee and Stakeholders' Relationship Committee are considered as per SEBI Listing Regulations.

^ Appointed as Chairman of the Board effective March 7, 2023

During the year 2022-23, information as mentioned in Part A of Schedule II of SEBI Listing Regulations has been placed before the Board for its review.

Familiarization Program for Independent Directors:

It is the general practice of the Company to notify the changes in the applicable laws from time to time at regular Board Meetings. Formal familiarization programs are conducted regarding the amendments in the Act, Rules prescribed thereunder and SEBI Listing Regulations as and when necessary.

New independent directors were not appointed during the reporting financial year. Hence, there was no requirement of imparting any familiarization programs to independent directors during the reporting year and there is no further disclosure required to be made in this regard.

Key Board Qualifications, expertise and attributes:

The Company recognizes and embraces the importance of a diverse Board in its success. The objectives of the skills matrix adopted by the Board are to:

- Identify the skills, knowledge, experience and capabilities that are considered to be desirable by Board as a whole, in order for the Board to fulfill its role and in light of the Company's strategic direction:
- Ascertain the current skills, knowledge, experience and capabilities of the Board, and provide the incumbent Directors with an opportunity to reflect upon and discuss the current composition of the Board; and
- Identify any gaps in skills or competencies that can be addressed in future Director appointments.

The Board has identified the following skill set with reference to its business and industry which are available with the Board:

Name of the Director	Expertise in specific functional area
Mr. Sekhar Natarajan	Leadership, Business Development, Corporate Strategy, Financial Planning & Reporting, Risk Management, Controls and Compliance
Ms. Jayantika Dave	Human Resources, Personality Development
Ms. Vijaya Sampath	Legal, Secretarial, Corporate & Regulatory Compliances, Cross Border Acquisitions, PE Investments and International Commercial Arrangements
Mr. Naveen Samant	Corporate & Commercial Laws, Litigations, Mergers & Acquisitions, Commercial Contracts, Intellectual Property and allied legislations
Mr. P. R. Shubhakar	General & Financial Management, Controllership, Credit & Collection, Financial Planning & Reporting, Direct & Indirect Taxation, Banking & Treasury, Risk Management, Controls & Compliance, Mergers & Acquisitions and Company Law and Stock Exchange compliance
Mr. Inder Arora	Leadership, Management and Business Development, Strategic Planning, Key Account Development, Product Development, Industry Knowledge & Experience

The current composition of your Company's Board includes directors with core industry experience and has the key skills and experience set out above.

Report on Corporate Governance (Contd..)

None of the independent director has resigned before the expiry of his or her tenure during the year under review and till the date of this report.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company www.irco.com

The number of equity shares held by the Directors as on March 31, 2023 are given below:

Name of Director	Category	No. of shares
Mr. Sekhar Natarajan	Non - Executive & Independent	NIL
Ms. Jayantika Dave	Non - Executive & Independent	NIL
Ms. Vijaya Sampath	Non - Executive & Independent	NIL
Mr. Naveen Samant	Non – Executive & Non-Independent	NIL
Mr. P. R. Shubhakar	Executive	100
Mr. Inder Arora	Executive	NIL

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive Independent Directors during the year.

None of the Directors were issued ESOPs by the Company during the year.

Meeting of independent directors:

For the Board to exercise free and fair judgment in all matters related to the functioning of the Company as well as the Board, it is important for the independent directors to have meetings without the presence of the executive management.

Pursuant to Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations, the Independent Directors of your Company met once on March 27, 2023 in the absence of Non-Independent Directors and members of the management. At the meeting, the independent directors discussed the matters pertaining to review of performance of Non-Independent Directors and the Board as a whole and also that of the Chairman.

The evaluation of Independent Directors is done by the entire Board of Directors of the Company, which includes:

- Performance of all directors; and
- Fulfilment of the independence criteria and their independence from the management.

C. COMMITTEES OF THE BOARD

As on March 31, 2023, there are five committees of the Board viz. Audit Committee, Corporate Social Responsibility (CSR) Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee and Risk Management Committee.

1. AUDIT COMMITTEE

The Board has constituted a well-qualified independent Audit Committee which considers all matters specifically referred to it by the Board in addition to mandatory matters as per Section 177 of the Act read with Regulation 18 of the SEBI Listing Regulations. The Committee acts as a link between the management, external and internal auditors and the Board. All the members of the Committee are Independent Directors including the Chairman, except Mr. Inder Arora, who is executive director. They possess sound knowledge on accounts, audit, finance, taxation, internal controls, etc. The Committee, to carry out its responsibilities efficiently and transparently, relies on the Management's financial expertise and that of the internal and independent auditors.

During the year under review, the Committee met six times i.e., on May 30, 2022, August 9, 2022, November 11, 2022, February 10, 2023, March 6, 2023 and March 27, 2023. The gap between two consecutive committee meetings did not

Report on Corporate Governance (Contd..)

exceed 120 days. The details of composition of the Audit Committee and attendance of Members to the committee meetings are as follows:

Name of the Member/Director	Category	Chairman/Member	No. of meetings held during the FY. 2022-23	No. of meetings entitled to attend	No. of meetings attended
Mr. Sekhar Natarajan	Independent Director	Chairman	6	6	6
Mr. Amar Kaul*	Non-Executive & Non-Independent Director	Member	6	6	5
Ms. Vijaya Sampath	Independent Director	Member	6	6	6
Ms. Jayantika Dave	Independent Director	Member	6	6	5
Mr. Inder Arora^	Executive Director	Member	6	1	1

*Resigned as Director effective March 6, 2023.

^ Appointed as Member of the Committee effective March 7, 2023

The previous AGM of the Company was held on August 10, 2022 and was attended by Mr. Sekhar Natarajan, Chairman of the Audit Committee.

Mr. P. R. Shubhakar, Chief Financial Officer & Company Secretary, acts as the Secretary of the Committee.

Besides having access to all the required information within the Company, the Committee can obtain external professional advice whenever required. The Committee invites such of the executives, as it deems appropriate (particularly the head of the finance function), representatives of the statutory auditors and internal auditors to be present at its meetings.

The terms of reference of the Audit Committee are set out in accordance with the requirement of Section 177 of the Act and Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations, inter alia consists of

- Overseeing of the Company's financial reporting process and disclosure of financial information to ensure it is correct, sufficient and credible;
- Reviewing with the management the quarterly and annual financial statements and auditor's report before submission to the Board for approval, primarily focusing, inter alia, on
 - o Any change in accounting policies and practices and reasons for the change;
 - o Significant adjustments made in financial statements arising out of audit findings;
 - o Major accounting entries based on exercise of judgment by Management;
 - o Compliance with accounting standards, other stock exchange and legal requirements relating to quarterly / annual financial statements;
 - o Matters to be included in the director's responsibility statement;
 - o The going concern assumption;
- Related party transactions;
- Review of the adequacy of the internal control systems with the Management, internal auditors and statutory auditors;
- Recommending to the Board, the appointment / re-appointment of statutory auditors and fixing their fees;
- Approval for payment to statutory auditors for other services;
- Discussing with the Statutory Auditors before the audit commences, the nature and scope of audit as well as conduct post-audit discussions to ascertain any area of concern;
- Reviewing the adequacy of internal audit function, coverage and frequency of internal audit;
- Review with internal auditors and senior management of any significant findings and follow-ups thereon;

Report on Corporate Governance (Contd..)

- Reviewing any findings of any financial irregularities or failure of internal control systems and reporting to the Board;
- Review of the Company's financial risk and management policies;
- Review functioning of the Whistle Blower mechanism;
- Reviewing the effectiveness of the system for monitoring compliance with laws and regulations;
- Any other function as may be stipulated by any law/Government guidelines;
- Such other functions as may be specified by the Board of Directors of the Company from time to time.

The Committee is also responsible to look into any substantial defaults in payments of dividends or to creditors.

During the year under review, the Audit Committee besides considering the unaudited quarterly financial results and audited financial results and recommending to the Board of Directors of the Company for its adoption and approval, discussed various topics relating to Company's operations including inventory, direct tax compliance, GST compliance, receivables and compliances in general. The minutes of the Audit Committee Meetings are placed before the Board for their review.

The Committee relies on the expertise and knowledge of the management, the Internal Audit Team and Statutory Auditors in carrying out its responsibilities. It also uses external expertise where necessary. Management is responsible for the preparation, presentation and integrity of the Company's financial reporting. Management is also responsible for internal control over financial reporting and all procedures are designed to ensure compliance with Accounting Standards, applicable laws and regulations as well as for objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal control.

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("the NRC") is constituted in compliance with the requirements of Regulation 19 of the SEBI Listing Regulations and section 178 of the Act.

The NRC has been vested with the authority to recommend nominations for Board membership, succession planning for the senior management and the Board, recommend composition of the Board commensurate with the size, nature of the business and operational dimension of the Company, establish criteria for selection of Board Members with respect to skills, abilities, experience, competencies, qualifications, track record, integrity, and determine overall compensation policies of the Company.

The NRC also formulates the criteria for determining qualifications, positive attributes and independence of a Director and recommends to the Board periodically, policies relating to the remuneration of Directors, Key Managerial Personnel and Senior Management. In addition to the above, the NRC's role includes identifying persons who may be appointed to a senior management position in accordance with the criteria laid down, recommending to the Board their appointment and removal.

The NRC met 3 times during the year on May 30, 2022, March 6, 2023 and March 27, 2023.

Name of the Member/Director	Category	Chairman/ Member	No. of meetings held	No. of meetings entitled to attend	No. of meetings attended
Ms. Jayantika Dave	Independent Director	Chairperson	3	3	2
Mr. Amar Kaul*	Non-Executive & Non-Independent Director	Member	3	2	2
Mr. Sekhar Natarajan	Independent Director	Member	3	3	3
Ms. Vijaya Sampath^	Independent Director	Member	3	1	1

*Resigned as Director effective March 6, 2023.

^ Appointed as Member of the Committee effective March 7, 2023

Report on Corporate Governance (Contd..)

Mr. P. R. Shubhakar, Chief Financial Officer & Company Secretary, acts as the Secretary of the Committee.

The terms of reference of nomination and remuneration committee, inter alia consists of

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Formulate and recommend to the Board a policy for payment of remuneration to Executive Directors, Non-Executive Directors, Key Managerial Personnel etc. and its review from time to time.
- Periodically review and suggest revision of the total remuneration package of Executive Directors and Key Managerial Personnel under the provisions of Act.
- Decide the actual salary, allowances, perquisites and increments of Executive Directors under the Act.
- Decide the amount of incentive/bonus payable to Executive Directors under the provisions of Act.

In determining the remuneration package of the Executive Directors under the provisions of Act, the NRC evaluates the remuneration paid by comparable organizations within the industry and across various industries before making its recommendations to the Board. The compensation is also linked to individual and Company performance.

The remuneration policy of the Company can be accessed on the Company's website at www.irco.com

Performance Evaluation of Non-Executive and Independent Directors

Pursuant to the provisions of the Act and Regulation 37(10) of the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders Relationship Committee. A peer review was done by all the Directors evaluating every other Director. They also evaluated various aspects of the Board such as adequacy of the composition of the Board and its Committees, Board Diversity, execution and performance of specific duties, obligations and governance. Feedback on the appraisal has been provided to the board members.

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted in compliance with the provisions of Section 178(5) of the Act read with Regulation 20 and Part D of Schedule II of the SEBI Listing Regulations.

As of March 31, 2023, the Stakeholders Relationship Committee comprise of

Name of the Member/Director	Category	Chairman/Member	No. of meetings held during the FY. 2022-23	No. of meetings entitled to attend	No. of meetings attended
Mr. Naveen Samant	Non-Executive & Non-Independent Director	Chairman	4	4	4
Mr. Amar Kaul [^]	Non-Executive & Non-Independent Director	Member	4	4	3
Mr. Inder Arora [*]	Executive Director	Member	4	NIL	NIL
Ms. Jayantika Dave	Independent Director	Member	4	4	3

[^] Resigned as Director effective March 6, 2023

^{*} Appointed as Member of the Committee effective March 7, 2023

Committee held four meetings during the year on May 30, 2022, August 9, 2022, November 11, 2022, February 10, 2023.

Report on Corporate Governance (Contd..)

The Chairman of the Stakeholders Relationship Committee attended the Annual General Meeting of the Company held on August 10, 2022

The terms of reference of the Stakeholders Relationship Committee are set out as per the Act and Regulations 19 and 20 read with Part D of Schedule II of SEBI Listing Regulations, inter alia, consists of

- Monitor redressal of investors/shareholders grievances;
- Issue of duplicate share certificates;
- Review of shares dematerialized;
- Oversee the performance of the Company's Registrars and Share Transfer Agents;
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends and issue of new/duplicate certificates;
- Review of measures taken for effective exercise of voting rights by the shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / Annual Reports / statutory notices by the shareholders of the Company;
- All other matters related to shares

Mr. P. R. Shubhakar, Chief Financial Officer & Company Secretary acts as the Secretary of the Committee and is the Compliance Officer.

Investor complaints are processed through a centralized web-based complaints redressal system. Centralized database of all complaints received, online upload of the Action Taken Reports (ATRs) by the Company, online viewing by investors of actions taken on the complaint and the current status are updated/resolved electronically in the SEBI SCORES system.

The Registrar and Share Transfer Agents of the Company - TSR Consultants Private Limited, attend to all grievances received from shareholders and investors.

All queries like non-receipt of annual reports, dividend, transfer of shares, change of address etc. were resolved to the satisfaction of the shareholders / investors. During the year, 299 grievances / queries were received from shareholders / investors and 3 complaints were received from Securities Exchange Board of India (SEBI) and other statutory authorities. All investor grievances/queries and complaints from statutory authorities have been resolved to the satisfaction of the complainants before the end of the financial year. There were 24 grievances / queries and 1 complaint from SEBI pending at the end of the year.

All valid requests for share transfers received during the year have been acted upon and there are no share transfer requests pending as on March 31, 2023.

4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As of March 31, 2023, the CSR Committee comprised of Mr. Inder Arora , Chairman, Mr. Sekhar Natarajan, Ms. Jayantika Dave and Mr. Naveen Samant. The composition of the Committee and its terms of reference meets the requirements of section 135 of the Act. The Committee met thrice during the year under review i.e., on May 30, 2022, June 27, 2022 and February 10, 2023.

The CSR Policy is uploaded on the Company's website (www.irco.com) as required under the provisions of Section 135 of the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR projects for the financial year 2022-23 approved by the Board have also been disclosed on the Company's website (www.irco.com).

Report on Corporate Governance (Contd..)

TERMS OF REFERENCE

- To formulate and recommend to the Board, a CSR Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- To recommend the amount of expenditure to be incurred on CSR activities.
- To monitor the CSR Policy of the Company from time to time.

The details of CSR activities carried out by the Company during the year under review are set out in Annexure B to the Directors' Report. The Company's contributions and initiatives towards social welfare and environment sustainability have been integral to the business. The Committee believes it has performed effectively and carried out the role assigned to it. The Company will continue to pursue CSR activities as one of its fundamental priorities towards the society in which it operates. CSR activities of the Company is expected to continuously evolve for a long-term sustainability of business, society and environment at large. CSR activities shall further align and integrate social wellbeing, economic growth and environmental sustainability with the Company's core principles of business.

5. RISK MANAGEMENT COMMITTEE

The scope of this Committee is to assist the Board of Directors in early identification, assessment and mitigation of risks pertaining to financial, regulatory, statutory, operational, strategic, reputational, and others risks the Company may face. The Committee has overall responsibility for monitoring and approving the risk management framework and is capable of effectively addressing these risks. The terms of reference of the Committee cover the areas of developing a formal risk management structure along with formation and delegation of responsibility to an executive management team which defines risk across the organization, monitors the material risks to which your organization is exposed and appropriately implements the mitigation plan on sustainable and continuous basis.

The Risk Management Committee has been constituted in accordance with the provisions of Regulation 21 of SEBI Listing Regulations for identifying the elements of risk, which in the opinion of the Board of Directors threaten the existence of the Company.

As of March 31, 2023, the Committee comprised of Mr. P. R. Shubhakar, Chairman, Ms. Jayantika Dave, Mr. Naveen Samant and Mr. Inder Arora as its Members.

The Committee met twice during the year under review i.e., on August 24, 2022 and January 23, 2023.

The role of the committee:

1. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
2. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
3. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
4. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

D. REMUNERATION TO DIRECTORS

Remuneration Policy:

The Company has in place a Remuneration Policy for Directors, Key Managerial Personnel (KMP) and Senior Management Personnel and other employees, in accordance with the provisions of the Act and SEBI Listing Regulations. The Nomination and Remuneration policy is uploaded in the Company's website www.irco.com

The Company pays remuneration by way of salary, benefits, perquisites and allowances and commission/bonus (variable component) to its Executive Directors and senior management. Annual increments are decided by the Nomination and Remuneration Committee within the limits approved by the members and are generally effective from April 1st of

Report on Corporate Governance (Contd..)

every year. The Nomination and Remuneration Committee decides on the commission/bonus payable to the Executive Directors, and senior management within the limit prescribed under the Companies Act, 2013 based on the performance of the Company as well as that of the individual.

The Company has not adopted Employee Stock Options Policy to reward the employees in the form of non-cash incentives.

The Company has formulated a Nomination and Remuneration Policy as per which the criterion for payment of commission to Non-Executive Directors inter alia includes the time spent in attending Board/Committee meetings, time spent in perusing the paper/records/documents, time spent in participating in strategy development, contribution at the Board and certain Committee meetings and advice given to the Management from time to time on strategic matters.

The roles of Non-Executive Directors are not just restricted to corporate governance, but also make available to the Company their significant professional expertise and experience across functional areas such as Manufacturing, Finance, Operational Guidance, Human Resource Capital, Corporate Strategy, Compliance and Governance, and other corporate functions. The Company seeks expert advice from them on various matters from time to time. Hence, Non-Executive Directors are to be rewarded. Non – Executive Directors are paid remuneration by way of fixed commission. The commission is decided by the Board of Directors in terms of the ordinary resolution passed by the shareholders at the Annual General Meeting held on August 29, 2019 effective for a period of five years from the financial year commencing from April 1, 2019 and is within the ceiling of 1% of net profits of the Company as computed under the applicable provisions of the Act.

The company's Nomination and Remuneration policy has been uploaded on the website of the company www.irco.com

The details of remuneration for the financial year 2022-23 are given below:

Non-Executive Directors:

(Rs. In Lakhs)

Name of the Director	Sitting fees	Commission
Mr. Sekhar Natarajan	NIL	12.00
Ms. Jayantika Dave	NIL	12.00
Ms. Vijaya Sampath	NIL	12.00
Mr. Naveen Samant	NIL	NIL
Mr. Amar Kaul	NIL	NIL

All fees/compensation paid to the Non-Executive Directors (including Independent Directors) are recommended by the Nomination and Remuneration Committee and approved by the Board. The remuneration paid are within the limits prescribed under the Act.

Executive Directors:

(Rs. In Lakhs)

Name of the Director	Salary	Benefits, Perquisites and Allowances	Commission/Bonus
Mr. P. R. Shubhakar*	2.59	16.74	1.12
Ms. Preeti Mohanty^	41.68	84.11	NIL
Mr. Inder Arora*	2.51	18.88	1.07

^ Up to March 6, 2023

* Effective March 7, 2023

Report on Corporate Governance (Contd..)

E. GENERAL BODY MEETINGS

Location and time for last three AGMs held and the Special Resolutions, if any, passed thereat, are as given below:

Year	Date	Time	Venue	No. of special Resolutions passed
2021-22	August 10, 2022	12.00 Noon	Meeting was held through Video Conferencing/Other Audio Video Means (OAVM)	NIL
2020-21	September 2, 2021	12.00 Noon		1 - Re-appointment of Mr. Sekhar Natarajan as an Independent Director of the Company for second term of 5 years.
2019-20	September 24, 2020	12.00 Noon		Nil

No Extraordinary General Meeting was held during the past 3 years.

POSTAL BALLOT

During the year under review, no postal ballot was conducted by the Company. However, the Board of Directors at their meeting held on March 27, 2023 approved seeking consent from the Members by passing Ordinary Resolutions (as below) through remote e-voting mechanism:-

Resolution No. 1 – Appointment of Mr. Inder Arora as Director

Resolution No. 2 – Appointment of Mr. Inder Arora as Whole-time Director & fixing his remuneration

Resolution No. 3 – Appointment of Mr. P. R. Shubhakar as Director

Resolution No. 4 – Appointment of Mr. P. R. Shubhakar as Whole-time Director & fixing his remuneration

In compliance with the circulars issued by Ministry of Corporate Affairs from time to time, the Members were requested to communicate their assent or dissent to the above Ordinary Resolutions through remote e-voting system only. Further, pursuant to the provisions of sections 108 and 110 of the Act read with Rule 20 and 22 of the Rules, as amended and the provisions of Regulation 44 of the SEBI Listing Regulations, Members were provided with the facility to cast their votes electronically, through the e-voting services provided by National Securities Depository Limited (NSDL), on the resolutions set forth in the Postal Ballot Notice.

The Board had appointed Mr. Natesh K, Practicing Company Secretary (ICSI Membership No. FCS 6835) as Scrutinizer to scrutinise votes cast electronically in a fair and transparent manner.

Procedure adopted for Postal Ballot:

- The Notice of the Postal Ballot dated March 27, 2023 containing the Draft Resolutions and Explanatory Statement, were emailed on April 21, 2023 to those Members whose names appeared on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on April 10, 2023 (cut-off date) and were sent only in electronic mode. The details of E-Voting Event Number (EVEN), User ID and Password were emailed to those Members whose e-mail IDs were registered with the Company/Depository Participant(s). The Notice also specified the procedure for registering the email addresses and obtaining the Notice of Postal ballot and remote e-voting instructions by the Members whose email addresses were not registered with the depositories.
- The advertisement was published in the Newspapers viz. Financial Express (English) and Kannada Prabha (Kannada) on April 25, 2023 giving the requisite details as per the provisions of the Act and Secretarial Standard - 2.
- The remote voting period began on Monday, April 24, 2023 at 9:00 a.m. (IST) and ended on Tuesday, May 23, 2023 at 5:00 p.m. (IST).
- The Scrutinizer submitted his Report on May 24, 2023 and the resolution was deemed to have been passed on the last date of remote e-voting i.e. on Tuesday, May 23, 2023.

Report on Corporate Governance (Contd..)

Details of Voting of the above Resolutions are as under:

Particulars	Number of votes polled	Votes in favour	Votes Against	Invalid votes	Result
Resolution No. 1	2,63,75,859	2,61,43,131	2,32,728	Nil	Passed with requisite majority
Resolution No. 2	2,63,75,807	2,61,20,367	2,55,440	Nil	
Resolution No. 3	2,63,75,746	2,63,61,710	14,036	Nil	
Resolution NO. 4	2,63,75,746	2,63,44,057	31,689	Nil	

F. DISCLOSURES

Related Party Transactions:

All the transactions with related parties were in the ordinary course of business and on arms' length basis. In terms of Regulation 23 of SEBI Listing Regulations the Company has obtained prior approval of the audit committee for entering into any transaction with related parties. The audit committee granted omnibus approval for all transactions to be entered into with the related parties, during the year. The audit committee is entrusted with responsibility of approval or any subsequent modification of transactions with the related parties. All material related party transactions have been approved by the shareholders through ordinary resolution. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel or otherwise which may have potential conflict with the interest of the Company at large.

The details of the transactions with Related Parties are provided in accordance with the Accounting Standards in Note No. 35 to the financial statements in the Annual Report. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act along with the justification for entering into such a contract or arrangement in Form AOC-2 forms a part of the Report as Annexure E to the Director's Report.

The related party transactions for the half year ended September 30, 2022 and March 31, 2023 in the format prescribed by SEBI is uploaded on the website of the Company www.irco.com.

The Board approved policy for related party transactions is uploaded on the website of the Company www.irco.com.

Whistle Blower Policy and Vigil Mechanism:

In terms of the provisions of Section 177(9) of the Act, the Company has implemented a vigil mechanism, which includes implementation of the whistleblower policy. No employee has been denied access to the Chairman of the audit committee. The Company in conjunction with the Legal and Ethics Team of its ultimate holding company has informed its employees that any non-compliant behavior of directors or employees, including non-compliance of its code of conduct, may be reported by them using the ethics hotline or ethics email id. Employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. The policy also provides adequate safeguards to employee against victimization of persons who use such mechanism. The Company's whistleblower policy has been uploaded on the website of the Company www.irco.com

Policy on determination of materiality for disclosures:

The Company has adopted a policy on determination of materiality on disclosures and the same has been uploaded on the website of the Company www.irco.com

Dividend Distribution Policy:

The objective of the Company's dividend distribution policy is to reward its shareholders by sharing a portion of the profits, whilst ensuring that sufficient funds are retained in the Company for growth, working capital requirements, capex requirement etc. The policy aims to ensure a regular dividend income for the shareholders and long-term capital appreciation for all shareholders of the Company.. The Company would strive to strike an optimum balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The general factors considered by the Company for taking decisions with regard to dividend payout includes capex requirements, contractual obligations, taxation policy, statutory covenants, historical financial performance, future financial outlook, current year profits and outlook, operating Cash flows, possibilities of alternate usage of cash, providing for unforeseen events and contingencies etc.

Report on Corporate Governance (Contd..)

The Board can modify/amend the policy depending on business needs and external environment.

The company's dividend distribution policy has been uploaded on the website of the company www.irco.com

G. COMPLIANCES

The Company has complied with all the requirements of regulations and guidelines of the Securities and Exchange Board of India (SEBI) and there were no cases of non-compliance during the last three years viz. 2020-21, 2021-22 and 2022-23. Consequently, no penalties were imposed or strictures passed against your Company by SEBI, Stock Exchanges or statutory authorities. The Company has complied with and adopted the mandatory requirements of the Corporate Governance Code.

H. ADOPTION OF DISCRETIONARY REQUIREMENTS

The Company has not set up a separate office for Non-Executive Chairman or Independent Directors. However, they do have access to the Company information whenever required.

The Company has published its quarterly, half yearly and annual financial results in two newspapers including one vernacular newspaper having wide circulation. The results are promptly put up on the website of the Company besides being sent to the stock exchanges. The Company has not circulated half yearly declaration on financial performance to its shareholders.

The statutory auditors of the Company have issued audit report with unmodified opinion on the financial statements for the financial year ended March 31, 2023.

Internal audit function is handled by a set of professionals within the Company who conduct a thorough audit of the procedures in place of all the departments in the organization and report to the audit committee. The audit plan and performance of the internal audit team is reviewed by the audit committee. The internal auditor of the Company reports directly to the audit committee.

I. CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Directors and Senior Management and all its employees. The Code of Conduct is posted on the Company's website www.irco.com All Directors and Senior Management personnel of the Company have affirmed compliance with the Code. A declaration signed by the Chairman to this effect is appended at the end of this Report.

J. CEO/CFO CERTIFICATION

A certificate from Executive Director and Chief Financial Officer on the integrity of the financial statements and other matters of the Company for the financial year ended March 31, 2023 was placed before the Board at its meeting held on May 25, 2023.

K. RISK MANAGEMENT

The Board has established a risk assessment and minimization procedure which is reviewed by the Board periodically. There is a structure in place to identify and mitigate various identifiable risks faced by the Company from time to time. These risks are reviewed by the Executive Management of the Company and new risks are identified. After identification, controls are put in place with specific responsibility of the concerned officer of the Company.

L. MEANS OF COMMUNICATION

The last year's audited annual financial results and the quarterly unaudited financial results were announced during the year within the last date as specified under the SEBI Listing Regulations. These results were published in leading newspapers. The financial results, press releases and other major events/ developments concerning the Company were also posted on the Company's website www.irco.com

Half yearly report sent to each of the shareholders

No

Quarterly Results

Published in the below mentioned news papers

i. The Financial Express

ii. Kannada Prabha

Any web site, where displayed

The quarterly results are displayed on Company's website www.irco.com.

Report on Corporate Governance (Contd..)

Whether company also displays official news releases	No
Presentation made to Institutional Investors or to Analyst	No
Whether Management Discussion and Analysis Report is a part of annual report or not	Yes

M. GENERAL SHAREHOLDER INFORMATION

AGM	- Date	August 11, 2023
	- Time	12.00 Noon
	- Venue	Through Video Conferencing / Other Audio Video Means (OAVM)
		Deemed venue for the meeting: Registered Office of the Company at First Floor, Subramanya Arcade, No. 12/1, Bannerghatta Road, Bengaluru 560 029
		Two resolutions proposed for the reappointment of Independent Directors at the ensuing AGM require passing of Special Resolution.
Financial Calendar		April 2023 to March 2024
(a) First Quarter Results		Second week of August 2023
(b) Second Quarter Results		Second week of November 2023
(c) Third Quarter Results		Second week of February 2024
(d) Results for the year ending March 2024		Last week of May 2024
Date of Book Closure		The Company's Register of Members and Share Transfer Books will remain closed for the purpose of 101st Annual General Meeting- from July 18, 2023 to July 20, 2023 (Both days inclusive).
Dividend payment date		On or after August 21, 2023 (if approved in the ensuing Annual General Meeting)
Listed on Stock Exchange		BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 National Stock Exchange of India Limited Exchange Plaza, Plot No. C-1, Block G, Bandra – Kurla Complex Bandra (East), Mumbai – 400 051 Listing fees for the period 2023 – 24 has been paid to the stock exchanges
Names of the Stock Exchange where securities are listed		Stock Code
BSE Limited		500210
National Stock Exchange of India Limited		INGERRAND EQ
Demat ISIN No. for NSDL and CDS		INE177A01018

Report on Corporate Governance (Contd..)

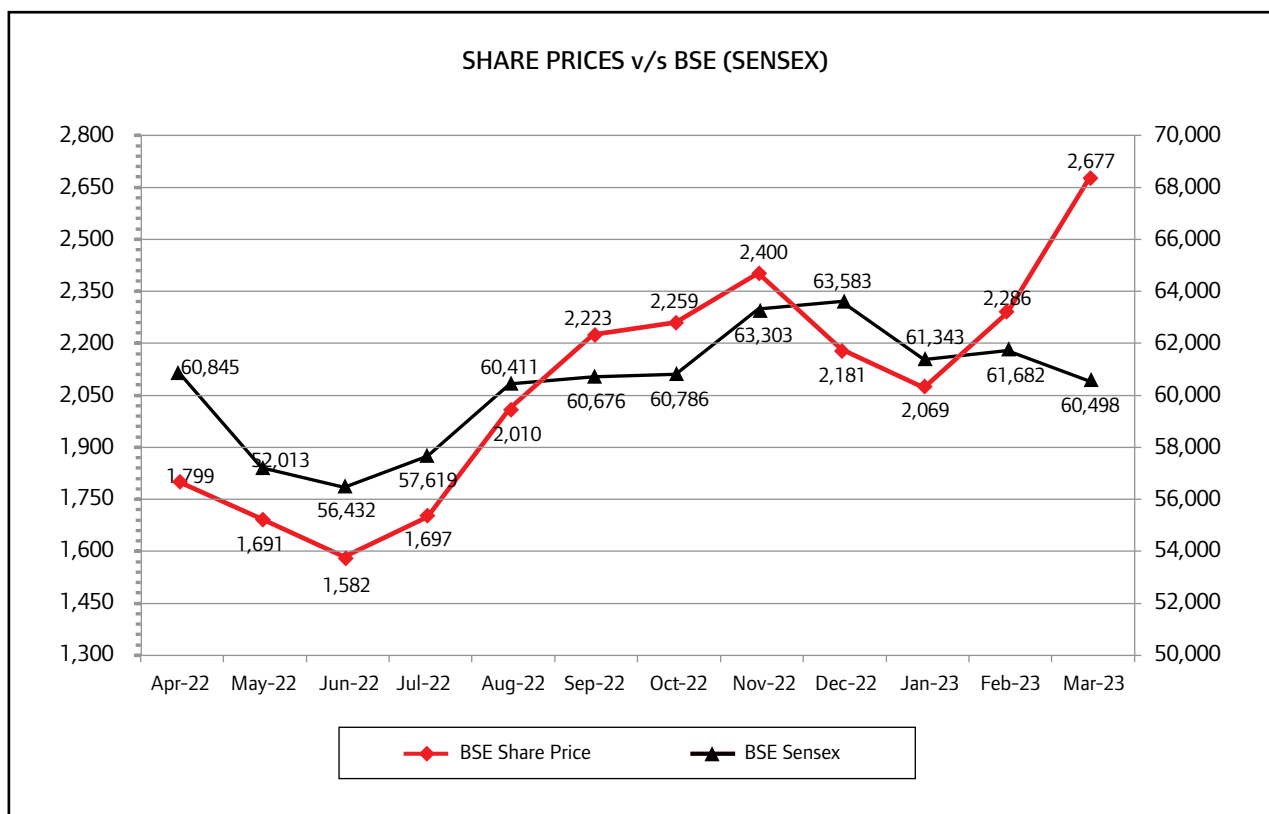
Monthly Highs and Lows for the period April 2022 to March 2023

(in Rupees)

Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High	Low	High	Low
Apr-22	1,799	1,580	1,799	1,581
May-22	1,691	1,378	1,690	1,377
Jun-22	1,582	1,280	1,582	1,280
Jul-22	1,697	1,414	1,698	1,413
Aug-22	2,010	1,615	2,011	1,616
Sep-22	2,223	1,906	2,223	1,906
Oct-22	2,259	1,966	2,259	1,965
Nov-22	2,400	2,072	2,401	2,073
Dec-22	2,181	1,790	2,180	1,791
Jan-23	2,069	1,901	2,070	1,903
Feb-23	2,286	1,841	2,286	1,842
Mar-23	2,677	2,129	2,678	2,128

Securities of the Company listed on any stock exchanges have never been suspended from trading during the financial year 2022-23 under review.

Stock Performance in comparison to BSE Sensex:



Report on Corporate Governance (Contd..)

Registrars & Share Transfer Agents

Name and Address	TSR Consultants Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083
Contact Person	Ms. Supriya Mirashi /Ms. Smita Rao
Telephone	+91 810 811 8484
Fax	+91 22 6656 8494
E-mail	csg-unit@tcplindia.co.in

Documents will be accepted at the above address between 10.00 a.m. and 3.30 p.m. (Monday to Friday except bank holidays)

For the convenience of the shareholders, documents will also be accepted at the following branches of TSR Consultants Private Limited during Monday to Friday 10.00 a.m. - 5.00 p.m. excluding Bank Holidays:

Place	Name and Address	Contact Person	Phone / Fax / Email
Bangalore	TSR Consultants Private Limited C/o. Mr. D. Nagendra Rao "Vaghdevi" 543/A, 7th Main 3rd Cross, Hanumanthnagar Bengaluru - 560019	Mr. Shivanand M.	Tel: +91-80-26509004 Email : csg-unit@tcplindia.co.in
Kolkata	TSR Consultants Private Limited C/o Link Intime India Private Limited Vaishno Chamber, Flat No. 502 & 503 5th Floor, 6, Brabourne Road Kolkata - 700001	Mr. Tapas Sarkar	Tel: +91-33-40081986 Email : csg-unit@tcplindia.co.in
New Delhi	TSR Consultants Private Limited C/o Link Intime India Private Limited Noble Heights, 1st Floor Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri New Delhi – 110058	Mr. Vishal Kumar	Tel: +91-11-49411030 Email : csg-unit@tcplindia.co.in
Jamshedpur	TSR Consultants Private Limited Bungalow No. 1, 'E' Road, Northern Town Bistupur, Jamshedpur - 831001	Mr. Subrata Das	Tel: +91-657-2426937 Email : csg-unit@tcplindia.co.in
Ahmedabad	TSR Consultants Private Limited C/o Link India Intime Private Limited Amarnath Business Centre-1 (ABC-1) Beside Gala Business Centre Nr. St. Xavier's College Corner Off. C.G. Road, Ellisbridge Ahmedabad - 380006	Ms. Preeti Madhu	Tel: +91-79-26465179 Email : csg-unit@tcplindia.co.in

Report on Corporate Governance (Contd..)

Share Transfer System:

In terms of the SEBI Listing Regulations equity shares of the Company can only be transferred in dematerialized form. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), within the statutory time limit from the date of receipt of share certificates/letter of confirmation after due verification.

Shares held in the dematerialized form are electronically traded through the Depositories with no involvement of the Company. The Registrar & Share Transfer Agent of the Company periodically receives updated beneficiary holdings from the Depositories so as to enable them to update their records and send corporate communications, dividend warrants and other documents to beneficiaries.

Requests for dematerialization of physical shares are processed and completed within the statutory timelines, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the Members.

Distribution of shares as on March 31, 2023

No. of equity shares held	No. of folios	%	No. of shares	%
Up to 5,000	34,602	99.71%	40,63,269	12.87%
5,001 – 10,000	46	0.13%	3,39,932	1.08%
10,001 – 20,000	17	0.05%	2,36,522	0.75%
20,001 – 30,000	11	0.03%	2,71,818	0.86%
30,001 – 40,000	6	0.02%	2,08,742	0.66%
40,001 – 50,000	5	0.01%	2,33,080	0.74%
50,001 – 100,000	9	0.03%	6,33,875	2.01%
100,001 and above	7	0.02%	2,55,80,762	81.03%
Total	34,703	100.00%	3,15,68,000	100.00%
No. of shareholders in physical mode	843	2.42%	1,75,617	0.57%
No. of shareholders in electronic mode	33,860	97.58%	3,13,92,383	99.43%

Shareholding pattern as on March 31, 2023 is as follows:

Category	No. of shares	%
Promoter and Promoter Group	2,36,76,000	75.00%
Foreign Portfolio Investor	333,750	1.06%
Non-Resident Indians	126,519	0.40%
Insurance Companies	50	0.00%
Financial Institutions / Banks	2,100	0.01%
Mutual Funds	17,90,136	5.67%
Domestic Companies	12,61,485	4.00%
Trusts	2,476	0.01%
Alternative Investment Funds	38,001	0.12%
Directors and their relatives	100	0.00%
IEPF	46,403	0.14%
General Public	42,90,980	13.59%
TOTAL	3,15,68,000	100.00%

Report on Corporate Governance (Contd..)

Top Ten equity shareholders of the Company as on March 31, 2023:

Sl. No.	Name of Shareholder	No. of equity shares held	% holding
1	Ingersoll-Rand Industrial U S Inc.	2,33,60,000	74.0%
2	Plutus Wealth Management LLP	9,00,000	2.9%
3	SBI Large & Midcap Fund	8,58,982	2.7%
4	Ingersoll Rand Inc.	3,16,000	1.0%
5	SBI Contra Fund	2,29,555	0.7%
6	SBI Infrastructure Fund	99,907	0.3%
7	Inevsco India Smallcap Fund	92,747	0.3%
8	ITI Small Cap Fund	74,652	0.2%
9	ICICI Prudential MNC Fund	67,137	0.2%
10	Mahindra Manulife Flexi Cap Fund	57,283	0.2%

Dematerialization of shares and liquidity

The equity shares of the Company are in compulsory demat list and are available for trading under National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As of March 31, 2023, 99.43 % of the paid-up capital has been dematerialized. Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE177A01018

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion dates and likely impact on equity

Not issued and no outstanding

Plant Location

21-30, G.I.D.C. Estate,
Naroda, Ahmedabad 382 330

Address for correspondence

Shareholders correspondence should be addressed to the Registrars and Share Transfer Agents at the address provided in an earlier section of this report or to the Compliance Officer at the following address:

The Company Secretary
Ingersoll – Rand (India) Limited
First Floor, Subramanya Arcade,
No. 12/1, Bannerghatta Road,
Bengaluru – 560 029
E-mail: p_r_shubhakar@irco.com
Telephone: +91 80 4685 5100
Fax: +91 80 4169 4399

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant

Commodity price risk or foreign exchange risk and hedging activities – NIL

There were no credit ratings obtained by the entity along with any revisions thereto during the financial year 2022-23 either for any debt instruments, fixed deposit program or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

Report on Corporate Governance (Contd..)

N. OTHER DISCLOSURES

Details of total fees paid by the Company on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is as follows:

Name of the Statutory Auditor/Network entity	Fees paid during FY 2022-23			
	Statutory Audit Fees	Other Services	Reimbursement of expenses	Total
	(in Rupees Lakhs)			
B S R & Co. LLP Chartered Accountants (Statutory Auditor till August 10, 2022)	Nil	11.00	0.50	11.50
Deloitte Haskins & Sells, Statutory Auditors	33.75	41.48	1.98	77.21
Deloitte Haskins & Sells LLP (for Income Tax related matter)	Nil	24.76	Nil	24.76

Disclosure in relation with sexual harassment at workplace:

The Company has mandated all employees to undergo online training on Prevention of Sexual Harassment (POSH) and also conducted the workshops during the year. The report has been filed with the appropriate authority.

During the year under review, no complaint relating to sexual harassment has been received. There were no complaints disposed of during the financial year and no complaints were pending as on the end of financial year.

The Company has complied with the mandatory requirements of the SEBI Listing Regulations. The Company has complied with the Discretionary Requirements as specified by Regulation 27(1) read with Part E of Schedule II of the SEBI Listing Regulations which are as under:

- Mr. Sekhar Natarajan, Chairman of the Board is a Non-Executive Independent Director.
- There has been no instances where the board has not accepted the recommendations of any committee as mentioned in (10)(i) of other disclosures under Schedule V of the SEBI Listing Regulations and hence no further disclosures is required under this section.
- There are no Shares lying in Demat Suspense Account/Unclaimed Suspense Account. Hence, no further disclosure is required in this regard.
- There are no non-compliances of any requirement of corporate governance report of sub-paras (2) to (10) of point C of Schedule V.

The company has complied with the Regulations 17 to 27 and Regulation 46(2)(b) to 46(2)(b) (i) of the SEBI Listing Regulations.

For and on behalf of the Board of Directors of
Ingersoll – Rand (India) Limited

Place: Mumbai
Date: May 25, 2023

Sekhar Natarajan
Chairman
(DIN: 01031445)

Declaration - Compliance with Code of Conduct

In accordance with Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Sekhar Natarajan, Chairman of the Board of Directors, hereby declare that the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2023.

For and on behalf of the Board of Directors of
Ingersoll – Rand (India) Limited

Place: Mumbai
Date: May 25, 2023

Sekhar Natarajan
Chairman
(DIN: 01031445)

Report on Corporate Governance (Contd..)

CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Ingersoll-Rand (India) Limited,
First Floor, Subramanya Arcade No. 12/1,
Bannerghatta Road, Bangalore – 560029,
Karnataka, India.

I have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of Ingersoll-Rand (India) Limited, having CIN L05190KA1921PLC036321 and having a registered office at First Floor, Subramanya Arcade No. 12/1, Bannerghatta Road, Bangalore – 560029, Karnataka, India (hereinafter referred to as “the Company”), for the purpose of issuing this Certificate, in accordance with sub-regulation (3) of Regulation 34 read with sub-clause (i) of Clause 10 of Para-C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company, as stated below, for the financial year ending on 31st March 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies, by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other Statutory Authority.

Sl. No.	Name of the Director	Director Identification Number	Date of Appointment
01	Ms. Jayantika Dave	01585850	12.09.2014
02	Mr. Sekhar Natarajan	01031445	27.07.2016
03	Mr. Inder Arora	10041497	07.03.2023
04	Ms. Vijaya Sampath	00641110	27.03.2019
05	Mr. Shubhakar Rajaram Payyadi	06688703	07.03.2023
06	Mr. Naveen Samant	05127077	10.02.2020

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

Place : Bangalore
Date : 23.05.2023

Natesh K
Practicing Company Secretary
FCS No. 6835; CP No. 7277
UDIN : F006835E000358692

Report on Corporate Governance (Contd..)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity Number: L05190KA1921PLC036321

Nominal Capital: Rs. 32,00,00,000/-

To

The Members of Ingersoll-Rand (India) Limited,

I have examined all the relevant records of Ingersoll-Rand (India) Limited (“the Company”) for the purpose of certifying compliance with the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period April 01, 2022, to March 31, 2023. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of this certification.

Compliance with conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring compliance with the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Listing Regulations. As regards to Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has complied with items C and E.

Place : Bangalore

Date : 23.05.2023

Natesh K

Practicing Company Secretary

FCS No. 6835; CP No. 7277

UDIN : F006835E000358758

Annexure - G

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

INTRODUCTION:

Our purpose “Lean on us – To help you make life better” has kept us going strong on not just delivering the best in class products but also working towards contributing back to our environment, people and the planet. It has always been our long-standing mission to grow responsibly and to transition to a sustainable tomorrow.

In this endeavor, to inspire trust and transparency, the Business Responsibility and Sustainability Report (BRSR) is being provided to ensure our stakeholders have access to relevant non-financial and comparable information, that will enable them to identify and assess sustainability-related risks and opportunities.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L05190KA1921PLC036321
2	Name of the Listed Entity	Ingersoll-Rand (India) Limited
3	Year of incorporation	1921
4	Registered office address	1st Floor, Subramanya Arcade, No. 12/1, Bannerghatta Road, Bengaluru - 560029 Karnataka
5	Corporate address	1st Floor, Subramanya Arcade, No. 12/1, Bannerghatta Road, Bengaluru - 560029 Karnataka
6	E-mail	p_r_shubhakar@irco.com
7	Telephone	+91 80 46855100
8	Website	http://www.irco.com
9	Financial year for which reporting is being done	2022-23
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	INR 315.68 Lakhs
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	P R Shubhakar Chief Financial Officer & Company Secretary +91 80 46855100 p_r_shubhakar@irco.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Air Solutions - Manufacturing of Air Compressors, Manufacturing of spare parts and components, Installation and commissioning and Manufacturing of air accessories.	Other manufacturing activities	100

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacture of other pumps, compressors, taps and valves etc.	28132	92%
2	Installation of industrial machinery and equipment.	33200	5%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	1	7	8
International	Nil	Nil	Nil

17. Markets served by the entity:

S. No.		Number
a	National	Pan India (28 states and 8 UTs)
	International	8
b	What is the contribution of exports as a percentage of the total turnover of the entity?	22.8%
c	A brief on types of customers	Compressed air is an integral part of modern manufacturing industries. Air compressors are used for increase in productivity, precision and speed in a broad range in industries. The Company's products are primarily sold to industries in the automotive, metals, pharmaceutical and textile sectors.

IV. Employees

18. Details as at the end of Financial Year (FY2022-23)

a. Employees and workers[^] (including differently abled)

S. No.	Particulars	FY 2022-23				
		Total (A)	Male No. (B)	Percentage % (B / A)	Female No. (C)	Percentage % (C / A)
EMPLOYEES¹						
1	Permanent (D)	374	336	89.84	38	10.16
2	Other than Permanent (Contractual / Third Party / Temporary / Intern / Project consultants working on site) (E)	131	123	93.89	8	6.11
3	Total employees (D+E)	505	459	90.89	46	9.11
WORKERS²						
4	Permanent (F)	161	161	100.00	0	0
5	Other than Permanent (Contractual / Third Party / Temporary / Intern / Project consultants working on site) (G)	384	379	98.69	5	1.31
6	Total workers (F+G)	545	540	99.08	5	0.92

¹ Employees includes executives

² Workers includes non-executives.

b. Differently abled Employees and workers

S. No.	Particulars	FY 2022-23				
		Total (A)	Male No. (B)	Percentage % (B / A)	Female No. (C)	Percentage % (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	0	0	0	0	0
2	Other than Permanent / Contractual / Third Party (E)	0	0	0	0	0
3	Total differently abled employees (D + E)	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent / Contractual / Third Party (E)	0	0	0	0	0
6	Total differently abled workers (F+G)	0	0	0	0	0

19. Participation/Inclusion/Representation of women

Representative Stakeholder	Total (A)	No. and percentage of Females (B)	% (B / A)
Board of Directors (BoD)	6 [^]	2*	33.33%
Key Management Personnel (KMP)	2	0 [#]	0%

* One woman director resigned in March 2023. The statistics for BoD presented above excludes the director who has resigned.

One woman KMP resigned in March 2023. The statistics presented for KMP presented above excludes the KMP who has resigned.

[^] Two KMPs are also part of the Board of Directors

20. Turnover rate for permanent employees and workers

Name	FY 2022-23 (Turnover rate in current FY)			FY2021-22 (Turnover rate in previous FY)			FY2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.99	21.62	10.29	10.33	20.77	11.94	1.65	0	1.47

Name	FY 2022-23 (Turnover rate in current FY)			FY2021-22 (Turnover rate in previous FY)			FY2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Workers	0.62	0	0.62	1.23	0	1.23	0.61	0	0.61

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

21. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Ingersoll Rand US Inc	Holding	1	Yes
2	Ingersoll Rand Industrial US Inc	Holding	74	Yes

VI. CSR details

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

(ii) Turnover (in Rupees) - 115,079.17 Lakhs

(iii) Net worth (in Rupees) - 57,803.32 Lakhs

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide the documented management approved SOP for grievance mechanism and the web-link for grievance redressal policy)	FY2022-23			FY2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks (e.g., categorization of grievances if available)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	None	None	Not applicable (NA)	None	None	NA
Investors* (other than shareholders)	NA	NA	NA	NA	NA	NA	NA
Shareholders	Yes	299	25	Complaints, queries, and requests	187	0	Complaints, queries, and requests
Employees and workers	Yes	None	None	Not applicable	None	None	Not applicable
Customers	Yes	824	0	Complaints, queries, and requests	645	0	Complaints, queries, and requests
Value Chain Partners (upstream & downstream)	Yes	1866	3	Complaints, queries, and requests	1114	0	Complaints, queries, and requests

*The Company has only one category of Investor – Equity shareholder. Hence, this is not applicable.

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate change action and response (Energy use)	Opportunity and Risk	<p>Opportunity:</p> <ul style="list-style-type: none"> • Savings from use of renewable energy • Using energy efficient products for manufacturing. • Lower operational costs, increased resiliency <p>Risk:</p> <ul style="list-style-type: none"> • Climate change related risks are steadily becoming more relevant in our business. This may be in the form of strategic risks, physical risks and transitional (market and compliance) risks, which if not managed properly, can affect our operation and profitability. 	<p>Our parent organization has set its 2030 and 2050 goals to mitigate climate change. The goals are focused on reducing greenhouse gas emissions and energy use, creating safer water for our communities and reduced waste to landfill. Our manufacturing facility at Naroda has established site-specific key performance targets in line with our parent organization's goals and targets.</p> <p>Please refer to Section B, Questions 5 and 6 for details on risk mitigations.</p>	<p>Positive: Leverage on the shifting client preferences and scope to improve IR India's competitiveness by highlighting our sustainability initiatives.</p> <p>Negative: Increased operating costs in meeting the goals and targets</p>
2	Product Stewardship, New Product Development and Innovation	Opportunity and Risk	<p>Opportunity:</p> <ul style="list-style-type: none"> • Implementation of environmental aspects in manufacturing of products • Development and adoption of Product Stewardship Policy. • The ability to increase market share and the ability to reduce Scope 3 emissions. <p>Risk:</p> <ul style="list-style-type: none"> • Inability to develop new products and technologies can impair the Company's competitive position, which could affect the sales and market share. 	<p>Company has continued to invest in technology innovation to sustain its leadership position and be the pioneer of best-in-class solutions for its customers. Product lifecycle is monitored continuously. R&D for new product development focuses on energy efficiency, use of environmentally friendly and recyclable material, and use of current technologies. This year, Company has added new products that are energy efficient (5-15% improvement in energy efficiency) and is in the process of developing hydrogen compressor which will contribute to sustainable practices.</p>	<p>Negative: Higher investments to meet stringent regulatory requirements on energy efficient product design.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Labor and employee matters: Employee Wellbeing and Talent management; Human Rights and diversity, equity, and inclusion	Opportunity and Risk	<p>Opportunity:</p> <ul style="list-style-type: none"> Employee Wellbeing is very important for the productivity and operations of the company. Upskilling of employees will result in increased productivity. Identifying skills and diverse perspective of employees Implementing the skills of the employees in the right way to get the desired output. <p>Risk:</p> <ul style="list-style-type: none"> Identification of human rights risk in the operational process which can otherwise create reputational risk or legal risk 	<p>Training on relevant skills and Health and Safety of employees. Awareness programs about employee wellbeing are regularly conducted.</p> <p>Awareness trainings on Prevention of Sexual harassment Policy are conducted.</p> <p>Company provides access to all employees and workers for non-occupational medical and healthcare services through annual health check-ups at the paneled hospitals.</p>	Positive: Promoting employee wellbeing results in improved productivity, reduced absenteeism, and improved talent retention.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Description		This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.									
S No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Policy and management processes											
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
	c. Web Link of the Policies, if available	www.irco.com									
2	Whether the entity has translated the policy into procedures. (Yes / No)	No	No	No	No	No	No	No	No	No	

Description		This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.								
S No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
4	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		ISO 14001:2015	ISO 45001:2018	ISO 9001:2015		ISO 14001:2015			

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

Please refer to responses under question no. 6.

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

Ingersoll Rand Inc., the ultimate holding company of the entity, has established and published its 2030 and 2050 environmental goals to mitigate climate change and make life better for generations to come. Achievement of these goals will reduce greenhouse gas emissions and save energy, create safer water for our communities and result in reduced waste to landfill. More details on IR's global 2030 and 2050 goals can be found at: <https://www.irco.com/en-in/company/corporate-responsibility/2030-and-2050-environmental-goals>

Company's manufacturing facility at Naroda has set site-specific key performance targets across various EHS parameters which align with the global environmental targets and goals. Typically, the targets comprise of achieving 5-10% year-on-year improvement in safety and environmental aspects. Furthermore, these are monitored and acted upon continuously. The EHS goals and targets for the FY 2022-23, the status of performance against the key performance targets along with reasons for not meeting the same where applicable;

EHS KPI Metrics	UoM	Target for FY 2022-23	Actual for FY 2022-23	Overall Status of the performance	Reasons of not meeting the target
Lost time incident rate (LTIR)	Nos.	0	0	met the target	NA
Total recordable incident rate (TRIR)	Nos.	0	0	met the target	NA
Reporting of EHS Concerns	Nos.	900	986	exceeded the target by 10%	NA
Reporting of Behaviour-based safety (BBS)	Nos.	2940	2976	exceeded the target by 1.2%	NA
Near Miss Reporting	Nos.	48	62	exceeded the target by 29%	NA
Increase renewable energy generation	KWH	965,000	1,107,861	exceeded the target by 15%	NA

EHS KPI Metrics	UoM	Target for FY 2022-23	Actual for FY 2022-23	Overall Status of the performance	Reasons of not meeting the target
Reduction in Hazardous Waste Generation	Pounds/KEH	65	217	fell short of meeting the target by 234%	Hazardous waste incineration facility was non-operational during COVID period, so that all the accumulated HW (Paint sludge) dispose in the year 2022-23 period. This accumulated quantity is reflected on the performance statistics.
Reduction in Non-Hazardous Waste Generation	Pounds/KEH	8273	8741	fell short of meeting the target by 6%	Considering the global supply chain disruption scenario, IR imported large quantities of raw materials and kept them in open-air conditions. Some inventory goods got rusted as a result of bad weather conditions. Therefore, all the rusted inventory items were declared as scrap in metal category. The same rusted scrap inventory items impacted the non-hazardous waste generation performance.
Reduction in Total Raw Water Consumption	KL/KEH	142	134	Exceeded the target by 5.6%	NA
Reduction in Electricity Power Consumption	Kwh/KEH	11624	9915	Exceeded the target by 15%	NA
Reduction in Natural Gas Consumption	SCM/KEH	279	332	fell short of meeting the target by 19%	We are using PNG gas in paint shop for operating ovens. In last FY, T-30 production volume was significantly increase by 24%, accordingly PNG consumption also increased.
Standard Framework Implementation	%	73%	85%	Exceeded the target	NA
Regulatory Compliance Closure Rate	%	95%	100%	Exceeded the target	NA

Governance, Leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure).

This Business Responsibility and Sustainability Report reflects our continuous commitment to sustainability, innovation, and long-term value generation through ESG integration. We have a solid ESG framework that is consistent with our vision, purpose, corporate principles and global ESG ambitions. We are aware of our obligations as we work to shape a sustainable future in the manufacturing sector. However, we are prepared to reduce risks and capitalize on opportunities given by the shifting ESG market.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy / (ies).

Mr. Inder Arora, Executive Director is responsible and monitors the implementation as well as oversight of the Business Responsibility Policies.

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

No, the entity does not have a specified committee in place that is responsible for making decisions on ESG and sustainability-related issues.

10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Executive Director									Half yearly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Executive Director									Half yearly								

11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No	No	No	No	No	No	No	No	No

12. If answer to question (1) under Policy and Management Processes is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	No	No	No	No	No	No	No	No	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	No	No	No	No	No	No	No	No	No
The entity does not have the financial or / human and technical resources available for the task (Yes/No)	No	No	No	No	No	No	No	No	No
It is planned to be done in the next financial year (Yes/No)	No	No	No	No	No	No	No	No	No
Any other reason (please specify)	No	No	No	No	No	No	No	No	No

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential indicators

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

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness program
Board of directors [^]	Nil	Not Applicable	0%
Key Managerial Personnel	2	Prevention of Sexual Harassment , Code of Conduct	100%
Employees other than BoD and KMPs	12	Prevention of Sexual Harassment, Code of Conduct, Building Collaborative Relationships, Business Communication Skills, Conflict Management, Financial Acumen, Influencing without Authority, Making our Customers Successful, Problem Solving/Result Orientation, Time & Priority Management, Win-Win Negotiations, Leadership at the Core	100%
Workers	2	Prevention of Sexual Harassment, Code of Conduct	100%

[^] excludes key managerial personnel

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

MONETARY						
	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)	NGRBC principle	If yes, Provide Case Details on: Name of the regulatory/ enforcement agencies/ judicial institutions
Penalty/ Fine	Nil	Nil	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Settlement	Nil	Nil	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Compounding fee	Nil	Nil	Not Applicable	Not Applicable	Not Applicable	Not Applicable

NON-MONETARY						
	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)	NGRBC principle	If yes, Provide Case Details on: Name of the regulatory/ enforcement agencies/ judicial institutions
Imprisonment	Nil	Nil	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Punishment	Nil	Nil	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

Case Details	Name of the regulatory/enforcement agencies/Judicial institutions
Nil	Not Applicable

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

Yes. Ingersoll Rand Inc, the ultimate holding company of the entity, has a global-level anti-corruption and anti-bribery policy in place. The policy covers Ingersoll Rand Inc., its subsidiaries, and affiliated companies. This policy is applicable to all the Company Personnel and covers all transactions conducted by the Company and Company Personnel anywhere in the world. This policy should be read in conjunction with another global level policy namely Gift, Meals, and Entertainment Policy. The policy maybe accessed at: https://s23.q4cdn.com/965037804/files/doc_downloads/2021/03/Anti-Bribery-Corruption-Policy.pdf

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

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints regarding conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Not Applicable	Nil	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Not Applicable	Nil	Not Applicable

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

There have been no fines / penalties imposed by regulators/ law enforcement agencies/ judicial institutions on Ingersoll Rand (India) Limited, during the year under review, pertaining to cases of corruption and conflicts of interest. Thus, there is no corresponding corrective actions.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential indicators

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

Name of Element	FY2022-23	FY2021-22	Details of improvements in environmental and social impacts
R&D	78.6%	100%	<p>The R&D expenditure predominantly entails development of prototypes.</p> <p>For FY2022-23:</p> <p>Company is currently involved in the process of executing an Energy Efficient Product Portfolio expansion with 5-15% improvement in energy efficiency with the introduction of:</p> <ul style="list-style-type: none"> • Contact Cooled Rotary Screw Compressor RS200-355, RS90-160, Oil Free Rotary Screw Compressor E200-355 <p>A product, Hydrogen Compressor for Mobility Market, which contributes to Sustainable practices – is under development.</p> <p>Energy efficient products with 5-15% improvement in energy efficiency had been launched in the current FY.</p> <p>The products were namely:</p> <ul style="list-style-type: none"> • Next Gen Centrifugal Compressor NX5000/1MW/4000-7500cfm, Heat of Compression (HOC) Compressed Air Dryer • Next Gen Modular Harmonized Refrigerated Air Dryer (HARP3) cycling & non-cycling type • Contact Cooled Rotary Screw Compressor Rsb7-11kW Premium Flow Package <p>For FY2021-22:</p> <ul style="list-style-type: none"> • CE Marked 15-160kW Fixed Speed Packages to meet EU safety, health and environmental protection requirements • O2 Generation using Pressure Swing Adsorption (PSA) Technology during Covid crisis • Reduced footprint & reduced water consumption CC700/700kW/2000-4000cfm centrifugal compressor • Non-lubricated small reciprocating compressor package (5-10hp) for hospitals • Energy Efficient Next Gen Modular Harmonized Refrigerated Air Dryer (HARP3) cycling & non-cycling type • Introduction of desiccant technology in air drying application by launching Heatless dryer for Indian market • Variable speed drive packages in all kW of Oil Free Screw Packages for improved energy savings at part load conditions • Remote monitoring connectivity feature implementation in 55kW & above compressor for enhanced customer connect and serviceability.

Name of Element	FY2022-23	FY2021-22	Details of improvements in environmental and social impacts
Capex	57.2%	20.3%	<p>CAPEX investments are investments associated with the development of new products for customers. These include assembly fixtures, special tools and setting up testing facility to check the quality of the end product are needed.</p> <p>For FY2022-23:</p> <ul style="list-style-type: none"> • Energy Efficient Products with 5-15% improvement in energy efficiency (Launched)- • Test Facility VFD Power upgrade for NX Series & Large Centers 200-355, Assembly and test facility development of HOC dryer, Mako • Energy Efficient Product Portfolio expansion with 5-15% improvement in energy efficiency (under execution) - • Facility enhancement for RS200-355, RS90-160, NX8000, Railway compressor <p>For FY2021-22:</p> <ul style="list-style-type: none"> • Energy Efficient Products with 5-15% improvement in energy efficiency (Launched)- <ul style="list-style-type: none"> • Infrastructure development for energy efficient cycling HARP3, RSB3-5.5, RB90kW, heat less dryer technology, NX5000.

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

Yes.

The on-Site supplier assessment is conducted to on-board the vendors. The assessment checks for variety of parameters which also include the following ESG parameters related to but not limited to environmental protection, human rights and labor relations, cyber security, product compliance, and status of compliance with ISO9001 and/or ISO 14001.

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

51% of inputs were sourced sustainably (by value of business done with all suppliers)

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Company being a compressor manufacturer, does not reclaim any products from waste for reusing/recycling.

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

Yes, EPR for plastics waste is applicable to Company's activities. A waste collection plan is prepared internally which is in line with the requirement of EPR. This is then submitted to the Central Pollution Control Board for compliances. Company considers it a business imperative that the Company ensures safe disposal of the pre-consumer and post-consumer packaging. The company, through appointed WMA, has collected and sustainably disposed 70% of the plastic packaging waste i.e. 27.58 MT of post-consumer plastic waste & pre-consumer/plant plastic waste as per the instruction from CPCB.

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential indicators

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

Category	% of employees covered by*										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	336	336	100	336	100	0	0	336	100	0	0
Female	38	38	100	38	100	38	100	0	0	0	0
Total	374	374	100	374	100	38	10.16	336	89.84	0	0
Other than Permanent Employees											
Male	123	123	100	123	100	0	0	0	0	0	0
Female	8	8	100	8	100	8	100	0	0	0	0
Total	131	131	100	131	100	8	6.11	0	0	0	0

*The numbers provided above indicate the availability of the benefit to the eligible category of employees

b. Details of measures for the well-being of workers (non-executives):

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	161	161	100	161	100	0	0	0	0	0	0
Female	0	0	100	0	100	0	0	0	0	0	0
Total	161	161	100	161	100	0	0	0	0	0	0
Other than Permanent workers											
Male	379	379	100	379	100	0	0	0	0	0	0
Female	5	5	100	5	100	5	100	0	0	0	0
Total	384	384	100	384	100	5	1.30	0	0	0	0

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

Benefits	FY2022-23			FY2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI*	0	100	N.A.	0	100	N.A.
Others – please specify	NA	NA	NA	NA	NA	NA

* The number indicates the percentage of eligible workers.

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

Yes.

Company's manufacturing facility at Naroda has been designed keeping in mind inclusivity and accessibility, the main building at the facility is equipped with access ramps at entrance, wheelchair facility, and specially built washrooms with grab bars for support. The corporate office at Bangalore and office spaces at other locations have wheelchair facility.

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

Yes, the Company does have an equal opportunity policy which is in line with the Rights of Persons with Disabilities Act, 2016. Following is the weblink to access it online: www.irco.com

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention rate
Male	92.85%	100%	NA	NA
Female	33.33%	100%	NA	NA
Total	82.35%	100%	NA	NA

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

	Yes/No (If Yes, then give details of the mechanism in brief)	Details of mechanism
Permanent Workers	Yes	Yes, Company has put in place a robust grievance redressal mechanism for employees and workers which has been detailed in the Policy on redressal of Stakeholders' Grievances. Employees and workers of Company can share their concerns initially to their points of contacts at the company, and if dissatisfied with the grievance redressed at this stage, the employees are encouraged to write in detail about their grievance to the grievance redressal officer at nsamant@irco.com . Within 30 days of the receipt of the Grievance, the Officer shall ensure due resolution of the said Grievance. In the event the resolution is taking more than the assigned time of 30 days' the Officer shall bring up the Grievance to the Committee for grant of more time for resolution OR in the event the Grievance cannot be resolved to the satisfaction of the Stakeholders, shall bring it to the notice of the Committee for further directions.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

Category	FY2022-23			FY2021-22		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	374	0	0	349	0	0
- Male	336	0	0	311	0	0
- Female	38	0	0	38	0	0
Total Permanent Workers	161	161	100	163	163	100
- Male	161	161	100	163	163	100
- Female	0	0	0	0	0	0

8. Details of training given to employees and workers:

Category	FY2022-23					FY2021-22				
	Total (A)	On Health and Safety Measures		On Skills upgradation		Total (A)	On Health and Safety Measures		On Skills upgradation*	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees										
Male	459	459	100	59	12.85	375	375	100	0	0
Female	46	46	100	2	4.35	40	40	100	0	0
Total	505	505	100	61	12.08	415	415	100	0	0
Workers										
Male	540	540	100	170	31.48	522	522	100	0	0
Female	5	5	100	0	0	5	5	100	0	0
Total	545	545	100	170	31.19	527	527	100	0	0

* No training that can be categorized as skills upgradation was given in 2021-2022 due to the pandemic

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

	FY2022-23			FY2021-22		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees						
Male	336	309	91.96	311	270	86.82
Female	38	35	92.11	38	27	71.05
Total	374	344	91.98	349	307	87.97
Workers						
Male	161	161	100	163	163	100
Female	0	0	0	0	0	0
Total	161	161	100	163	163	100

Note: The above-mentioned statistics does not include other than permanent employees and workers. Only the permanent employees and workers are eligible for performance and career development reviews.

10. Health and safety management system:

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

Yes, Company has implemented ISO 45001:2018 Occupational Health and Safety Management System (OHSMS) at the corporate office in Bangalore as well as the manufacturing plant at Naroda, Ahmedabad. This certification is valid till December 23, 2023. Annual internal audits are conducted to ensure continuous improvement in safety standards and performance.

Scope: Design, Manufacture, Supply of air compressors, Inert gas Compressors including reciprocating, centrifugal & rotary screw compressors, Dryers, Blowers including provision of system solution and supply of spare

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

Being certified to ISO 45001, Company has a robust procedure for Hazard Identification and Risk Assessment (HIRA). The findings from dynamic Job Safety Assessment (JSA) for non-routine works along with the Permit to Work System (PTW) are considered while developing the HIRA. As a business practice, any process change or fatality would instigate necessary changes to the HIRA and associated procedures as the organization follows systematic approach to organizational changes through Management of Change (MOC), ensuring the continued safety of the workforce throughout the process.

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

Yes. Company has robust processes and measures for reporting work-related hazards and to remove themselves from such risks. Through their established HIRA register and dynamic Job Safety Assessment (JSA), the workers at IR India are encouraged to report any EHS concern due to unsafe action or conditions as well as near miss cases. They have various initiatives focusing on reducing hazards, risks and incidents like conducting BBS (Behavior Based Safety) Observations periodically, observing the behavior of a person and determining what follows when this behavior occurs.

All are sensitized on all salient safety aspects through training. Along with this, periodic safety meetings are held by the Safety Committee Forum as well as during Employee town hall meetings where the details of the occurrence of the incidents (if any) will be discussed along with the corrective measures.

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

Yes, Company provides access to all employees and workers for non-occupational medical and healthcare services through annual health check-ups at the paneled hospitals.

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

Safety incident/ numbers	Categories	FY2022-23	FY2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Some of the systems and processes in place to ensure a safe and healthy workplace for the employees and workers:

- Company has established a Log out & Tag out system along with a PTW (Permit to Work) system in the organization.
- Regular health & safety training programs are conducted by the management for the employees and workers to enhance their basic awareness & competency in their field of work.
- Implemented BBS system in the organization

Some of the actions taken by the entity, in terms of equipment and infrastructure, to ensure a safe and healthy workplace for their employees and workers:

- Adequate machine guarding provisions have been administered on a need basis.
- Anti-fatigue mats deployed at the workstations to provide support to the workers who have prolonged periods of standing and working.
- MHE equipment for safe material handling have been deployed on a need basis.
- Vertical racking is provided for safe storage of materials.
- Adequate enclosure mechanisms are available on test cells to prevent high noise hazards.
- Air conditioning system & adequate ventilation system for employees' comfort.

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

	FY2022-23			FY2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0		0	0	
Health & Safety	0	0		0	0	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	25%
Working Conditions	12.5%

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

- Provisions have been made on the mezzanine floor to ensure child part safety & to avoid stacking hazards. The mezzanine floor has been compartmentalized in terms of storage of child parts required for assembly the various products. Storage space problems were encountered throughout the COVID period as a result of production expansion and volume rise. As a result, vertical height utilization was applied to increase storage capacity and shift child parts storage from the ground floor to the mezzanine floor. As a result, the ground level was freed up for various uses.
- Light sensor mechanisms were installed on EOT crane traveler to avoid hitting hazards
- Gas detection system installed at the kitchen area helps detect any gas leakage immediately.
- Installed adequate exhaust system in the kitchen

-
- Provided adequate acoustic enclosure at high noise areas
 - Dielectrical insulation deployed on all the LT & HT electrical panels to prevent employees from electrocution hazards
 - Installed HVLS fan in the workplace to enhance the working condition
 - Deployed handrailing installations on all the openings & cutouts to prevent the fall hazards
 - Provided area sensors on all the EOT crane guide tracks to prevent hitting hazards
 - Area sensor lights are installed on forklifts to alert MHE movements.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential indicators

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

The Company defines key stakeholders as persons or groups of individuals or institutions who play an essential role in the business value chain and plays an important role in a company's long-term success. Key stakeholders can help companies minimize risks and grow their business. From an organizational of point of view, the key stakeholders are

- Government/regulators
- Business associations/industrial bodies
- Academic and research institutions
- NGO’s (Civil Society)
- Investors
- Customers
- Employees
- Suppliers
- Distributors

The processes of identifying key stakeholders are based on company’s policy /regulatory issues, CSR Policy and focus areas, positioning thought leadership, promotion of business and also Innovation and technological development. based on these factors we identify the key stakeholders to work with.

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

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Government and other regulators	No	<ul style="list-style-type: none"> • Emails • Telephonic Calls • Face to Face Meetings • Committee Meetings 	Quarterly/Bi monthly	<ul style="list-style-type: none"> • Certification • Foreign Manufacturing License • Production Linked Incentive Scheme benefits to Hydrogen Compression System.
Employees	No	<ul style="list-style-type: none"> • Emails • Notice boards and digital display platforms • Employee engagement survey • Common/central announcements • Weekly meeting • Quarterly townhall 	Need-based/ periodic	strategy to achieve business numbers, tax awareness, safety awareness, career development, performance appraisal discussions, interaction with senior management, team building and engagement activities (festive celebrations, sports tournaments,) etc.

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Workers	No	<ul style="list-style-type: none"> Notice boards and digital display platforms Employee engagement survey Common/central announcements Weekly meeting Quarterly townhall Monthly meeting with union bearers Shopfloor daily meeting (on production) Monthly team dinners/lunch 	Need-based/ periodic	wage agreement and associated benefits, strategy to achieve business numbers, retirement plan, awareness on taxation, Kaizen improvement, earth day, safety week, festive celebrations, sports tournaments, etc.
Suppliers	No	Formal annual Suppliers meet, one-on-one meetings/ interactions	Annually/ need-based	Business related orientation, technical aspects, strategic plan overview/ action discussion, partnership avenues, product launches
Distributors	No	Formal annual Distributors meet, one-on-one meetings/ interactions	Annually/ need-based	Business related orientation, technical aspects, strategic plan overview/action discussion, partnership avenues, product launches,
Customers	No	One-on-one interactions, customer events, customer service centre, NPS survey	Annually/ need-based	Meeting customer's specific needs, Timely availability of products and services, complaints regarding products and services, pre and post sales and service
Communities	Yes	NGO programs, Volunteering	Need-based	CSR activities on the following themes: providing education & skill development, healthcare, conservation of environment and community development
Industrial Bodies (Confederation of Indian Industry)	No	<ul style="list-style-type: none"> Emails Telephonic Calls Committee Meetings Face to Face Meetings 	Quarterly / Monthly based on need	<ul style="list-style-type: none"> Positioning the thought leadership Advocacy to Govt of India on manufacturing related issues. Promotion of Business Positioning thought leadership
NGOs / Civil society organizations	No	<ul style="list-style-type: none"> Emails Telephonic Calls Face to Face Meetings 	Weekly	For implementing CSR Projects in the area of Education & Skill Development, Healthcare, Conservation of Environment and Community Development.
Investors	No	AGM	Annual	Business performance, new product development, succession plan, dividend distribution, business expansion

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential indicators

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

Category	FY2022-23			FY2021-22		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D)	% (D / C)
Employees						
Permanent	374	0	0%	349	0	0%
Other than permanent	131	0	0%	66	0	0%
Total Employees	505	0	0%	415	0	0%
Workers						
Permanent	161	0	0%	163	0	0%
Other than permanent	384	0	0%	364	0	0%
Total Workers	545	0	0%	527	0%	0%

Note: Ingersoll Rand Inc. has developed a global human rights policy which is available on the company's portal/intranet and notice boards. However, no formal training has been given, so from this year we will provide training to every employee and maintain its records.

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

Category	FY2022-23					FY2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No.(C)	% (C / A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	374	0	0	374	100	349	0	0	349	100
Male	336	0	0	336	100	311	0	0	311	100
Female	38	0	0	38	100	38	0	0	38	100
Other than Permanent	131	23	17.55	108	82.45	66	22	33.33	44	66.67
Male	123	22	17.89	101	82.11	64	21	32.81	43	67.19
Female	8	1	12.5	7	87.5	2	1	50	1	50
Workers										
Permanent	161	0	0	161	100	163	0	0	163	100
Male	161	0	0	161	100	163	0	0	163	100
Female	0	0	0	0	100	0	0	0	0	100
Other than Permanent	384	345	89.84	39	10.16	364	332	91.21	32	8.79
Male	379	340	89.71	39	10.29	359	327	91.09	32	8.91
Female	5	5	100	0	0	5	5	100	0	0

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

(in INR)	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	2	1,200,000	2	1,200,000
Key Managerial Personnel#	2	13,136,340	0	NA
Employees other than BoD and KMP	336	435,652	38	255,781
Workers	161	63,480	0	0

*One woman director resigned in March 2023. The statistics for BoD presented above excludes the director who has resigned and excludes Executive Directors.

#One woman KMP resigned in March 2023. The statistics presented for KMP presented above excludes the KMP who has resigned.

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

No. At present, Company does not have an India-specific focal point for addressing human rights impacts or issues caused or contributed to by the business. However, as per the IR's Global Human Rights Policy, which is applicable to all its employees globally, has identified Senior Vice President of Human Resources and Global Director of Diversity, Equity and Inclusion accountable for human rights related aspects. The policy also lists out the modes of reporting suspected violations of the human rights policy which includes Ingersoll Rand Global Ethics Hotline number & Email ID.

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

Not Available

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

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Child Labor	0	0		0	0	
Forced Labor/Involuntary Labor	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

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

Ingersoll Rand's global Code of Conduct states that the organization has a strict non-retaliation policy. If a complainant feels retaliated against for raising a concern/helping investigate a concern, the person can reach out to Global Ethics Hotline or the Legal or Compliance Department. Furthermore, the global human rights policy clearly states that no retaliatory action will be tolerated against the complainant for reporting, in good faith, a violation or suspected violation of the Policy. Except where restricted by local laws, each employee is required to cooperate in any internal or external investigation of suspected wrongdoing.

Company has commissioned an Internal Complaints Committee (ICC) to investigate into the complaints of sexual harassment. The inquiry committee shall maintain confidentiality of the complainant, the respondent, and the witnesses. The Company shall ensure that the complainant(s) and the witness(es) are not subjected to any unfavorable treatment whatsoever during the course of her/his employment.

With respect to whistle blower cases, the identity of the complainant and the witnesses (if any), will be kept confidential to the extent possible and any such disclosure be made only on a need-to-know basis and the requirements of the investigation by the Audit committee. As per the Company's whistleblower policy, complete protection will be given to Whistle Blower against any unfair practice like retaliation or any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/her duties or functions including making further Protected Disclosure. However, the complainant may face disciplinary action if the allegations were found to be made despite knowing it to be false or bogus or with a male fide intention.

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

Yes.

Human rights requirements form a part of our business agreements and supplier contracts. For suppliers, we expect human rights compliance as they have to abide by Ingersoll Rand's supplier code of conduct which explicitly states prohibition of child and forced labour, discrimination and harassment, and mandates compliance to applicable wage and hour laws, and freedom of association. Suppliers shall ensure full compliance with all local laws and regulations including but not limited to anti-bribery and anti-corruption, data protection, minimum wages, prevention of sexual harassment, and payment of statutory dues.

9. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	Nil
Forced/involuntary labor	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others – please specify	Nil

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential indicators

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

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A) GJ	8,455.76	9,179.41
Total fuel consumption (B) GJ	1,727.69	1,306.60
Energy consumption through other sources (C) GJ		
Total energy consumption (A+B+C) GJ	10,183.45	10,486.01
Turnover in Rs (in Lakhs)	115,079.17	90,991.93
Energy intensity per rupee of turnover (<i>Total energy consumption/turnover in rupees</i>) (GJ/ Lakhs INR)	0.0884	0.11524
Energy intensity (optional) – the relevant metric may be selected by the entity	Not applicable	Not applicable

Please note that only the energy consumption of manufacturing facility at Naroda were considered for the calculation. The facility at Naroda represents the significant location of operation for Company

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

No.

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

No, since Company does not come under the category of Designated Consumers.

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

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kiloliters)		
(i) Surface water	17,145	19,310
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	17,145	19,310
Total volume of water consumption (in kiloliters)	17,145	19,310
Turnover in Rs. (in Lakhs)	115,079.17	90,991.93
Water intensity per rupee of turnover (Water consumed / turnover) (KL/Lakhs INR)	0.1489	0.2122
Water intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable

Please note that only the water consumption of manufacturing facility at Naroda were considered for the calculation. The facility at Naroda represents the significant location of operation for Company.

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

No.

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

Yes. Our manufacturing facility at Naroda has installed efficient wastewater treatments (ETP and STP).

- Industrial effluent is treated in the in-house ETP. The treated effluent generated at the ETO is further subjected to tertiary treatment comprising of RO and UV. 100% of the resulting treated wastewater is reused in the process i.e. Paint Shop (Approx. 2 KL /Day). The Remaining RO residue is disposed off in the evaporators.
- Domestic effluent treated is in the STP and 100% of treated wastewater is used in the landscaping, toilet flushing purposed (approx. 30 KL/Day). Company is not used single drop of raw water for landscaping & toilet flushing purposes.

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

Parameter	Please specify unit	FY2022-23	FY2021-22
NOx	µg/m ³	13.48	12.2
SOx	µg/m ³	24.72	37.41
Particulate matter (PM)	µg/m ³	17.89	21.84
Persistent organic pollutants (POP)	µg/m ³	0	0
Volatile organic compounds (VOC)	µg/m ³	0	0
Hazardous air pollutants (HAP)	µg/m ³	0	0
Others – please specify			

Please note that only the air emissions of manufacturing facility at Naroda were considered for the calculation. The facility at Naroda represents the significant location of operation for Company. Furthermore, the statistics presented in the table represent annual average values of the various air emission parameters.

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

No.

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

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	80.00	76.47
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,201.12	1,680.80
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent/INR Lacs	0.0111	0.0193
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Please note that only the greenhouses emissions of Naroda were considered for the calculation. The facility at Naroda represents the significant location of operation for Company.

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

No.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. (Descriptive answer)

Yes, we implemented following projects for reducing greenhouse gas emission through energy conservation. Brief details of the projects have been listed below.

- a. Use of HVLS fans to improve HVAC efficiency and saving 8000 units a year. The initiative was started in July 2022.
- b. Use of VFDs in AHUs and replacement of plant compressor with energy efficient and VFD drive saving 30000 units a year. This initiative was initiated in November 2022.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY2022-23 Current financial year	FY2021-22 Previous financial year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	28.84	33.89
E-waste (B)	4.91	0
Bio-medical waste (C)	0.009	0.001
Construction and demolition waste (D)	0	0
Battery waste (E)	0	1.21
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any (waste consists of Paint Sludge, ETP Sludge, Chemical containers & Oily rags) (G)	22.87	32.43
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) (Metal waste, Corrugated boxes, wooden waste, Paper waste, plastic waste, etc.)	710.23	665.56
Total (A+B+C+D+E+F+G+H)	766.859	733.061
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	670.02	648.89
(ii) Re-used	86.00	69.00
(iii) Other recovery operations	0	0
Total	756.02	717.89
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	5.93	15.21
(ii) Landfilling	0	0
Registered recycler	4.91	0
Bioremediation & oil recovery		
(iii) Other disposal operations		
Total	10.84	15.21

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

No.

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

Waste generation being an inevitable part of manufacturing process, efforts have been taken to create value from waste. With an aim to divert a significant quantum of waste from going to the landfills, the Company has adopted systems and procedures that helps repurpose used material and reintroduce excess material into the production process. The Company follows the '3R' strategy of Reduce, Reuse and Recycle for our waste management. The Company follows legally prescribed procedures and applies environmentally sound disposal techniques for disposing hazardous waste whereas the non-hazardous waste is sold to authorized recyclers.

The company has implemented use of low air pressure system for painting operations which has reduced solvent and paint emissions. Furthermore, the company has transitioned to using low VOC paint instead of traditional paints in the process. Since VOCs evaporate, subsequently transferring harmful chemicals into the air, switching to low VOC paint will be better for improving air quality as these paints off-gas lesser than the traditional paints.

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

Not applicable, as Company does not have operations in any eco sensitive areas.

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

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

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

Company is compliant with the applicable environmental law/regulations.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Details of fines / penalties / action	Corrective action taken, if any
	NA	NA	NA	NA	NA

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential indicators

1. a. Number of affiliations with trade and industry chambers/ associations.
One
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)	Remarks (if any)
1	Confederation on Indian Industries (CII)	State and National Level	Nil

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

There have been no instances of issued related to anti-competitive conduct.

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential indicators

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

Not applicable. There have been no projects requiring SIA as per law in the current year.

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

Nil.

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

The company currently does not have a formal process to receive any kind of enquiry/grievance from members of community.

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

	FY2022-23 % spend	FY2021-22 % spend
Directly sourced from MSMEs/ small producers	34	33
Sourced directly from within the district and neighboring districts	40	39

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential indicators

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

The Customer Support Center is used as a platform for external grievance handling by customers and channel partners. They can lodge grievance by just sending a mail or a call on the dedicated toll-free number and it acts as a single point of contact for all queries and complaints. This is a robust customer support service having end-to-end tracking mechanism with -

- 80% of the calls are being answered
- 20% of the calls are being called back
- Guaranteed response within one hour
- 100% of all inquiry / service request receive follow-up communication everyday
- Average complaint closure tenure is 8 days.

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

	Turnover with respect to: (Rs. Lakhs)	As a percentage to total turnover
Environmental and social parameters relevant to the product	115,079.17	100%
Safe and responsible usage	115,079.17	100%
Recycling and/or safe disposal	0	0%

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

	FY2022-23			FY2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	N.A.	Nil	Nil	N.A.
Advertising	Nil	Nil	N.A.	Nil	Nil	N.A.
Cyber-security	Nil	Nil	N.A.	Nil	Nil	N.A.
Delivery of essential services	Nil	Nil	N.A.	Nil	Nil	N.A.
Restrictive Trade Practices	Nil	Nil	N.A.	Nil	Nil	N.A.
Unfair Trade Practices	Nil	Nil	N.A.	Nil	Nil	N.A.
Other	Nil	Nil	N.A.	Nil	Nil	N.A.

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

	Number	Reasons for recall
Voluntary recalls	0	Not applicable
Forced recalls	0	Not applicable

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

Yes.

An IT Security framework has been established based on NIST CSF, NIST 800-171, NIST 800-53 and ISO 27001.

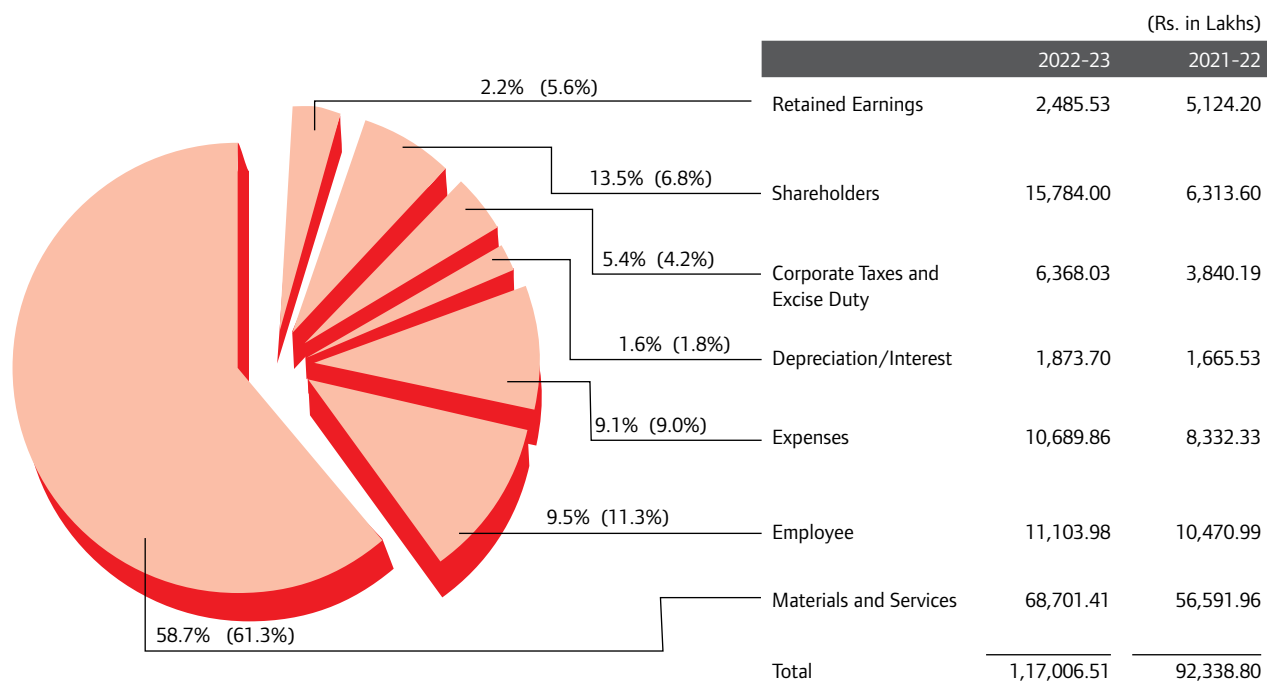
Ingersoll Rand Inc., which is our ultimate holding company, has developed a Privacy Policy. The privacy policy is available on our intranet.

At Ingersoll Rand (“IR”) we are committed to protecting the information that we hold about you, our employees, temporary staff, partners, trainees/apprentices, agency staff and self-employed consultants and respecting your privacy. We want to be clear about the information that we keep as well as how we look after it and what we use it for. This Privacy Notice provides more detail on this and how we comply with applicable data protection legislation. The policy can be accessed at: <https://www.irco.com/en-in/terms>

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

Nil

Distribution of Income

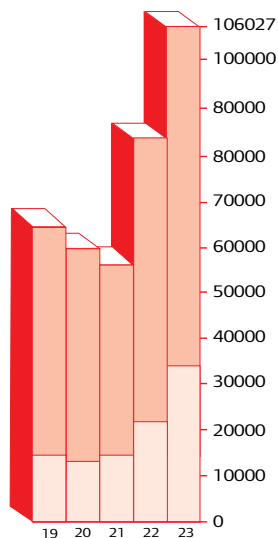
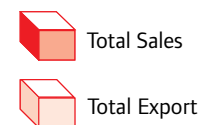


Ten years at a glance

	(Rs. in Lakhs)	2022-23	2021-22	2020-21
1. Sales		1,06,026.84	83,796.77	55,885.73
2. Other Income		10,979.67	8,542.03	7,192.08
3. Total Income		1,17,006.51	92,338.80	63,077.81
4. CAGR For Total Income (%)		5.95%	-	-
5. Manufacturing and Other Expenses		90,502.91	75,837.84	50,704.20
6. Depreciation		1,633.02	1,410.20	1,426.45
7. Interest		240.68	255.33	169.17
8. Profit Before Depreciation & Tax		26,262.92	16,245.63	11,756.64
9. Profit Before Tax		24,629.90	14,835.43	10,330.19
10. Tax		6,368.03	3,840.19	3,475.91
11. Total Comprehensive Income		18,269.53	11,437.80	6,854.28
12. CAGR For Total Comprehensive Income (%)		11.80%	-	-
13. Dividend for the year		15,784.00	6,313.60	947.04
14. Dividend for the year - Rs. per share		50.00	20.00	3.00
15. Fixed Assets (Net)		11,440.19	11,695.26	10,669.77
16. Current Assets, Financial Assets etc.		74,468.28	71,894.52	56,558.85
17. Total Assets		85,908.47	83,589.78	67,228.62
18. Share Capital		3,156.80	3,156.80	3,156.80
19. Market Price Per Share (in Rs.): 52 Weeks High & Low in BSE		H 2,677.05	H 1,747.80	H 911.15
(H - High ; L - Low)		L 1,280.00	L 674.90	L 555.40
20. Reserves and Surplus		54,646.52	52,031.84	41,910.48
21. Net Worth		57,803.32	55,188.64	45,067.28
22. Loans (Secured and Unsecured)		-	-	-

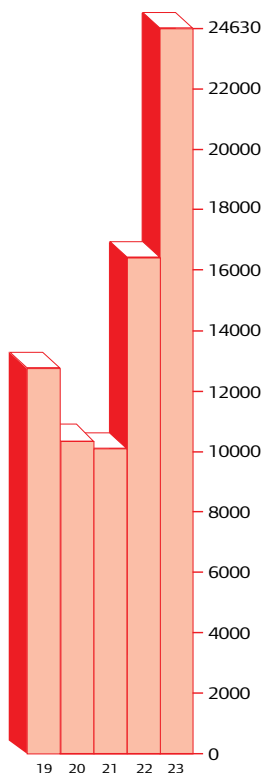
GROSS SALES

(in Rs. Lakhs)



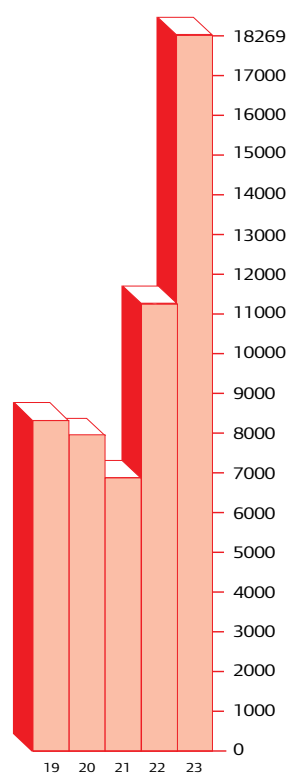
PROFIT BEFORE TAX

(in Rs. Lakhs)



PROFIT AFTER TAX

(in Rs. Lakhs)



	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	
	59,140.28	64,429.70	54,869.52	59,010.20	58,998.61	65,264.50	58,778.51	1.
	15,035.16	12,870.18	14,797.54	14,473.90	12,366.60	12,886.70	10,744.60	2.
	74,175.44	77,299.88	69,667.06	73,484.10	71,365.21	78,151.20	69,523.11	3.
	-	-	-	-	-	-	-	4.
	60,684.97	63,368.74	55,450.84	60,786.60	62,101.30	61,099.20	53,342.40	5.
	1,826.11	1,137.34	1,259.71	1,180.00	977.60	1,155.90	810.60	6.
	260.01	49.01	(208.02)	78.80	46.70	207.80	118.70	7.
	12,744.59	13,872.76	14,450.29	12,435.30	9,217.21	11,250.50	10,654.11	8.
	10,918.48	12,735.42	13,190.58	11,255.30	8,239.61	10,094.60	9,843.51	9.
	2,945.53	4,648.40	4,284.73	3,647.90	2,128.00	3,480.00	3,147.80	10.
	7,972.95	8,087.02	8,905.85	7,607.40	6,111.61	6,614.60	6,695.71	11.
	-	-	-	-	-	-	-	12.
	9,786.08	1,894.08	65,661.44	1,894.08	1,894.08	1,894.08	1,894.08	13.
	31.00	6.00	208.00	6.00	6.00	6.00	6.00	14.
	11,085.19	11,910.63	12,196.16	12,804.40	7,754.90	15,494.90	11,632.41	15.
	44,135.74	48,034.04	1,16,684.38	1,08,432.01	1,08,328.40	97,620.30	97,705.61	16.
	55,220.93	59,944.67	1,28,880.54	1,21,236.41	1,16,083.30	1,13,115.20	1,09,338.02	17.
	3,156.80	3,156.80	3,156.80	3,156.80	3,156.80	3,156.80	3,156.80	18.
	H 729.85	H 914.90	H 940.00	H 789.00	H 1,125.00	H 1,107.80	H 473.95	19.
	L 569.00	L 472.35	L 651.90	L 621.50	L 583.00	L 420.00	L 301.00	
	34,956.11	38,698.97	1,09,691.46	1,02,999.30	97,609.20	92,565.10	88,303.61	20.
	38,112.91	41,855.77	1,12,848.26	1,06,156.10	1,00,766.00	95,721.90	91,460.41	21.
	-	-	-	-	-	-	-	22.

Independent Auditors' Report

To the Members of Ingersoll-Rand (India) Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Ingersoll-Rand (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements 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 Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Tax litigations – provisions & contingencies</p> <p>The Company is involved in legal proceedings on disputed corporate tax demands and indirect tax demands. The Company periodically reviews its tax positions, which include obtaining advices by the external tax consultant and tax counsels appointed by the Company. Based on the advice received, in cases where the amount of tax liability is uncertain, the Company creates a provision or makes a contingent liability disclosure in the Financial Statements that reflects Management's best estimate of the probable outcome based on the facts. Also, refer note 25 of the financial statements.</p> <p>Pending outcome of the litigations, the recognition of provisions or disclosure of contingent liability is subject to the significant judgements and estimates. Hence, we identify it as key audit matter.</p>	<p>Our key audit procedures included the following:</p> <ul style="list-style-type: none">- We have held in discussions with in-house team of the Company regarding the status of the ongoing litigations to understand the associated risk and management's assessment of the potential impact of the litigations.- Evaluated the design, implementation and operating effectiveness of Company's controls in respect of assessment of various tax litigations.- We have obtained confirmation from the external legal counsel, where applicable.- We have taken views from our internal specialist around ongoing litigations and associated risks of the litigations.- We have evaluated Management's assessment with respect to such tax litigations in order to assess the adequacy of the tax provisions and disclosure of contingent liability.

Independent Auditors' Report (Contd.)

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Reports such as Directors' report and annexures thereof, Business Responsibility and Sustainability Report (but does not include the financial statements and our auditor's Report thereon), and the remaining sections of Annual Report, which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Independent Auditors' Report (Contd.)

- 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 the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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, except for keeping backup on daily basis of such books of account maintained in electronic mode, in a server physically located in India (refer Note 40 to the financial statements).
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

Independent Auditors' Report (Contd.)

- i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 25 to the 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. The Management has represented that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The Management has represented, that, to the best of its knowledge and belief no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.
 - c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. As stated in Note 44 to the financial statements
 - The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
 - The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act. The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

Krishna Prakash E
(Partner)
(Membership No. 216015)
UDIN : 23216015BGXSBD9305

Place: Bengaluru
Date: May 25, 2023

Annexure- A to the Independent Auditor's Report

(Referred to in paragraph g under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Ingersoll-Rand (India) Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control 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". 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 respective 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.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Annexure- A to the Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on, the criteria for internal financial control with reference to financial statements 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 ICAI.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

Krishna Prakash E
(Partner)
(Membership No. 216015)
UDIN : 23216015BGXSBD9305

Place: Bengaluru
Date: May 25, 2023

Annexure- B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) a) In respect of Company's Property, Plant and Equipment and Intangible assets:
 - A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - B) The company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a program of verification of property, plant and equipment and right- of - use - of assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) The Company does not have any immovable properties of freehold (other than properties where the company is the lessee and the lease agreements are duly executed in the favour of the lease) hence reporting under (i) (c) of the Order is not applicable.
- d) The Company has not revalued any of its property, plant and equipment (including right of-use assets) and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) a) The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For goods in transit, the goods have been received subsequent evidence of receipts has been linked with inventory records. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.
- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the statements comprising stock statement, trade receivables and trade payables filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and hence reporting under clause (iii) of the Order is not applicable
- (iv) According to the information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under provisions of section 185 or 186 of the Companies Act, 2013 and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of accounts maintained by the Company pursuant to

Annexure- B to the Independent Auditor's Report (Contd.)

the to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the Statute	Nature of the dues	Amount (Rs in lacs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax	186.56 (173.33) *	AY 2003-04 and AY 2005-06	High Court of Karnataka
Income Tax Act, 1961	Tax/ Interest	534.56	AY 2017-18	Commissioner of Income Tax (Appeals) Bengaluru
Income Tax Act, 1961	Tax/ Interest	303.27 (289.93) *	AY 2004-05 AY 2006-07 AY 2007-08 and AY 2009-10	Assessing Officer- Income Tax Bengaluru
Income Tax Act, 1961	Tax	309.63 (25.77)*	AY 2018-19	Income Tax Appellate Tribunal, Bangalore
The Central Excise Act, 1944	Excise Duty	67.06	2007-08	The Commissioner of Central Excise (Appeals) Bengaluru
The Central Excise Act, 1944	Excise Duty	1,643.11	2008-13	The Custom, Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad
The Finance Act, 1994	Service Tax	794.54 (39.55)*	2008-2016	CESTAT, Ahmedabad
The Finance Act, 1994	Service Tax	124.01	2008-2016	Joint Commissioner of Central Excise
The Finance Act, 1994	Service Tax	717.10 (33.12)*	2011-16	CESTAT, Ahmedabad
The Finance Act, 1994	Service Tax	7.67 (0.46)*	2015-17	CESTAT, Ahmedabad
The Central Sales Tax, 1956	Sales Tax	165.42 (118.50)*	2010-11	The Gujarat Value added tax Tribunal, Ahmedabad

*Amount represents payment made under protest

Annexure- B to the Independent Auditor's Report (Contd.)

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix) (a) of the Order is not applicable to the Company.
- b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The company has not obtained any term loans during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable to the Company.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) The company did not have any subsidiary or associate or joint venture during the year and hence reporting under clause (ix)(e) of the Order is not applicable to the Company.
- f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) and hence reporting under clause (x)(b) of the Order is not applicable.
- (xi) a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2023.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

Annexure- B to the Independent Auditor's Report (Contd.)

- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The company has fully spent the required amount towards corporate social responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in schedule VII to the companies act or special account in compliance with provision of sub section (6) of section 135 of the said act. Accordingly reporting under clause (xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

Krishna Prakash E
(Partner)
(Membership No. 216015)
UDIN : 23216015BGXSBD9305

Place: Bengaluru
Date: May 25, 2023

Balance Sheet

(All amounts in Rupees Lakhs, unless otherwise stated)

	Notes	As at	
		March 31, 2023	March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	4	10,527.69	10,241.81
Capital work-in-progress	4A	400.30	617.91
Right-of-use assets	32B(a)	494.58	810.08
Intangible assets	4	17.62	25.46
Financial assets			
(i) Other financial assets	5.4	283.01	359.80
Deferred tax assets (net)	6	123.24	50.77
Income tax assets (net)	9	1,371.08	1,543.39
Other non-current assets	7	491.06	509.47
Total non-current assets		13,708.58	14,158.69
Current assets			
Inventories	8	16,208.91	16,073.29
Financial assets			
(i) Trade receivables	5.1	26,790.82	21,934.68
(ii) Cash and cash equivalents	5.2	27,294.55	29,168.54
(iii) Bank balances other than above	5.3	227.97	206.48
(iv) Other financial assets	5.4	482.70	347.40
Other current assets	7	1,194.94	1,700.70
Total current assets		72,199.89	69,431.09
Total assets		85,908.47	83,589.78
Equity and Liabilities			
Equity			
Equity share capital	10.1	3,156.80	3,156.80
Other equity	10.2	54,646.52	52,031.84
Total equity		57,803.32	55,188.64
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	11.2	123.21	459.77
Provisions	12	13.59	10.81
Other non-current liabilities	15	353.64	272.76
Total non-current liabilities		490.44	743.34
Current liabilities			
Financial liabilities			
(i) Lease liabilities	11.2	338.73	314.78
(ii) Trade payables	14		
Total outstanding dues to micro enterprises and small enterprises		3,142.99	3,030.22
Total outstanding dues to creditors other than micro enterprises and small enterprises		16,254.01	16,950.62
(iii) Other financial liabilities	11.1	866.41	1,561.12
Provisions	12	373.10	341.42
Employee benefit obligations	13	523.39	509.28
Current tax liabilities (net)		629.66	547.26
Other current liabilities	15	5,486.42	4,403.10
Total current liabilities		27,614.71	27,657.80
Total liabilities		28,105.15	28,401.14
Total equity and liabilities		85,908.47	83,589.78

The above balance sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred to in our report of even date

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm's registration number : 0080725

Krishna Prakash E
Partner
Membership Number: 216015
Place: Bengaluru
Date: 25 May 2023

for and on behalf of Board of Directors of
Ingersoll - Rand (India) Limited

Sekhar Natarajan
Director
DIN: 01031445
Place: Mumbai
Date: 25 May 2023

P. R. Shubhakar
Chief Financial Officer & Company Secretary
DIN: 06688703
Place: Bengaluru
Date: 25 May 2023

Inder Arora
Executive Director
DIN: 10041497
Place: Udaipur
Date: 25 May 2023

Statement of Profit and Loss

(All amounts in Rupees Lakhs, unless otherwise stated)

	Notes	Year ended	
		March 31, 2023	March 31, 2022
Income			
Revenue from operations	16	115,079.17	90,991.93
Other income	17	1,927.34	1,346.87
Total income		<u>117,006.51</u>	<u>92,338.80</u>
Expenses			
Cost of materials consumed	18	66,609.30	57,506.75
Purchases of stock-in-trade		1,948.39	1,711.88
Changes in inventories of work-in-progress, stock-in-trade and finished goods	19	143.72	(2,626.67)
Employee benefits expense	20	11,103.98	10,470.99
Finance costs	23	240.68	255.33
Depreciation and amortisation expense	21	1,633.02	1,410.20
Other expenses	22	10,697.52	8,774.89
Total expenses		<u>92,376.61</u>	<u>77,503.37</u>
Profit before tax		24,629.90	14,835.43
Tax expenses	24		
Current tax		6,443.00	3,833.81
Deferred tax		(74.40)	61.18
Current tax relating to prior years (net)		(2.50)	(73.99)
Total tax expenses		<u>6,366.10</u>	<u>3,821.00</u>
Profit for the year		<u>18,263.80</u>	<u>11,014.43</u>
Other comprehensive income, net of income tax			
Items that will not be reclassified to profit or loss			
Gain/ (loss) on remeasurements of defined benefit obligations		7.66	76.24
Gain/ (loss) on actuarial valuation of Provident fund corpus and interest		-	366.32
Income tax relating to this item credit/ (charge)		(1.93)	(19.19)
		<u>5.73</u>	<u>423.37</u>
Other comprehensive income, net of income tax		<u>5.73</u>	<u>423.37</u>
Total comprehensive income for the year		<u>18,269.53</u>	<u>11,437.80</u>
Earnings per equity share [Nominal value per share Rs.10 (March 31, 2022: Rs.10)]			
Basic and Diluted	26	57.86	34.89

The above Statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss referred to in our report of even date

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm's registration number : 008072S

Krishna Prakash E
Partner
Membership Number: 216015
Place: Bengaluru
Date: 25 May 2023

for and on behalf of Board of Directors of
Ingersoll - Rand (India) Limited

Sekhar Natarajan
Director
DIN: 01031445
Place: Mumbai
Date: 25 May 2023

P. R. Shubhakar
Chief Financial Officer & Company Secretary
DIN: 06688703
Place: Bengaluru
Date: 25 May 2023

Inder Arora
Executive Director
DIN: 10041497
Place: Udaipur
Date: 25 May 2023

Statement of Changes in Equity

(All amounts in Rupees Lakhs, unless otherwise stated)

					Amount
A. Equity share capital					
As at April 1, 2021					3,156.80
Changes in equity share capital					-
As at March 31, 2022					3,156.80
Changes in equity share capital					-
As at March 31, 2023					<u>3,156.80</u>
B. Other equity					
	Reserves and surplus		Items of OCI		Total other equity
	General reserve	Retained earnings	Other reserves	Remeasurements of the net defined benefit plan	
Balance at April 1, 2021	30,301.90	12,089.79	467.74	(948.95)	41,910.48
Profit for the year	-	11,014.43	-	-	11,014.43
Other comprehensive income	-	-	-	423.37	423.37
Total comprehensive income for the year	-	11,014.43	-	423.37	11,437.80
Dividends paid (Refer note 44)	-	(947.04)	-	-	(947.04)
Employee stock option compensation	-	-	835.93	-	835.93
Employee stock option compensation to be reimbursed to ultimate holding company	-	-	(1,205.33)	-	(1,205.33)
	-	(947.04)	(369.40)	-	(1,316.44)
Balance at March 31, 2022	<u>30,301.90</u>	<u>22,157.18</u>	<u>98.34</u>	<u>(525.58)</u>	<u>52,031.84</u>
Profit for the year	-	18,263.80	-	-	18,263.80
Other comprehensive income	-	-	-	5.73	5.73
Total comprehensive income for the year	-	18,263.80	-	5.73	18,269.53
Dividends paid (Refer note 44)	-	(15,784.00)	-	-	(15,784.00)
Employee stock option compensation	-	-	282.50	-	282.50
Employee stock option compensation to be reimbursed to ultimate holding company	-	-	(153.35)	-	(153.35)
	-	(15,784.00)	129.15	-	(15,654.85)
Balance at March 31, 2023	<u>30,301.90</u>	<u>24,636.98</u>	<u>227.49</u>	<u>(519.85)</u>	<u>54,646.52</u>

The above Statement of changes in equity should be read in conjunction with the accompanying notes.

This is the Statement of Changes in Equity referred to in our report of even date

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm's registration number : 0080725

Krishna Prakash E
Partner
Membership Number: 216015
Place: Bengaluru
Date: 25 May 2023

for and on behalf of Board of Directors of
Ingersoll - Rand (India) Limited

Sekhar Natarajan
Director
DIN: 01031445
Place: Mumbai
Date: 25 May 2023

P. R. Shubhakar
Chief Financial Officer & Company Secretary
DIN: 06688703
Place: Bengaluru
Date: 25 May 2023

Inder Arora
Executive Director
DIN: 10041497
Place: Udaipur
Date: 25 May 2023

Statement of Cash Flows

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
A. Cash flow from operating activities		
Profit for the year	18,263.80	11,014.43
Adjustments for:		
Tax expenses	6,366.10	3,821.00
Depreciation and amortisation expense	1,633.02	1,410.20
Interest expense	240.68	255.33
Interest income	(1,106.66)	(734.75)
Net (gain)/ loss on disposal of property, plant and equipment	4.89	(9.35)
Employee share based payments expense	156.18	129.80
Unrealised foreign exchange (gain)/ loss	125.69	(87.18)
Change in operating assets and liabilities		
Changes in trade receivables	(4,902.71)	(3,671.63)
Changes in inventories	(135.62)	(6,572.85)
Changes in other financial assets	30.21	266.99
Changes in other non-current assets	18.41	1.56
Changes in other current assets	505.76	(77.26)
Changes in trade payables	(617.55)	5,280.37
Changes in provisions	34.46	(184.64)
Changes in employee benefit obligations	21.77	(376.22)
Changes in other financial liabilities	(620.65)	282.38
Changes in other current liabilities	899.94	576.67
Changes in other non-current liabilities	80.88	146.79
Cash generated from operations	20,998.60	11,471.64
Income taxes paid (net of refunds)	(6,192.38)	(3,381.76)
Net cash inflow from operating activities	14,806.22	8,089.88
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(1,482.71)	(1,224.90)
Proceeds from sale of property, plant and equipment	(0.01)	18.55
Interest received	1,017.94	672.48
Net cash (outflow) / inflow from investing activities	(464.78)	(533.87)

Statement of Cash Flows (Contd.)

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
C. Cash flows from financing activities		
Dividends paid	(15,784.32)	(947.23)
Repayment of lease liabilities	(335.65)	(295.72)
Interest paid	(50.05)	(61.79)
Net cash outflow from financing activities	(16,170.02)	(1,304.74)
Net Increase/ (decrease) in cash and cash equivalents	(1,828.58)	6,251.27
Cash and Cash equivalents at the beginning of the year	29,168.54	22,916.73
Effect of exchange differences on balances with banks in foreign currency	(45.41)	0.54
Cash and Cash equivalents at the end of the year	27,294.55	29,168.54
Cash and cash equivalents comprise of:		
Balances with banks (including demand deposits)	27,294.55	29,168.54
Total	27,294.55	29,168.54

Notes:

- 1 Refer note 32B for reconciliation of movement of lease liabilities to cash flows arising from financing activities.
- 2 The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at March 31, 2023 and the Statement of Profit and Loss for the year ended on that date.
- 3 The above Cash Flow Statement has been prepared under the indirect method in consonance with the requirements of Indian Accounting Standard (Ind AS) - 7 on Statement of Cash Flows and the reallocations required for the purpose are as made by the Company.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm's registration number : 0080725

Krishna Prakash E
Partner
Membership Number: 216015
Place: Bengaluru
Date: 25 May 2023

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Notes forming part of the financial statements for the year ended March 31, 2023

(All amounts in Rupees Lakhs, unless otherwise stated)

1 General information

Ingersoll-Rand (India) Limited (the 'Company') [CIN: L05190KA1921PLC036321] is a public limited company incorporated in 1921 under provisions of the Companies Act, 1913 and existing under the provisions of the Companies Act, 1956/ 2013. The Company's registered office is at Bengaluru and its principal place of business and manufacturing plant is located at Naroda, Ahmedabad. It is primarily engaged in the business of manufacturing and selling of industrial air compressors of various capacities and providing related services. The Company sells air compressors primarily in India and also exports the products to American, Asian and European countries. The equity shares of the Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

2 Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [the Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/ non current classification of assets and liabilities.

The financial statements were authorised for issue by the Company's Board of Directors on May 25, 2023.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- (a) certain financial assets and liabilities that are measured at fair value;
- (b) defined benefit plans - plan assets measured at fair value; and
- (c) share-based payments measured at fair value on grant date.

(iii) Use of estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The area involving critical estimates or judgements is:

- Estimation of defined benefit obligation and fair value of plan assets — Note 20
- Useful life of property, plant and equipment and Intangible assets — Note 3.11
- Recognition and measurement of provisions and contingencies — Note 12 and 25
- Provision for tax — Note 24
- Deferred tax assets — Note 6
- Leases and lease classification — Note 3.5 and 32B
- Financial instrument — Note 28 and 30

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(iv) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as permitted by Schedule III of Companies Act, 2013, unless otherwise stated.

3 Significant accounting policies

3.1 Segment reporting

In accordance with the requirements of Ind AS 108 - "Segment Reporting", the Company is primarily engaged in the business of manufacturing and selling of industrial air compressors of various capacities and providing related services (Air solutions) and has no other primary reportable segments. The Company's chief operating decision maker (CODM) reviews the performance of the Company as a whole as there are no operations other than Air solutions segment. Consequently, there is only one segment and hence no separate segment disclosures have been presented as such information is available in the financial statements.

3.2 Foreign exchange transactions and translations

Transactions in foreign currencies are recorded at prevailing rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the statement of profit and loss."

3.3 Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

(a) Sale of goods

Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of returns, trade allowances, rebates and liquidated damages etc. as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Other contract assets are classified as other assets.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues. Advances received for goods and services are reported as liabilities until all conditions for revenue recognition are met.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

(b) Sale of services

Installation and commissioning revenue is recognised in the period in which the services are rendered. Service revenue from annual maintenance contract are recognised on time proportion basis over the period of contract.

Revenue from services are disclosed exclusive of tax.

(c) Business support and auxiliary services:

The Company provides business support and auxiliary services to certain fellow subsidiaries. Revenue from such services is recognised in the period in which the services are rendered. The recognition is based on the terms of the contract with the respective customers, which is on a cost-plus basis.

(d) Government grants - Export incentives:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(e) Interest income from deposits with banks is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

(f) Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple goods to a customer. The Company assesses the goods promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract.

The Company has determined that the revenues as disclosed in Note 16 are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors."

3.4 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences or timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, if any, only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax are recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3.5 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee:

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the remeasurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

3.6 Impairment of assets

Assessment is done whenever there is an event or change in circumstances as to where there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of asset, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and appropriate portion of variable and fixed overhead expenditure, computed on normal capacity. Costs are assigned to individual items of inventory on a first-in first-out basis. Cost of inventories also include all others costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates, discounts and refundable duties and taxes. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.9 Other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- (a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (b) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value (other than trade receivables which are initially measured at transaction price) plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 30 details how the Company determines whether there has been a significant increase in credit risk.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

(iv) Derecognition of financial assets

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

3.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

3.11 Property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

(a) Depreciation methods, estimated useful life and residual value:

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful life as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Land - leasehold	99 years or lease term, whichever is lower.	NA
Buildings	25-40 years	30-60 years
Leasehold improvements	Useful life of assets in line with the lease term	NA
Plant and machinery	10-15 years	15 years
Plant and machinery - given on lease	2-5 years	NA
Computer systems	3-5 years	3-6 years
Electrical installations	10 years	10 years
Furniture, fixtures and equipment	3-5 years	10 years
Vehicles	5 years	8 years
Small tools	5-15 years	NA
Office equipment	5 years	5 years

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

The property, plant and equipment acquired under lease is depreciated over the asset's useful life or over the lease term, whichever is lower.

The useful life has been determined based on technical evaluation done by the internal expert which are different than those specified by Schedule II to the Act, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

(b) Research and development:

Expenditure on development is capitalised as intangible asset and depreciated in accordance with depreciation policy of the Company. Expenditure incurred during the research phase is expensed as incurred.

Development expenditure incurred on an individual project is recognised as an intangible asset when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale.
- There is an intention to complete the asset.
- There is an ability to use or sell the asset.
- The asset will generate future economic benefits.
- Adequate resources are available to complete the development and to use or sell the asset.
- The expenditure attributable to the intangible asset during development can be measured reliably.

Amortisation of the asset begins when development is complete and the asset is available for use and it is amortised on straight line method over the estimated useful life. Expenditure that cannot be distinguished between research phase and development phase is expensed as incurred.

3.12 Intangible assets

Operating software is capitalised along with the related assets. Other computer software is stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any, and are amortised on a straight line basis over their estimated useful life. Costs associated with maintaining software programmes are recognised as an expense as incurred.

The Company amortises intangible assets (Computer software) with a finite useful life using the straight-line method over 3-5 years and the useful life is reviewed at end of each reporting period, and adjusted if appropriate. The amortisation method and the estimated useful life of intangible assets are reviewed at each reporting period.

3.13 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 45 to 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.14 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

3.15 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

3.16 Provisions and contingent liabilities

Provisions for legal claims, service warranties and others are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. In case of long term provisions, they are disclosed by discounting at the rate used to determine the present value, which is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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 or a reliable estimate of the amount cannot be made.

3.17 Employee benefits

Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in balance sheet.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Other long term employee benefit obligations:

- (i) Accumulated compensated absences, which are expected to be availed or encashed is being disclosed under short term obligations. The Company's liability is determined by an independent actuary (using the projected unit credit method) at the end of each year.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

(ii) The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity which is managed by trust.

(b) defined contribution plans - provident fund contributions to employees' provident fund organisation.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income net of the related tax effect. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Contribution towards provident fund for certain employees upto January 31, 2022 was made to a Trust administered by the Company till January 31, 2022. The trust invested in specific designated instruments as permitted by Indian law. The remaining portion was contributed to the government administered pension fund. The rate at which the annual interest was payable to the beneficiaries by the trust was being administered by the Government. The Company carried an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The Trust surrendered the Provident Fund exemption granted to the Company under Employees' Providents Fund & Miscellaneous Provisions Act, 1956 on its own volition w.e.f. February 01, 2022. Post February 01, 2022, contribution towards provident fund is being made to Government administered provident fund scheme.

Contribution towards provident fund for certain employees upto January 31, 2022 and all employees from February 01, 2022 is made to the regulatory authorities which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a Government administered provident fund. The Company has no further obligation to the plan beyond its monthly contributions. The Company's contribution to the provident fund is charged to Statement of Profit and Loss.

Termination benefits in the nature of voluntary retirement benefits are measured based on the number of employees expected to accept the offer, if any offer is made to encourage voluntary redundancy. These are recognised as and when incurred.

3.18 A. Share based payments - Executives

Share-based compensation benefits are provided to certain employees of the Company by the ultimate holding company in the form of employee option plan and restricted stock units (RSU) (equity settled transactions). The stock options vest rateably over a period of three to five years and expire at the end of ten years, subject to conditions related to termination of employment. The RSU will vest in equally over three to five years. Once they vest, each unit is converted into a share of stock.

The fair value of options granted by the ultimate holding company's share based compensation plan is recognised as an employee benefits expense with a corresponding increase in equity. The estimated fair value of options granted, determined on the date of grant, is charged to statement of profit and loss on a graded basis over the vesting period of options.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

B. Share based payments - All employees

Share-based compensation benefits are provided to all employees of the Company by the ultimate holding company in the form of restricted stock units (RSU) (equity settled transactions). The RSU will vest in equally over two years. Once they vest, each unit is converted into a share of stock. Ingersoll Rand Inc recharges the cost pertaining to the RSU issued to the employees of the Company.

The fair value of options granted by the ultimate holding company's share based compensation plan is recognised as an employee benefits expense with a corresponding increase in 'Other financial liabilities'. The estimated fair value of options granted, determined on the date of grant, is charged to statement of profit and loss on a graded basis over the vesting period of options. At the end of each period, the entity determines the fair value of options granted. It recognises the impact of the change in fair value, if any, in equity, with a corresponding adjustment to 'Other financial liabilities'.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in equity, with a corresponding adjustment to 'Other financial liabilities'.

3.19 Earning per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.20 On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to the Company from April 1, 2023.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 102 – Share-based payment
- iii. Ind AS 103 – Business Combinations
- iv. Ind AS 107 – Financial Instruments: Disclosures
- v. Ind AS 109 – Financial Instruments
- vi. Ind AS 115 – Revenue from Contracts with Customers
- vii. Ind AS 1 – Presentation of Financial Statements
- viii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
- ix. Ind AS 12 – Income Taxes
- x. Ind AS 34 – Interim Financial Reporting

The Company is in the process of evaluating the impact of the above amendments on the Company's financial statements.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

4 Property, plant and equipment and Intangible assets

	Buildings on leasehold land	Leasehold improvements	Plant and machinery	Computer systems	Electrical installations	Furniture, fixtures and equipment	Vehicles	Small tools	Office equipment	Total Property, plant and equipment	Intangible assets - Computer software
Year ended March 31, 2022											
Gross carrying amount											
Opening gross carrying amount	6,226.05	133.94	5,424.05	1,105.65	1,751.80	289.15	10.52	337.81	274.79	15,553.76	47.03
Additions	2.22	-	841.52	107.35	99.90	73.80	-	45.75	7.80	1,178.34	-
Disposals	-	-	(160.08)	(97.75)	-	(27.93)	-	(5.96)	(21.01)	(312.73)	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	6,228.27	133.94	6,105.49	1,115.25	1,851.70	335.02	10.52	377.60	261.58	16,419.37	47.03
Accumulated depreciation											
Opening accumulated depreciation	1,158.20	68.97	1,870.08	910.46	977.28	149.95	10.32	70.57	174.87	5,390.70	13.73
Depreciation charge during the year	215.88	26.80	451.58	123.40	179.09	40.08	-	24.02	25.50	1,086.35	7.84
Disposals	-	-	(153.71)	(97.75)	-	(22.50)	-	(5.60)	(19.93)	(299.49)	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	1,374.08	95.77	2,167.95	936.11	1,156.37	167.53	10.32	88.99	180.44	6,177.56	21.57
Net carrying amount as at March 31, 2022	4,854.19	38.17	3,937.54	179.14	695.33	167.49	0.20	288.61	81.14	10,241.81	25.46
Year ended March 31, 2023											
Gross carrying amount											
Opening gross carrying amount	6,228.27	133.94	6,105.49	1,115.25	1,851.70	335.02	10.52	377.60	261.58	16,419.37	47.03
Additions	127.24	-	759.71	334.84	280.36	6.36	18.60	49.74	0.57	1,577.42	-
Disposals	-	-	(50.89)	(319.85)	-	-	-	-	(5.77)	(376.51)	-
Adjustments	(1.56)	0.01	53.00	(11.41)	36.10	8.04	(0.20)	(71.84)	(12.13)	0.01	-
Closing gross carrying amount	6,353.95	133.95	6,867.31	1,118.83	2,168.16	349.42	28.92	355.50	244.25	17,620.29	47.03
Accumulated depreciation											
Opening accumulated depreciation	1,374.08	95.77	2,167.95	936.11	1,156.37	167.53	10.32	88.99	180.44	6,177.56	21.57
Depreciation charge during the year	220.12	26.80	577.65	164.55	196.22	36.15	1.49	28.46	35.22	1,286.66	7.84
Disposals	-	-	(46.03)	(319.84)	-	-	-	-	(5.75)	(371.62)	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	1,594.20	122.57	2,699.57	780.82	1,352.59	203.68	11.81	117.45	209.91	7,092.60	29.41
Net carrying amount as at March 31, 2023	4,759.75	11.38	4,167.74	338.01	815.57	145.74	17.11	238.05	34.34	10,527.69	17.62

Notes:

(1) The following assets given under operating lease have been included under property, plant and equipment:

	Plant and machinery	
	Year ended 31-Mar-23	31-Mar-22
Gross carrying amount	278.06	232.78
Opening gross carrying amount	216.58	128.87
Additions	(40.18)	(83.59)
Disposals / adjustments	454.46	278.06
Closing gross carrying amount	278.06	278.06
Accumulated depreciation	138.68	183.02
Opening accumulated depreciation	104.69	39.25
Depreciation charge during the year	(40.18)	(83.59)
Disposals / adjustments	203.19	138.68
Closing accumulated depreciation	251.27	139.38
Net carrying amount	139.38	139.38

(2) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

4A Capital work in progress

	As at	
	March 31, 2023	March 31, 2022
Capital work in progress	400.30	617.91
Total Capital work in progress	400.30	617.91

(A) Capital work in progress ageing schedule

As at March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	386.80	13.50	-	-	400.30

As at March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	559.24	58.67	-	-	617.91

(B) There are no capital work-in-progress whose completion has exceeded its cost compared to its original plan as on 31 March 2023 and as on 31 March 2022.

(C) Projects which are overdue as per original plan -

As at March 31, 2023

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress					
Project 4	1.68	-	-	-	1.68
Project 5	10.07	-	-	-	10.07
Project 8	17.54	-	-	-	17.54
Project 9	40.84	-	-	-	40.84
Project 10	69.10	-	-	-	69.10

As at March 31, 2022

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress					
Project 1	55.30	-	-	-	55.30
Project 4	93.95	-	-	-	93.95
Project 5	93.14	-	-	-	93.14
Project 6	44.56	-	-	-	44.56
Project 7	42.57	-	-	-	42.57

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

5 Financial assets

5.1 Trade receivables (Unsecured)

	As at	
	March 31, 2023	March 31, 2022
Billed		
Considered good		
Receivables from related parties (refer note 35)	9,501.90	8,761.61
Others	17,209.51	13,025.22
Credit impaired		
Others	763.45	777.28
(Less): Allowance for doubtful receivables	(763.45)	(777.28)
Unbilled		
Considered good		
Unbilled receivables [Includes Rs.18.65 relates to related parties (March 31, 2022 : Nil)] (refer note 35)	79.41	147.85
Total receivables	<u>26,790.82</u>	<u>21,934.68</u>
Current portion	26,790.82	21,934.68

Note: The Company's exposure to credit and currency risks, and loss allowances are disclosed in note 30.

Trade receivables ageing schedule

As at March 31, 2023

Outstanding for following periods from due date of payments

	Unbilled	Not due	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(a) Undisputed Trade receivables								
(i) Considered good	79.41	21,305.63	3,656.34	752.77	927.20	20.39	-	26,741.74
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	21.32	8.60	73.73	32.65	466.24	602.54
(b) Disputed Trade receivables								
(i) Considered good	-	-	79.24	2.29	-	-	-	81.53
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	5.64	-	34.60	31.65	56.57	128.46
(Less): Allowance for doubtful receivables								(763.45)
Total								<u>26,790.82</u>

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

5 Financial assets (Contd.)

5.1 Trade receivables (Unsecured) (Contd.)

As at March 31, 2022

Outstanding for following periods from due date of payments

	Unbilled	Not due	Less than 6 months - 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(a) Undisputed Trade receivables								
(i) Considered good	147.85	12,056.04	9,161.93	259.35	142.72	18.27	25.16	21,811.32
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	43.34	107.76	24.00	13.91	89.70	293.50	572.21
(b) Disputed Trade receivables								
(i) Considered good	-	-	74.53	2.07	9.83	1.21	35.72	123.36
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	19.91	31.80	153.36	205.07
(Less): Allowance for doubtful receivables								(777.28)
Total								<u>21,934.68</u>

5.2 Cash and cash equivalents

	As at	
	March 31, 2023	March 31, 2022
Balances with banks		
- in current accounts	81.30	179.56
- in Export Earners' Foreign Currency (EEFC) accounts	1,948.25	90.98
Deposits with original maturity of less than three months	25,265.00	28,898.00
Total cash and cash equivalents	<u>27,294.55</u>	<u>29,168.54</u>

5.3 Bank balances other than 5.2 above

	As at	
	March 31, 2023	March 31, 2022
Unpaid dividend accounts *	227.97	206.48
Total other bank balances	<u>227.97</u>	<u>206.48</u>

* The deviation between balance as per unpaid dividend account and unpaid dividend liability account is on account of receipt of money from bank but have not been transferred to shareholders on account of dispute.

5.4 Other financial assets

	As at			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Unsecured, considered good:				
From related parties (refer note 35)				
Other receivables*	124.38	-	163.49	-
From others				
Interest accrued on deposits with banks	198.92	-	110.20	-
Security and other deposits	159.40	283.01	73.71	359.80
Total other financial assets	<u>482.70</u>	<u>283.01</u>	<u>347.40</u>	<u>359.80</u>

* Other receivables pertains to Recharge of expenses and sub lease rentals.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

6 Deferred tax assets / (liabilities) - (net)

	As at	
	March 31, 2023	March 31, 2022
The balance comprises temporary differences attributable to:		
(A) Deferred tax assets arising from:		
Allowance for doubtful debts: trade receivables, advances and other receivables	262.13	212.83
Provisions: Warranties, employee benefits expenses and other provisions	314.06	296.62
Others	7.21	6.49
Total deferred tax assets	583.40	515.94
(B) Deferred tax (liabilities) arising from:		
Depreciation: Difference between carrying amount of Property, plant and equipment in the financial statements and the income tax return	(460.16)	(465.17)
Total deferred tax (liabilities)	(460.16)	(465.17)
Net deferred tax assets	123.24	50.77

The Company has recognised deferred tax assets on allowances for bad and doubtful debts and other tax deductible items. The Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income.

Movement in net deferred tax assets/ (liabilities)

	Depreciation	Provisions	Allowance for doubtful debts	Others	Total
As at March 31, 2021	(449.03)	369.43	181.11	10.44	111.95
(Charged)/ credited to profit or loss/ OCI	(16.14)	(72.81)	31.72	(3.95)	(61.18)
As at March 31, 2022	(465.17)	296.62	212.83	6.49	50.77
(Charged)/ credited to profit or loss/ OCI	5.01	17.44	49.30	0.72	72.47
As at March 31, 2023	(460.16)	314.06	262.13	7.21	123.24

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

7 Other current and non-current assets

	As at			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Balance with government authorities	319.03	154.23	632.48	154.23
Indirect taxes paid under protest (refer note 25(i))	-	191.19	-	248.03
Sales tax refund receivable	-	145.64	-	107.21
Prepaid expenses	503.33	-	441.94	-
Advances to suppliers				
Considered good	297.89	-	567.57	-
Considered doubtful	231.25	-	27.67	-
(Less): Provision for doubtful advances	(231.25)	-	(27.67)	-
Export incentives receivable				
Considered good	74.69	-	58.71	-
Considered doubtful	46.81	-	40.70	-
(Less): Provision for doubtful export incentive receivables	(46.81)	-	(40.70)	-
Other receivables				
Considered doubtful	99.98	-	99.98	-
(Less): Provision for doubtful other receivables	(99.98)	-	(99.98)	-
Total other current and non-current assets	1,194.94	491.06	1,700.70	509.47

8 Inventories

	As at	
	March 31, 2023	March 31, 2022
Raw materials	11,159.62	10,880.28
Work-in-progress	1,621.89	1,120.75
Finished goods	3,397.36	4,033.36
Traded goods	30.04	38.90
Total inventories	16,208.91	16,073.29
Stock in transit (included above)		
Raw materials	1,606.19	2,132.31
Finished goods	800.97	1,808.24
Total stock in transit	2,407.16	3,940.55

The total inventories are net of provision for obsolescence amounting to Rs.1,736.11 (March 31, 2022: Rs.1,774.98).

The total inventories are net of write-down amounting to Rs.5.26 (March 31, 2022: Rs.2.66).

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

9 Income tax assets (net)

	As at	
	March 31, 2023	March 31, 2022
Advance income tax and tax deducted at source, net	882.04	1,080.12
Income-tax paid under protest (refer note 25(i)(e))	489.04	463.27
	<u>1,371.08</u>	<u>1,543.39</u>

Transfer pricing:

The Finance Act, 2001, introduced, with effect from assessment year 2002-03 detailed Transfer Pricing regulations for computing the taxable income and expenditure from 'international transactions' between 'associated enterprises' on an 'arm's length' basis. Further, the Finance Act, 2012, widened the ambit of transfer pricing provisions to cover specified domestic transactions. These regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an Accountant within the due date of filing the Return of Income.

For the year ended March 31, 2022, the Company had undertaken a study to comply with the said transfer pricing regulations for which the prescribed certificate of the Accountant has been obtained and this did not envisage any tax liability.

For the year ended March 31, 2023, the Company is in the process of carrying out a similar study to comply with the said transfer pricing regulations. However, based on the analysis of margins and considering that the terms of agreement with associated enterprises has not changed during the year, the Company is of the view that for the year ended March 31, 2023, the transactions with the said enterprises are on an arm's length basis.

10 Equity share capital and other equity

	Number of shares (in Lakhs)	Amount
10.1 Equity share capital		
Authorised equity share capital		
As at April 1, 2021	320.00	3,200.00
Change during the year	-	-
As at March 31, 2022	<u>320.00</u>	<u>3,200.00</u>
Change during the year	-	-
As at March 31, 2023	<u>320.00</u>	<u>3,200.00</u>
(i) Movements in Issued, Subscribed and Fully paid up equity share capital		
As at April 1, 2021	315.68	3,156.80
Change during the year	-	-
As at March 31, 2022	<u>315.68</u>	<u>3,156.80</u>
Change during the year	-	-
As at March 31, 2023	<u>315.68</u>	<u>3,156.80</u>

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

10 Equity share capital and other equity (Contd.)

(ii) Terms and rights attached to equity shares

Equity shares have a par value of Rs.10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(iii) Equity shares held by holding company

	Amount as at	
	March 31, 2023	March 31, 2022
Ingersoll-Rand Inc., USA, the Ultimate holding company	31.60	31.60
Ingersoll-Rand Industrial US Inc., USA, the immediate holding company	2,336.00	2,336.00
Total	2,367.60	2,367.60

(iv) Details of shareholders holding more than 5% shares in the Company

	As at	
	March 31, 2023	March 31, 2022
Number of Equity Shares:		
Ingersoll-Rand Industrial US Inc., USA, the immediate holding company	23,360,000	23,360,000
Percentage of holding	74%	74%

(v) Shares reserved for issue under options

There are no shares of the Company reserved for issue under any option.

(vi) Aggregate number of shares allotted as fully paid up by way of bonus shares/ pursuant to contract(s) without payment being received in cash:

During the period of five years immediately preceding March 31, 2023, no shares have been allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash.

(vii) Disclosure of shareholding of promoters and promoters group

Disclosure of shareholding of promoters and promoters group is as follows:

Sl	Promoter Name	As at March 31, 2023		As at March 31, 2022		% change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Ingersoll-Rand Inc., USA, the ultimate holding company	316,000	1.00%	316,000	1.00%	0.00%
2	Ingersoll-Rand Industrial US Inc., USA, the immediate holding company	23,360,000	74.00%	23,360,000	74.00%	0.00%
	Total	23,676,000	75.00%	23,676,000	75.00%	0.00%

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

10 Equity share capital and other equity (Contd.)

Disclosure of shareholding of promoters and promoters group as at March 31, 2022 is as follows:

Sl	Promoter Name	As at March 31, 2022		As at March 31, 2021		% change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Ingersoll-Rand Inc., USA, the ultimate holding company	316,000	1.00%	316,000	1.00%	0.00%
2	Ingersoll-Rand Industrial US Inc., USA, the immediate holding company	23,360,000	74.00%	23,360,000	74.00%	0.00%
Total		23,676,000	75.00%	23,676,000	75.00%	0.00%

10.2 Other equity

	As at	
	March 31, 2023	March 31, 2022
General reserve	30,301.90	30,301.90
Retained earnings	24,636.98	22,157.18
Other reserves	227.49	98.34
Other items of other comprehensive income consists of remeasurement of net defined plan	(519.85)	(525.58)
Total other equity	54,646.52	52,031.84

(i) General reserve

	As at	
	March 31, 2023	March 31, 2022
Opening balance	30,301.90	30,301.90
Add: Change during the year	-	-
Closing balance	30,301.90	30,301.90

(ii) Retained earnings

	As at	
	March 31, 2023	March 31, 2022
Opening balance	22,157.18	12,089.79
Net profit for the year	18,263.80	11,014.43
Dividends (Refer note 44)	(15,784.00)	(947.04)
Closing balance	24,636.98	22,157.18

(iii) Other reserves

	As at	
	March 31, 2023	March 31, 2022
Opening balance	98.34	467.74
Employee stock option compensation	282.50	835.93
Employee stock option compensation to be reimbursed to ultimate holding company	(153.35)	(1,205.33)
Closing balance	227.49	98.34

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

10 Equity share capital and other equity (Contd.)

(iv) Other items of other comprehensive income

	As at	
	March 31, 2023	March 31, 2022
Opening balance	(525.58)	(948.95)
Appropriations during the year	5.73	423.37
Closing balance	(519.85)	(525.58)

Nature and purpose of other reserves

Notes:

General reserve

General reserve was created when the Company had declared dividend to share holders as per the provisions of Companies Act, 1956. The reserve is utilised in accordance with the provisions of the Act.

Other reserve

This reserve relates to share based compensation received by the employees from Ingersoll Rand Inc., USA, the ultimate holding company. Refer note 20(D).

11.1 Other financial liabilities

	As at			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Unpaid dividends (refer note below)	234.86	-	213.05	-
Employee benefits payable	511.44	-	447.21	-
Employee share based payments expense to be reimbursed to ultimate holding company	11.33	-	669.18	-
Creditors for capital goods:				
- payable to related parties (refer note 35)	-	-	39.37	-
- payable to others	108.78	-	192.31	-
Total other financial liabilities	866.41	-	1,561.12	-

Note: As at the year end, there are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013.

11.2 Lease liabilities

	As at			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Lease liabilities (refer note 32B(b))	338.73	123.21	314.78	459.77
	338.73	123.21	314.78	459.77

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

12 Provisions

	As at			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Litigations/ disputes	80.02	-	75.98	-
Warranties	268.48	13.59	222.44	10.81
Provision for sales tax	24.60	-	43.00	-
Total provisions	<u>373.10</u>	<u>13.59</u>	<u>341.42</u>	<u>10.81</u>

Movements in each class of provision during the financial year, are set out below:

	Litigations/ disputes	Warranties	Provision for sales tax
As at March 31, 2022	75.98	233.25	43.00
Charged/ (credited) to profit or loss:			
- additional provisions recognised / (written back)	4.04	322.44	(18.40)
- amounts utilised	-	(273.62)	-
As at March 31, 2023	<u>80.02</u>	<u>282.07</u>	<u>24.60</u>

Provision for Litigations/ disputes

Provision for litigations/ disputes relates to certain employees compensation with respect to termination of employment. Such provision is recognised based on estimates made by the Company.

Provision for Warranties

Warranties against manufacturing and other defects, as per terms of contract(s) with the customer, are provided for based on estimates made by the Company. It is expected that this provision will be settled in the remaining unexpired warranty period ranging from twelve to eighteen months.

Provision for sales tax

Provision for sales tax relates to non-submission of statutory forms by customers to the Company. It is expected that this provision will be settled as and when the tax assessments are completed.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

13 Employee benefit obligations

	As at			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Compensated absences	401.54	-	376.35	-
Gratuity [refer note 20(a)]	121.85	-	132.93	-
Total employee benefit obligations	523.39	-	509.28	-

14 Trade payables

	As at	
	March 31, 2023	March 31, 2022
Current:		
Total outstanding dues of micro enterprises and small enterprises (refer Note 29)	3,142.99	3,030.22
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Acceptances	2,482.70	2,517.52
- Trade payables	8,665.59	8,270.80
- Trade payables to related parties (refer note 35)	5,105.72	6,162.30
Total trade payables	19,397.00	19,980.84

Note: The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 30.

Trade payables ageing schedule

As at March 31, 2023

Outstanding for following periods from due date of payments

	Unbilled	Not due	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	2,872.18	217.26	46.13	5.32	2.10	3,142.99
(ii) Others	2,400.94	11,652.19	1,910.35	238.40	15.34	36.79	16,254.01
(iii) Disputed dues to MSME	-	-	-	-	-	-	-
(iv) Disputed dues to Others	-	-	-	-	-	-	-
Total	2,400.94	14,524.37	2,127.61	284.53	20.66	38.89	19,397.00

As at March 31, 2022

Outstanding for following periods from due date of payments

	Unbilled	Not due	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	1,647.76	1,325.57	46.53	1.69	8.67	3,030.22
(ii) Others	2,596.69	7,906.12	6,349.20	43.51	26.80	28.30	16,950.62
(iii) Disputed dues to MSME	-	-	-	-	-	-	-
(iv) Disputed dues to Others	-	-	-	-	-	-	-
Total	2,596.69	9,553.88	7,674.77	90.04	28.49	36.97	19,980.84

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

15 Other current and non-current liabilities

	As at			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Contract liabilities				
Income billed in advance	1,250.11	353.64	857.70	272.76
Advance from customers	2,113.33	-	2,238.12	-
Statutory dues including provident fund and tax deducted at source	1,440.55	-	808.23	-
Others - Interest payable to MSMED (refer note 29)	682.43	-	499.05	-
Total other current liabilities	5,486.42	353.64	4,403.10	272.76

16 Revenue from operations

	Year ended	
	March 31, 2023	March 31, 2022
Sale of finished goods	106,026.84	83,796.77
Sale of services		
Installation, commissioning and maintenance	5,868.35	4,884.28
Business support and auxiliary services	1,183.05	1,009.49
Other operating revenue		
Recovery of freight, insurance and packing expenses	991.60	695.54
Export incentives	625.60	289.57
Sale of scrap	196.41	102.75
Lease rentals - equipment	187.32	213.53
Total revenue from operations	115,079.17	90,991.93

Notes:

- (a) As per the requirements of Ind AS 115, the Company disaggregates revenue based on line of business and geography (Refer Note 33).
- (b) Information about major customers:
Revenue from one customer i.e. Ingersoll-Rand Industrial US Inc., USA is Rs.20,710.29 for the year ended March 31, 2023 (Ingersoll-Rand Industrial US Inc., USA for the year ended March 31, 2022 : Rs.14,956.36) which contributes more than 10% of the Company total revenue.
- (c) Contract balances:

	As at	
	March 31, 2023	March 31, 2022
Trade receivables	26,790.82	21,934.68
Contract liabilities		
Income billed in advance	1,603.75	1,130.46
Advance from customers	2,113.33	2,238.12

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

16 Revenue from operations (Contd.)

(d) Changes in Unearned and deferred revenue are as follows:

	Income billed in advance	
	As at	
	March 31, 2023	March 31, 2022
Balance at the beginning of the year	1,130.46	1,694.53
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(459.47)	(1,204.85)
Increase due to invoicing / advance received during the year, excluding amounts recognised as revenue during the year	932.76	640.78
Balance at the end of the year	1,603.75	1,130.46

	Advance from customers	
	As at	
	March 31, 2023	March 31, 2022
Balance at the beginning of the year	2,238.12	1,133.02
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(2,238.12)	(1,133.02)
Increase due to invoicing / advance received during the year, excluding amounts recognised as revenue during the year	2,113.33	2,238.12
Balance at the end of the year	2,113.33	2,238.12

Expected revenue recognition from remaining performance obligations:

	As at	As at
	March 31, 2023	March 31, 2022
- Within one year	3,363.44	3,095.82
- More than one year	353.64	272.76
	3,717.08	3,368.58

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the Company's performance completed to date, typically those contracts where invoicing is on time and material, unit price basis and no information is provided about remaining performance obligations at March 31, 2023 that have an original expected duration of one year or less, as allowed by Ind AS 115.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

17 Other income

	Year ended	
	March 31, 2023	March 31, 2022
Interest Income on:		
Deposits with banks	1,106.66	722.44
On Income tax refund	-	12.31
Recharge of expenses to fellow subsidiaries	492.53	446.07
Sub lease rentals from office facilities	120.92	101.93
Net gain on disposal of property, plant and equipment	-	9.35
Unwinding of discount on security deposits	14.25	13.32
Net foreign exchange gain	192.98	41.45
Total other income	1,927.34	1,346.87

18 Cost of materials consumed

	Year ended	
	March 31, 2023	March 31, 2022
Raw materials at the beginning of the year	10,880.28	6,934.10
Add: Purchases of raw materials	66,144.49	60,701.55
(Less): Raw materials at the end of the year	(11,159.62)	(10,880.28)
Cost of raw materials consumed during the year	<u>65,865.15</u>	<u>56,755.37</u>
Packing materials consumed	744.15	751.38
Total cost of materials consumed	66,609.30	57,506.75

Notes:

(i) Includes write back of provision for inventory obsolescence Rs.38.87 (March 31, 2022: write back of provision for inventory obsolescence Rs.190.07).

19 Changes in inventories of work-in-progress, stock-in-trade and finished goods

	Year ended	
	March 31, 2023	March 31, 2022
(a) Opening inventories		
Work-in progress	1,120.75	577.39
Finished goods	4,033.36	1,973.12
Traded goods	38.90	15.83
Total opening balance	<u>5,193.01</u>	<u>2,566.34</u>
(b) Closing inventories		
Work-in progress	1,621.89	1,120.75
Finished goods	3,397.36	4,033.36
Traded goods	30.04	38.90
Total closing balance	<u>5,049.29</u>	<u>5,193.01</u>
Total changes in inventories of work-in-progress, stock-in-trade and finished goods (a - b)	<u>143.72</u>	<u>(2,626.67)</u>

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense

	Year ended	
	March 31, 2023	March 31, 2022
Salaries, wages and bonus	9,556.08	8,658.09
Post-employment benefits:		
Contribution to provident fund and other funds (refer notes below)		
Defined benefit plan	-	195.39
Defined contribution	414.25	174.15
Gratuity (refer notes below)	266.58	149.95
Compensated absences	142.93	122.80
Employee share based payments expense	282.50	835.93
Staff welfare expenses	441.64	334.68
Total employee benefits expense	11,103.98	10,470.99

(a) Defined benefit plan:

Gratuity: The Company operates a gratuity plan, which is a defined benefit plan, through the "Ingersoll-Rand Employees Gratuity Trust". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. It is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. During the financial year ended March 31, 2023, the company has removed the ceiling of gratuity limit of Rs.20.

Provident Fund: Provident fund for certain eligible employees was managed by the Company through the "Ingersoll-Rand Employees Provident Fund Trust" ('the Trust') for part of the previous year up to January 31, 2022. In line with the Provident Fund and Miscellaneous Provisions Act, 1952, the plan guaranteed interest at the rate notified by the Provident Fund authorities. The contributions were made to the fund at the rate of 12% of basic salary by the employer and employee, and this amount together with the interest accumulated thereon was payable to employees at the time of their separation from the Company or retirement, whichever is earlier.

During the previous year, the Company made an application to Employee's Provident Fund Organisation (EPFO) for surrender of Provident Fund exemption ('the surrender') w.e.f. 01 February 2022. The EPFO vide their letter no. MH/Mumbai(Powai)/Exemption/35 dated December 14, 2021 accepted the surrender request and permitted the Company to comply as un-exempted establishment with effect from February 01, 2022 and make the contribution equal to a specified percentage of the eligible employee's salary directly to the Government administered fund as an un-exempted establishment.

The surrender involved liquidation of investments held by the Trust and payment of past accumulation (i.e., employer and employee contribution towards provident fund managed by the Trust including interest thereon) to EPFO. The investments held by the trust up to the date of surrender were liquidated and the proceeds thereof were transferred (including loss on sale of investments of Rs. 344.14 contributed by the Company) to EPFO towards past accumulation. Effective, February 01, 2022, the contributions are made directly to the Government administered fund.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

(i) Change in defined benefit obligations

	Gratuity		Provident Fund	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Balance at the beginning of the year	2,501.91	2,359.09	-	8,159.93
Add: Current service cost	151.93	141.59	-	-
Add: Past service cost	110.08	-	-	-
Add: Interest cost	160.33	143.42	-	-
Add: Actuarial (gain)/ loss - experience	71.93	(7.27)	-	-
Add: Actuarial (gain)/ loss - demographic assumptions	-	8.32	-	-
Add: Actuarial (gain)/ loss - financial assumptions	(80.67)	(55.84)	-	-
Add: Transfer in / (out)	-	-	-	(8,159.93)
(Less): Benefits paid from plan assets	(113.51)	(87.40)	-	-
Balance at the end of the year	2,802.00	2,501.91	-	-

(ii) Change in plan assets

	Gratuity		Provident Fund	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Fair value of plan assets at the beginning of the year	2,368.98	2,101.87	-	7,449.46
Add: Interest income	155.76	135.06	-	-
Add: Contributions	270.00	198.00	-	-
Add: Return on plan assets greater/ (lesser) than discount rate	(1.08)	21.45	-	-
Add: Transfer in / (out)	-	-	-	(7,449.46)
(Less): Benefits paid	(113.51)	(87.40)	-	-
Balance at the end of the year	2,680.15	2,368.98	-	-
Actual return on plan assets (%)	7.40	6.90	-	8.50

(iii) Assets and Liabilities recognised in the Balance Sheet

	Gratuity (#)		Provident Fund (#)	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Present value of defined benefit obligation	2,802.00	2,501.91	-	-
Less: Fair value of plan assets	2,680.15	2,368.98	-	-
Amounts recognised as liability/ (asset)	121.85	132.93	-	-
Recognised/ Disclosed under:				
Short term provision (refer note 13)	121.85	132.93	-	-
Total	121.85	132.93	-	-

(#) The net liability/ (asset) above relates to wholly funded plans.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

Reconciliation of Net Balance Sheet Position

	Gratuity		Provident Fund	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Net defined benefit asset/ (liability) at end of prior period	(132.93)	(257.22)	-	(710.47)
Less: Current service cost	(151.93)	(141.59)	-	-
Less: Past service cost	(110.08)	-	-	-
Add: Net interest on net defined benefit (liability)/ asset	(4.57)	(8.36)	-	-
Add: Amount recognised in other comprehensive income	7.66	76.24	-	366.32
Add: Contributions	270.00	198.00	-	-
Add: Benefits paid directly by the Company	-	-	-	344.15
Net defined benefit asset/ (liability) at end of the year	(121.85)	(132.93)	-	-

(iv) Expense recognised in the Statement of Profit and Loss

	Gratuity		Provident Fund	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Current service cost	151.93	141.59	-	-
Add: Past service cost	110.08	-	-	-
Add: Net interest on net defined benefit liability/ (asset)	4.57	8.36	-	-
Total expense/ (surplus) recognised in statement of profit or loss	266.58	149.95	-	-

Remeasurements

	Gratuity		Provident Fund	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(Gains)/ losses from experience assumptions	71.93	(7.27)	-	-
(Gains)/ losses from demographic and financial assumptions	(80.67)	(47.52)	-	-
Return on plan assets (greater)/less than discount rate	1.08	(21.45)	-	-
Other adjustment - difference between the market value and the book value of the Investment	-	-	-	(366.32)
Total Expense/ (Income) recognised in other comprehensive income	(7.66)	(76.24)	-	(366.32)

(v) Major Category of Assets as a % of total Plan Assets

	Gratuity		Provident Fund	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Cash (including Special Deposits)	6.06%	2.61%	0.00%	0.00%
Government Securities	51.27%	38.10%	0.00%	0.00%
Corporate bonds	42.67%	59.29%	0.00%	0.00%
Total	100.00%	100.00%	0.00%	0.00%

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

- (vi) The weighted average duration of the defined benefit obligation is 6.11 years old (2022: 6.15 years). The expected maturity analysis of undiscounted gratuity benefit is as follows:

	Less than 1 year	Between 1 - 2 years	Between 2 - 5 years	Between 5 - 10 years	Total
Gratuity					
March 31, 2023	376.93	465.91	924.23	3,082.24	4,849.31
March 31, 2022	356.05	292.20	936.31	2,575.47	4,160.03

(vii) Significant Actuarial Assumptions

	Gratuity	
	March 31, 2023	March 31, 2022
Discount rate per annum	7.40%	6.90%
Expected rate of Return on Plan Assets	7.40%	6.90%
Expected salary increase per annum	(#)	(#)
Attrition rate	10.00%	10.00%

(#) Hourly employees: 6% for three years and 5% thereafter, Others: 10% (2022: Hourly employees: 6% for three years and 5% thereafter, Others: 10%).

Notes:

- The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.
- The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.
- The discount rate is based on the prevailing market yield on Government securities as at the Balance Sheet date for the estimated term of obligation.
- Provident Fund Trust set-up by the Company guarantees the interest rate earning and any shortfall thereof, would be met by the Company. The above plan assets, defined benefit obligations and benefit for future period is relating to the interest rate guarantee only. The Trust surrendered the Provident Fund exemption granted to the Company under Employees' Providents Fund & Miscellaneous Provisions Act, 1956 on its own volition w.e.f. February 01, 2022.

(viii) Sensitivity analysis

	Gratuity	
	March 31, 2023	March 31, 2022
Effect on DBO due to 1% (2021-22 : 0.5%) increase in discount rate	(162.30)	(145.88)
Effect on DBO due to 1% (2021-22 : 0.5%) decrease in discount rate	180.96	162.83
Effect on DBO due to 1% (2021-22 : 0.5%) increase in salary escalation rate	177.31	135.80
Effect on DBO due to 1% (2021-22 : 0.5%) decrease in salary escalation rate	(162.23)	(129.48)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

(ix) Expected contribution to the funds in the next year

	Year ended	
	March 31, 2023	March 31, 2022
Gratuity	270.00	200.00

(b) Defined contribution plans

Contribution towards provident fund for certain employees upto January 31, 2022 and all employees from February 01, 2022 is made to the regulatory authorities which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a Government administered provident fund. The Company has no further obligation to the plan beyond its monthly contributions. The Company's contribution to the provident fund is charged to Statement of Profit and Loss.

Amount recognised in the Statement of profit and loss

	Year ended	
	March 31, 2023	March 31, 2022
(i) Provident fund paid to the authorities	320.52	89.20
(ii) Pension fund paid to the authorities	77.41	75.45
(iii) Others	16.32	9.50
	<u>414.25</u>	<u>174.15</u>

(c) Risk Exposure

Through its defined benefit plan, the Company is exposed to a number of risks. The most significant risks are:

(a) Gratuity

- (i) **Interest rate risk** : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- (ii) **Fund return risk** : Lower the return on fund, higher the expected shortfall.
- (iii) **Salary inflation risk** : Higher than expected increases in salary will increase the defined benefit obligation.
- (iv) **Demographic risk** : This is the risk of variability of results due to factors like mortality, withdrawal, disability and retirement. The effect of these on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and attrition rate.
- (v) **Investment risk**: The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the obligations by investing in long-term interest bearing securities with maturities that match the benefit payments as they fall due. A large portion of assets consists of government and corporate bonds. The Company believes that investment in government and corporate bonds offer the best returns over the long term with an acceptable level of risk.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

(d) Share - based payments

2017 Omnibus Incentive Plan ("2017 plan")

In May 2017, the Board of the ultimate holding company approved the 2017 Plan, which authorises the ultimate holding company to grant stock-based compensation awards to employees, directors and advisers. All the share based incentives vests over a period of four or five years and expire ten years from the date of grant.

A Employee option plan

Certain executives of the Company are eligible to participate in the employee share based payment plans of 'Ingersoll-Rand Inc., the ultimate holding company. The share based plans are assessed, managed and administered by the ultimate holding company. Under the plan, participants are granted options which vests over four years of service from the grant date. Once vested, the options remain exercisable till ten years from the date of grant.

Set out below is a summary of options granted under the plan:

Particulars	As at	
	March 31, 2023	March 31, 2022
	Number of options	Number of options
Opening balance	7,143	15,244
Granted during the year	3,363	3,500
Exercised during the year	(691)	-
Forfeited during the year due to employee cessation	(596)	(11,601)
Closing balance	9,219	7,143

Note 1: No options expired during the periods covered in the above table.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Plan	Grant Date	Expiry date	Exercise price USD	Share options As at March 31, 2023	Share options As at March 31, 2022
2017 plan	23-Feb-21	22-Feb-25	45.58	2,715	3,643
2017 plan	22-Feb-22	21-Feb-26	53.09	3,141	3,500
2017 plan	23-Feb-23	22-Feb-27	57.89	3,363	-
				9,219	7,143
Weighted average remaining contractual life of options outstanding at the end of period				7.97 years	8.63 years

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2023 was USD 53.09 per option (March 31, 2022: USD 45.78). The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The value of options have been translated to Rupees at the year end closing rate.

The model inputs for options granted during the year ended are listed below.

Particulars	As at	
	March 31, 2023	March 31, 2022
Grant date	23-Feb-23	22-Feb-22
Expiry date	22-Feb-27	21-Feb-26
Share price at grant date (USD)	57.89	53.09
Expected price volatility of the company's shares	37.1% - 38.3%	38.6% - 39.4%
Expected dividend yield	0.1% - 0.2%	0.0% - 0.1%
Risk-free interest rate	1.9% - 3.9%	0.9% - 1.3%

B Restricted stock units - Executives

Restricted stock units (RSU) are share equivalents that are awarded to certain employees with a promise to issue actual shares to holders of the RSU at vesting. The RSU will vest in one-third installment over three years. Once they fully vest, each unit may be converted into a share at current value over an exercisable period of ten years.

Set out below is a summary of RSU's granted under the plan:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Weighted average fair value of shares (in USD)	Number of RSU's	Weighted average fair value of shares (in USD)	Number of RSU's
Opening balance	34.08	3,404	33.09	7,524
Granted during the year	52.36	1,442	45.76	1,398
Redeemed during FY 22-23 / FY 21-22	56.08	(660)	51.90	(486)
Forfeited during the year due to employee cessation	-	(236)	-	(5,032)
Closing balance		3,950		3,404

Note 1: No RSUs have expired during the periods covered in the above table.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

RSU's outstanding at the end of the year have the following expiry date and exercise price:

Plan	Grant Date	Expiry date	Exercise price USD	RSU's as at March 31, 2023	RSU's as at March 31, 2022
2017 plan	23-Feb-21	22-Feb-25	45.58	1,563	2,006
2017 plan	22-Feb-22	21-Feb-26	53.09	945	1,398
2017 plan	23-Feb-23	22-Feb-27	57.89	1,442	-
				<u>3,950</u>	<u>3,404</u>
Weighted average remaining contractual life of RSUs outstanding at the end of period				7.74 years	8.21 years

The model inputs for options granted during the year ended are listed below.

Particulars	As at	
	March 31, 2023	March 31, 2022
Grant date	23-Feb-23	22-Feb-22
Expiry date	22-Feb-27	21-Feb-26
Share price at grant date (USD)	57.89	53.09
Expected price volatility of the company's shares	37.1% - 38.3%	38.6% - 39.4%
Expected dividend yield	0.1% - 0.2%	0.0% - 0.1%
Risk-free interest rate	1.9% - 3.9%	0.9% - 1.3%

C Restricted stock units - All employees

Restricted stock units (RSU) are share equivalents that are awarded to all employees with a promise to issue actual shares to holders of the RSU at vesting. The RSU will vest equally over two years. Once they fully vest, each unit may be converted into a share at current value over an exercisable period of ten years.

Set out below is a summary of RSU's granted under the plan:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Weighted average fair value of shares (in USD)	Number of RSU's	Weighted average fair value of shares (in USD)	Number of RSU's
Opening balance	-	22,261	-	45,491
Granted during the year	48.29	472	53.09	245
Granted during the year	57.89	492	-	-
Vested during the year	-	(20,366)	-	(22,366)
Forfeited during the year due to employee cessation	-	(214)	-	(1,109)
Closing balance		<u>2,645</u>		<u>22,261</u>

Note 1: No RSUs have expired during the periods covered in the above table.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

20 Employee benefits expense (Contd.)

RSU's outstanding at the end of the year have the following expiry date and exercise price:

Plan	Grant Date	Expiry date	Exercise price USD	RSU's as at March 31, 2023	RSU's as at March 31, 2022
2017 plan	20-Aug-20	19-Aug-22	34.71	1,436	22,016
2017 plan	22-Feb-22	21-Feb-24	53.09	245	245
2017 plan	26-Aug-22	25-Aug-24	48.29	472	-
2017 plan	23-Feb-23	22-Feb-25	57.89	492	-
				<u>2,645</u>	<u>22,261</u>
Weighted average remaining contractual life of RSUs outstanding at the end of period				1.41 years	1.90 years

The model inputs for options granted during the year ended are listed below.

Particulars	As at	
	March 31, 2023	March 31, 2022
Grant date	26-Aug-22/23-Feb-23	22-Feb-22
Expiry date	25-Aug-24/22-Feb-25	21-Feb-24
Share price at grant date (USD)	48.29/ 57.89	53.09
Expected price volatility of the company's shares	37.1% - 38.3%	38.6% - 39.4%
Expected dividend yield	0.1% - 0.2%	0.0% - 0.1%
Risk-free interest rate	1.9% - 3.9%	0.9% - 1.3%

D Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in statement of profit and loss under employee benefit expense were as follows:

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Employee option plan	104.05	79.11
Restricted stock units - Executives	52.13	50.69
Restricted stock units - All employees	126.32	706.13
Total	<u>282.50</u>	<u>835.93</u>

[Refer note 10.2 (iii) relating to the amounts to be reimbursed by the Company to the ultimate holding company amounting to Rs.153.35 (March 31, 2022: 1,205.33)].

21 Depreciation and amortisation expense

	Year ended	
	March 31, 2023	March 31, 2022
Depreciation on property, plant and equipment	1,286.66	1,086.35
Amortisation of right-of-use assets [refer note 32B(a)]	338.52	316.01
Amortisation on intangible assets	7.84	7.84
Total depreciation and amortisation expense	<u>1,633.02</u>	<u>1,410.20</u>

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

22 Other expenses

	Year ended	
	March 31, 2023	March 31, 2022
Contractor charges	1,066.99	896.47
Rent (refer note 32)	51.95	45.00
Rates and taxes	38.87	54.31
Insurance	125.91	116.62
Power and fuel	318.22	277.83
Repairs and maintenance:		
Buildings	43.95	39.28
Plant and machinery	436.97	511.01
Others	0.35	4.29
Engineering services - product design, development, etc.	113.35	45.68
Information technology infrastructure	138.72	96.33
Royalty expenses (refer note 35)	3,326.65	2,753.10
Directors commission	36.00	36.00
Communication	73.73	78.01
Travel and conveyance	1,076.61	650.80
Freight, insurance and handling	1,004.01	1,041.26
Dealer commission	227.43	140.99
Advertising and sales promotion	101.69	31.40
Warranty	322.44	214.82
Legal and professional fees	732.58	605.10
Net (gain) / loss on disposal of property, plant and equipment	4.89	-
Provision/ (write back) for doubtful debts (net)	(13.83)	203.18
Provision for doubtful advances (net)	209.69	(77.13)
Payments to auditors:		
Statutory audit fees	33.75	34.50
Tax audit fees	2.25	2.50
Limited reviews (March 31, 2023 : Rs.11 was paid to previous auditor)	31.00	33.00
Certification fees	19.23	-
Out of pocket expenses	2.48	3.00
Expenditure towards Corporate Social Responsibility (CSR) activities [refer note (a) below]	247.36	233.08
Miscellaneous expenses	924.28	704.46
Total other expenses	10,697.52	8,774.89

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

22 Other expenses (Contd.)

	Year ended	
	March 31, 2023	March 31, 2022
Notes:		
(a) CSR expenditure:		
Gross amount required to be spent by the Company during the year	247.15	230.25
Amount spent during the year on:		
(i) Construction/ acquisition of any asset		
In Cash	-	-
Yet to be paid in cash	-	-
(ii) On purposes other than (i) above		
In Cash	247.36	233.08
Yet to be paid in cash	-	-
	<u>247.36</u>	<u>233.08</u>
Excess of CSR expenses incurred	(0.21)	(2.83)
Nature of CSR activities undertaken		
Healthcare/ community development	75.60	98.48
Education/ STEM	74.16	47.10
Environmental sustainability	97.60	87.50
	<u>247.36</u>	<u>233.08</u>

23 Finance costs

	Year ended	
	March 31, 2023	March 31, 2022
Interest expense on lease liability [refer note 32B(b)]	50.05	61.79
Interest expense on income tax	7.25	33.02
Others (net off writeback of provisions)	183.38	160.52
Total finance costs	<u>240.68</u>	<u>255.33</u>

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

24 Tax expenses

	Year ended	
	March 31, 2023	March 31, 2022
(a) Tax expenses		
Current tax		
Current tax on profits for the year	6,443.00	3,833.81
Adjustments for current tax of prior periods	(2.50)	(73.99)
Total current tax expense	6,440.50	3,759.82
Deferred tax		
Changes in deferred tax assets	(67.46)	45.04
Changes in deferred tax liabilities	(5.01)	16.14
Total deferred tax expense/(benefit)	(72.47)	61.18
Tax expenses	6,368.03	3,821.00

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	Year ended	
	March 31, 2023	March 31, 2022
Profit before tax expense	24,629.90	14,835.43
Tax at the Indian tax rate of 25.17% (2021-22: 25.17%)	6,198.85	3,733.78
Tax effect of amounts which are not deductible (taxable) in calculating taxable Income:		
Expenditure towards Corporate Social Responsibility (CSR) activities	62.26	58.66
Employee share-based payments expense	39.31	32.67
Finance costs	58.75	55.95
Adjustments for tax of prior periods	(2.50)	(73.99)
Other items	9.43	13.93
Tax expenses	6,366.10	3,821.00

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

25 Contingent liabilities and commitments (to the extent not provided for)

	As at	
	March 31, 2023	March 31, 2022
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debts [Claims filed against the Company by customers/ vendors/ employees claiming damages for non-performance of contractual obligation/ defective supply of products/ termination of employment, which is disputed by the Company and the matters are lying under appeal with various forums]	91.36	85.76
(b) Value added tax/ Sales tax matters in dispute [Relates to demand on account of non-submission of statutory forms to the department substantiating the levy of concessional tax rate to customers. In connection with a dispute, the Company has furnished a Bank guarantee of Rs.252.15 (March 31, 2022: Rs.252.15)]. The Company has paid Rs.118.40 (March 31, 2022: Rs.175.24) 'under protest' to the relevant statutory authorities this regard].	144.54	262.69
(c) Central excise matters in dispute [Relates to adjustment on account of levy of additional duty and related demands made by the Excise department / Service tax department, which is disputed by the Company and are lying under appeal with various forums). The Company has paid Rs.Nil (March 31, 2022: Rs.Nil) 'under protest' to the relevant statutory authorities in this regard].	1,863.07	1,863.07
(d) Service tax matters in dispute [Relates to demand on account of input credits denied by the Service tax department, which is disputed by the Company and the matter is lying under appeal with the various forums. The Company has paid Rs.72.79 (March 31, 2022: Rs.72.79) 'under protest' to the relevant statutory authorities in this regard].	1,643.33	1,643.33
(e) Income tax matters [Relates to transfer pricing and other adjustments (including interest thereon) made by the Income Tax Department for the assessment years 2003-04 to 2007-08, 2009-10, 2017-18 and 2018-19, which is disputed by the Company and the matters are lying under appeal with various forums and certain final orders are awaited. The Company has paid Rs. 489.04 (March 31, 2022: Rs.463.27) 'under protest' to the relevant statutory authorities in this regard].	1,334.02	1,504.02
(f) Provident fund matters [In light of judgment of Honorable Supreme Court dated 28th February 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Company's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence it is unclear as to whether the clarified definition of Basic Wage would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods and hence has currently been considered to be a contingent liability.]	-	-

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

25 Contingent liabilities and commitments (Contd.)

(i) Contingent liabilities (Contd.)

	As at	
	March 31, 2023	March 31, 2022
(g) Notice from Employee's Provident Fund Organisation ("EPFO")	952.17	-
<p>[Relates to the surrender of the provident fund exemption to the EPFO Authorities. The Company has received notice during 2022-23 from EPFO, directing to remit Rs.952.17 on account of shortfall in amount remitted at the time of surrendering PF exemption in January 2022, and the Company has replied to the same disputing the claim.]</p> <p>Note: Considering the very nature of the disputes and the dependency on decisions pending with various forums, it is not practicable for the Company to estimate the timing of the cash outflows at this stage with respect to the above contingent liabilities. In all the above cases interest has been included till the date of order.</p>		
(ii) Guarantees		
Guarantees given by banks on behalf of the Company for contractual obligations of the Company.	7,518.87	5,200.60
<p>The necessary terms and conditions have been complied with and no liabilities have arisen.</p>		
(iii) Commitments		
Capital commitments		
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	402.25	514.13
<p>Note: Refer note 32 for disclosure relating to lease commitment</p>		

26 Earnings per share

	Year ended	
	March 31, 2023	March 31, 2022
(a) Basic and Diluted earnings per share		
Attributable to the equity shareholders of the Company		
Total basic and diluted earnings per share attributable to the equity shareholders of the Company	57.86	34.89
(b) Reconciliations of earnings used in calculating earnings per share		
Basic and Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	18,263.80	11,014.43
(c) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	31,568,000	31,568,000

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

27 Offsetting financial assets and financial liabilities

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements as at March 31, 2023 and March 31, 2022. The column 'net amount' shows the impact on the Company's balance sheet if all set-off rights were exercised.

	Effects of offsetting on the Balance Sheet		
	Gross amounts	Gross amounts setoff in the Balance Sheet	Net amounts presented in the Balance Sheet
March 31, 2023			
Financial assets			
Trade receivables	28,221.25	(1,430.43)	26,790.82
Total	28,221.25	(1,430.43)	26,790.82
Financial liabilities			
Trade payables	20,827.43	(1,430.43)	19,397.00
Total	20,827.43	(1,430.43)	19,397.00
March 31, 2022			
Financial assets			
Trade receivables	23,068.35	(1,133.67)	21,934.68
Total	23,068.35	(1,133.67)	21,934.68
Financial liabilities			
Trade payables	21,114.51	(1,133.67)	19,980.84
Total	21,114.51	(1,133.67)	19,980.84

Offsetting arrangements

Trade receivables and payables:

The Company gives volume based rebates and also issues credit notes on account of delays, defective, etc. Under the terms of the supply agreements, these amounts payable by the Company are offset against receivables from the customers and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet.

28 Fair value measurements

Financial instruments by category

	As at	
	March 31, 2023 Amortised cost	March 31, 2022 Amortised cost
Financial assets		
Trade receivables	26,790.82	21,934.68
Cash and cash equivalents	27,294.55	29,168.54
Other bank balances	227.97	206.48
Other financial assets - Current	482.70	347.40
Other financial assets - Non Current	283.01	359.80
Total financial assets	55,079.05	52,016.90
Financial liabilities		
Lease liabilities	461.94	774.55
Other financial liabilities	866.41	1,561.12
Trade payables	19,397.00	19,980.84
Total financial liabilities	20,725.35	22,316.51

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

29 Dues to micro and small enterprises

The Ministry of Micro, Small, and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable of such enterprises as at 31 March 2023 and 31 March 2022 has been made in the financial statement based on information received and available with the Company. The dues to such enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 is stated as under:

	Year ended	
	March 31, 2023	March 31, 2022
	Current	Current
The Company has certain dues to suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') to the extent such enterprises are identified by the Company:		
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	3,142.99	3,030.22
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end for the year	32.23	20.70
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	11,409.41	12,281.57
Interest paid, other than under Section 16 for MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	248.98	158.17
Further interest remaining due and payable for earlier years	401.22	320.18

The Company has identified small enterprises and micro enterprises, as defined under the MSMED Act by requesting confirmation from vendors to the letters circularised by the Company.

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

30 Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's risk management is carried out by the management under the policies approved of the Board of Directors that help in identification, measurement, mitigation and reporting all risks associated with the activities of the Company. These risks are identified on a continuous basis and assessed for the impact on the financial performance. Information on risks and the response strategy is escalated in a timely manner to facilitate timely decision making. Risk response strategy is formulated for key risks by management.

The below note explains the sources of risk which the Company is exposed to and how the Company manages the risk in the financial statements.

A Credit risk

Credit risk arises from cash and cash equivalents, security deposits carried at amortised cost and deposits with banks, as well as credit exposures to customers including outstanding receivables.

(i) Credit risk management

Credit risk is managed and assessed on an ongoing basis. Only high rated banks are accepted for banking transactions and placement of deposits. For other financial assets, the Company assesses and manages credit risk

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

30 Financial Risk Management (Contd.)

based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A : High quality assets, negligible credit risk.

B : Low quality assets, high credit risk.

C : Doubtful assets, credit-impaired.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is any significant increase in credit risk, the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers below indicators to assess credit risk :

1. Internal credit rating.
2. External credit rating (to extent available).
3. Any significant change in business, financial or economic conditions that are expected to cause a significant change in the payer's ability to meet its obligations, including changes in operating results and payment status.

Macro economic information (such as regulatory changes, legal changes, interest rate changes) are incorporated as a part of the internal rating model.

Default of a financial asset is when the counterparty fails to make contractual payments within 365 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

(ii) Provision for expected credit losses

The Company provides for expected credit loss based on the following:

Internal rating	Category	Description	Basis for recognition of expected credit loss provision		
			Loans	Security deposits	Trade receivables
A	High quality assets	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12- month expected credit loss	12-month expected credit loss	Life-time expected credit loss
B	Low quality assets	Assets where there is a moderate probability of default. In general, assets where contractual payments are more days than past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than past due.	Life-time expected credit loss	Life-time expected credit loss	Life-time expected credit loss
C	Doubtful assets	Assets are fully provided or written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments more than past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is fully provided for or written off.		

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

30 Financial Risk Management (Contd.)

Expected credit loss for trade receivables under simplified approach

Customer category	Public sector undertaking	Direct customers	Related Parties	Distributors	Total
Year ended As at March 31, 2023					
Gross carrying amount	2,130.91	12,189.64	9,501.90	3,731.82	27,554.27
Expected loss rate	14.87%	3.33%	0.00%	1.09%	2.77%
Expected credit loss (loss allowance provision)	316.92	405.89	-	40.64	763.45
Carrying amount of trade receivables (net of impairment)	1,813.99	11,783.75	9,501.90	3,691.18	26,790.82
Year ended As at March 31, 2022					
Gross carrying amount	2,368.08	8,043.82	8,761.61	3,538.45	22,711.96
Expected loss rate	15.67%	4.83%	0.00%	0.51%	3.42%
Expected credit loss (loss allowance provision)	371.03	388.22	-	18.03	777.28
Carrying amount of trade receivables (net of impairment)	1,997.05	7,655.60	8,761.61	3,520.42	21,934.68

Reconciliation of loss allowance provision - Trade receivables

Particulars	As at	
	March 31, 2023	March 31, 2022
Opening provision for loss allowance	777.28	574.10
Add: Additional provision	-	203.18
Less: Utilisation/ (reversal)	(13.83)	-
Closing provision	763.45	777.28

B Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business, the Company maintains flexibility in funding by maintaining surplus cash in short-term deposits. Management monitors the rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities:

Contractual maturities of financial liabilities	Less than 12 months	More than 12 months	Total
As at March 31, 2023			
Lease liabilities (refer note 32B(b))	338.73	123.21	461.94
Trade payables	19,397.00	-	19,397.00
Other financial liabilities	866.41	-	866.41
Total	20,602.14	123.21	20,725.35
As at March 31, 2022			
Lease liabilities (refer note 32B(b))	314.78	459.77	774.55
Trade payables	19,980.84	-	19,980.84
Other financial liabilities	1,561.12	-	1,561.12
Total	21,856.74	459.77	22,316.51

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

30 Financial Risk Management (Contd.)

C Market risk

Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (Rupees). The risk is measured through a forecast of highly probable foreign currency cash flows.

The Company exposure to foreign currency risk at the end of the reporting period expressed in Rupees is as follows:

Particulars	Currency	As at March 31, 2023		As at March 31, 2022	
		Foreign currency	Indian rupees	Foreign currency	Indian rupees
Financial assets					
Trade receivables	USD	104.49	8,587.61	111.51	8,452.51
Trade receivables	EUR	-	-	1.45	121.23
Bank balance (EEFC)	USD	23.71	1,948.25	1.20	90.98
Financial liabilities					
Trade payables	USD	74.32	6,107.56	100.64	7,628.55
Trade payables	EUR	2.07	183.88	2.49	208.94
Trade payables	JPY	25.06	15.48	24.47	15.24
Trade payables	GBP	0.14	13.96	0.00	0.03

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates of major currencies arises mainly from foreign currency denominated financial instruments.

Sensitivity on profit after tax	Year ended	
	March 31, 2023	March 31, 2022
USD sensitivity		
INR/ USD - Increase by 1% (March 31, 2022: 1%)	18.56	6.17
INR/ USD - Decrease by 1% (March 31, 2022: 1%)	(18.56)	(6.17)
EUR sensitivity		
INR/ EUR - Increase by 1% (March 31, 2022: 1%)	(1.38)	(0.66)
INR/ EUR - Decrease by 1% (March 31, 2022: 1%)	1.38	0.66

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

31 Capital Management

A Risk management

The Company's objectives when managing capital are to:

- (i) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and;
- (ii) maintain an optimal capital structure to reduce the cost of capital.

The Company does not have any exposure towards debt except lease liability. Management regularly monitors rolling forecasts of liquidity position and cash on the basis of expected cash flows. In addition, the Company projects cash flows in major currencies and considers the level of liquid assets necessary to meet these.

B Dividends

	As at	
	March 31, 2023	March 31, 2022
Dividends not recognised at the end of the reporting period		
The directors have recommended the payment of a dividend of Rs. 20 per fully paid equity share (March 31, 2022: Rs.20). This dividend is subject to the approval of shareholders in the ensuing annual general meeting.	6,313.60	6,313.60

32 Operating leases and Ind AS 116

A Operating leases

The Company has certain operating leases for office facilities (short term leases). Such leases are generally with the option of renewal against increased rent and premature termination of agreement on mutual consent of both the parties.

Rental expenses relating to operating leases:

As a lessee :

	Year ended	
	March 31, 2023	March 31, 2022
Total rental expense relating to short term operating leases	51.95	45.00

Commitments for minimum lease payments in relation to short term operating leases are payable as follows:

	As at	
	March 31, 2023	March 31, 2022
Within one year	37.92	28.47
Later than one but not later than five years	10.78	23.58
Later than five years	-	-
	<u>48.70</u>	<u>52.05</u>

As a Lessor :

The Company has sublet few of the leased premises. Lease rental income under such non-cancellable operating lease during the year ended March 31, 2023 amounted to Rs. 120.92 (March 31, 2022 : Rs. 101.93)

Commitments for minimum lease receipts in relation to short term operating lease are receivable as follows :

	Year ended	
	March 31, 2023	March 31, 2022
Not less than one year	119.28	121.12
Later than one year and not later than five years	-	-

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

B Ind AS 116

- (a) The Company leases office premises facilities. The leases typically run for a period of 1 to 5 years, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. The Company also leases vehicles for its employees where the leases typically run from 2 to 5 years.

Information about leases for which the Company is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leased assets

	Buildings		Vehicles	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
i. Opening Balance - Gross carrying amount	1,202.50	1,218.65	63.29	-
ii. Opening Balance - Accumulated depreciation	(517.01)	(305.99)	-	-
iii. Additions to right of use asset	23.02	162.18	-	66.88
iv. Amortisation for the year	(321.13)	(312.42)	(17.39)	(3.59)
v. De-recognition of right of use assets	-	(178.33)	-	-
vi. Accumulated depreciation on "v" above	-	101.40	-	-
vii. Closing Balance - Net carrying amount	<u>387.38</u>	<u>685.49</u>	<u>45.90</u>	<u>63.29</u>

Right-of-use assets related to leased assets

	Leasehold land		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
i. Opening Balance - Gross carrying amount	61.30	61.30	1,327.09	1,279.95
ii. Opening Balance - Accumulated depreciation	-	-	(517.01)	(305.99)
iii. Additions to right of use asset	-	-	23.02	229.06
iv. Amortisation for the year	-	-	(338.52)	(316.01)
v. De-recognition of right of use assets	-	-	-	(178.33)
vi. Accumulated depreciation on "v" above	-	-	-	101.40
vii. Closing Balance- Net carrying amount	<u>61.30</u>	<u>61.30</u>	<u>494.58</u>	<u>810.08</u>

(b) Lease liabilities

Maturity analysis – contractual discounted cash flows

	Carrying amount	Contractual cash flows			
		Total	0-1 years	1-5 years	5 years and above
March 31, 2023					
Lease liabilities - current	338.73	338.73	338.73	-	-
Lease liabilities - non current	123.21	123.21	-	123.21	-
March 31, 2022					
Lease liabilities - current	314.78	314.78	314.78	-	-
Lease liabilities - non current	459.77	459.77	-	459.77	-

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

The following is the movement in lease liabilities during the year ended:

	Buildings		Vehicles		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
i. Opening Balance	710.67	954.15	63.88	-	774.55	954.15
ii. Additions	23.04	129.54	-	66.87	23.04	196.41
iii. Finance cost accrued during the period	44.79	60.46	5.26	1.33	50.05	61.79
iv. De-recognition	-	(80.29)	-	-	-	(80.29)
v. Payment of lease liabilities (including interest)	(364.95)	(353.19)	(20.75)	(4.32)	(385.70)	(357.51)
vi. Closing Balance	<u>413.55</u>	<u>710.67</u>	<u>48.39</u>	<u>63.88</u>	<u>461.94</u>	<u>774.55</u>

33 Segment Information:

Description of segments and principal activities

The Company's chief operating decision maker (CODM) consists of the managing director or executive director and the chief financial officer. The Company's chief operating decision maker (CODM) reviews the performance of the Company as a whole. Consequently, there is only one segment Air Solutions. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the financial statements.

Geographical information

Particulars	Total	
	March 31, 2023	March 31, 2022
Revenue		
India	87,685.28	71,321.58
Outside India		
United States	20,710.29	14,972.07
Ireland	3,658.16	3,443.06
United Arab Emirates	1,280.41	33.88
Srilanka	895.62	630.33
Singapore	337.01	224.64
France	122.06	127.05
Others	390.34	239.32
	<u>115,079.17</u>	<u>90,991.93</u>
Non-Current assets (excluding deferred tax asset and income tax asset)		
India	12,214.26	12,564.53
Outside India	-	-
	<u>12,214.26</u>	<u>12,564.53</u>

Major customer

Revenue from one customer i.e. Ingersoll-Rand Industrial US Inc., USA is Rs.20,710.29 for the year ended March 31, 2023 (Ingersoll-Rand Industrial US Inc., USA for the year ended March 31, 2022 : Rs.14,956.36) which contributes more than 10% of the Company total revenue.

34 Events occurring after the reporting period

On 25 May 2023, the Board of Directors of the Company has proposed a dividend of Rs.20 per fully paid equity share. The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

35 Related party transactions:

(a) Parent entities

Name	Type	Place of incorporation	Ownership interest	
			March 31, 2023	March 31, 2022
Ingersoll-Rand Inc.	Ultimate holding company	USA	1%	1%
Ingersoll-Rand Industrial US Inc.	Immediate holding company	USA	74%	74%

(b) Key management personnel compensation

	Year ended	
	March 31, 2023	March 31, 2022
Salaries and other employee benefits	240.20	318.96
Contribution to provident fund	9.56	11.03
Employee share-based payment	28.73	205.21
Total compensation	278.49	535.20

(c) Transactions with related parties

	Year ended			
	March 31, 2023		March 31, 2022	
	Holding company	Fellow subsidiaries	Holding company	Fellow subsidiaries
Sales and purchases of goods and services				
Sale of finished goods	19,527.24	11,342.83	13,946.87	6,196.50
Business support and auxiliary services	1,183.05	-	1,009.49	-
Recovery of freight, insurance and packing expenses	-	71.05	-	65.31
Purchase of raw materials, components and traded goods (including in transit)	19.72	16,270.14	-	14,353.52
Other transactions				
Recharge of expenses	-	492.53	-	446.07
Sale of property, plant and equipment	-	-	-	4.57
Reimbursement of expenses	-	8.62	-	-
Rent received	-	120.92	-	101.93
Purchase of property, plant and equipment	-	59.20	-	-
Purchase - Capital work in progress	-	-	-	44.56
Royalty expenses	-	3,248.78	-	2,753.10
Expenses recharged by other companies:				
(i) Professional fees	-	472.92	-	421.26
(ii) Repairs and maintenance - plant & machinery	-	12.46	-	28.05
(iii) Other miscellaneous expenses	-	43.41	-	1.91
Dividend paid including Ultimate Holding company	11,838.00	-	710.28	-
Contributions made to gratuity fund	-	270.00	-	198.00
Contributions made to provident fund	-	-	-	539.53
Employee share based payments expense to be reimbursed to ultimate holding company	126.32	-	706.13	-

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

35 Related party transactions: (Contd.)

(d) Balances with related parties

	As at	
	March 31, 2023	March 31, 2022
The following balances are outstanding at the end of the reporting period in relation with transactions with related parties:		
Ultimate holding company		
Other financial liabilities	11.33	669.18
Other receivables	-	68.97
Holding company		
Trade receivables	6,671.24	5,403.28
Trade payables	0.98	914.76
Unbilled receivables	18.65	-
Fellow subsidiaries		
Trade receivables	2,830.66	3,358.33
Other receivables	124.38	94.52
Trade payables	5,104.74	5,247.54
Creditors for capital goods	-	39.37

(e) Remuneration paid to key management personnel

	Year ended	
	March 31, 2023	March 31, 2022
Remuneration Paid:		
Amar Kaul, Chairman and Managing Director (Upto 15-Oct-2021)		
Salaries and other employee benefits	-	134.25
Contribution to provident fund	-	4.75
Employee share-based payment	-	185.52
Inder Arora, Manager (From 15-Oct-2021 to 06-Mar-2023) and Executive Director (From 07-Mar-2023)		
Salaries and other employee benefits	114.83	54.53
Contribution to provident fund	4.25	1.58
Employee share-based payment	13.17	6.87
Preeti Mohanty, CFO (Upto 06-Mar-2023)		
Salaries and other employee benefits	105.23	130.18
Contribution to provident fund	5.00	4.70
Employee share-based payment	15.56	12.82
P. R. Shubhakar, CFO and Company Secretary (From 07-Mar-2023)		
Salaries and other employee benefits	20.14	-
Contribution to provident fund	0.31	-
Employee share-based payment	-	-
Total compensation	278.49	535.20

Note 1: The above does not include provision for gratuity and compensated absences that are calculated for the Company as a whole.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

35 Related party transactions: (Contd.)

Note 2: Employee share-based payment represents cash disbursement made directly by ultimate holding company for options / RSUs exercised during the year. These include options / RSUs vested prior to 01 April 2015. The Company had exercised the option under Ind AS 101 - First-time Adoption of Indian Accounting Standards not to measure cost of the options / RSUs vested prior to 01 April 2015 (date of transition to Ind AS).

(f) Disclosure in respect of transactions with related parties

	Year ended	
	March 31, 2023	March 31, 2022
Sales and purchases of goods and services		
(a) Sale of finished goods		
-Ingersoll-Rand Industrial Ireland Limited, Ireland	3,587.11	3,443.06
-Ingersoll Rand Air Solutions Hibon Sarl, France	122.06	127.05
-Ingersoll Rand Singapore Enterprises Pte Ltd, Singapore	277.42	220.28
-Gardner Denver Engineered Products India Pvt Ltd, India	7,116.65	2,298.14
-Hibon Inc, Canada	20.43	11.41
-Ingersoll-Rand Italiana Manufacturing SRL, Italy	4.41	5.90
-Ingersoll-Rand Company South Africa (Pty) Limited, South Africa	0.23	-
-Shanghai Ingersoll Rand Compressor Limited, China	2.10	-
-Ingersoll Rand Machinery (Shanghai) Company Limited, China	31.50	-
-Milton Roy India Pvt Ltd, India (formerly known as Accudyne Industries India Pvt Ltd)	0.74	0.42
-Gardner Denver Korea Ltd, Korea	174.50	61.80
-Ingersoll-Rand Technologies and Services Private Limited, India	5.68	12.74
(b) Recovery of freight, insurance and packing expenses		
-Ingersoll-Rand Industrial Ireland Limited, Ireland	71.05	65.31
(c) Purchase of raw materials, components and traded goods (including in transit)		
-Ingersoll-Rand Industrial Ireland Limited, Ireland	5,582.17	7,007.79
-Ingersoll-Rand (China) Industrial Equipment Manufacturing Co. Limited, China	5,780.67	4,398.14
-Gardner Denver Engineered Products India Pvt Ltd, India	163.96	1,510.59
-Gardner Denver Deutschland GmbH, Germany	1,562.88	653.28
-Officina Meccaniche Industriali Srl, Italy	102.13	167.19
-Plurifilter DOO, Slovenia	760.55	596.88
-Ingersoll-Rand Italiana Manufacturing SRL, Italy	7.07	-
-Shanghai Ingersoll Rand Compressor Limited, China	196.66	117.29
-Jorc Industrial BV, Netherlands	5.07	-
-Gardner Denver Oy, Finland	825.72	927.19
-Gardner Denver International Ltd, United Kingdom	916.56	1,001.57
-Compair International Trading (Shanghai) Co. Ltd. China	113.60	55.23
-Gardner Denver Inc., USA	124.97	42.90
-Gardner Denver SRL, Italy	29.33	0.43
-Gardner Denver Nash LLC, USA	97.93	-
-Ingersoll-Rand Technologies and Services Private Limited, India	0.87	1.02
-Ingersoll-Rand Comercio E Servicos De Maquinas E Equipamentos Industriais Ltda., Brazil	-	6.34

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

35 Related party transactions: (Contd.)

(f) Disclosure in respect of transactions with related parties

Other transactions

	Year ended	
	March 31, 2023	March 31, 2022
Other transactions		
(a) Recharge of expenses to fellow subsidiaries		
-Ingersoll-Rand Technologies and Services Private Limited, India	421.16	399.75
-Ingersoll-Rand International (India) Private Limited, India	36.31	27.73
-Gardner Denver Engineered Products India Pvt Ltd, India	35.06	18.59
(b) Sale of property, plant and equipment		
-Ingersoll Rand Company South Africa (Pty) Limited, South Africa	-	4.57
(c) Reimbursement of expenses		
-Gardner Denver Engineered Products India Pvt Ltd, India	7.12	-
-Ingersoll-Rand Technologies and Services Private Limited, India	1.50	-
(d) Rent received		
-Ingersoll-Rand Technologies and Services Private Limited, India	97.07	85.09
-Ingersoll-Rand International (India) Private Limited, India	7.00	9.84
-Gardner Denver Engineered Products India Pvt Ltd, India	12.40	12.40
-Milton Roy India Pvt Ltd, India (formerly known as Accudyne Industries India Pvt Ltd)	4.45	-
(e) Purchase of property, plant and equipment		
-Gardner Denver Engineered Products India Pvt Ltd, India	58.15	-
-Ingersoll-Rand Industrial Ireland Limited, Ireland	1.05	-
(f) Purchase - Capital work in progress		
-Gardner Denver Engineered Products India Pvt Ltd, India	-	44.56
(g) Royalty expenses		
-Ingersoll-Rand Global Ventures LLC, USA	3,248.78	2,753.10
(h) Expenses recharged by other companies		
-Ingersoll-Rand Technologies and Services Private Limited, India	199.72	141.19
-Ingersoll-Rand International (India) Private Limited, India	313.67	295.44
-Gardner Denver International Ltd, United Kingdom	15.40	-
(i) Contributions made to gratuity fund		
-Ingersoll-Rand Employees Gratuity Trust, India	270.00	198.00
(j) Contributions made to provident fund		
-Ingersoll-Rand Employees Provident Fund Trust, India (upto 31 Jan 2022)	-	539.53

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

35 Related party transactions: (Contd.)

(f) Disclosure in respect of transactions with related parties

	As at	
	March 31, 2023	March 31, 2022
Balances with related parties:		
(a) Trade receivables		
- Ingersoll-Rand Industrial Ireland Limited, Ireland	705.62	1,204.28
- Ingersoll Rand Singapore Enterprises Pte Ltd, Singapore	17.07	18.44
- Gardner Denver Engineered Products India Pvt Ltd, India	2,101.32	2,122.83
- Ingersoll-Rand Technologies and Services Private Limited, India	0.71	0.28
- Hibon Inc, Canada	3.83	1.95
- Ingersoll Rand Air Solutions Hibon Sarl, France	-	2.40
- Ingersoll-Rand Company South Africa (Pty) Limited, South Africa	0.23	4.67
- Shanghai Ingersoll Rand Compressor Limited, China	1.88	-
- Ingersoll-Rand Italiana Manufacturing SRL, Italy	-	3.11
- Milton Roy India Pvt Ltd, India (formerly known as Accudyne Industries India Pvt Ltd)	-	0.21
- Gardner Denver Korea Ltd, Korea	-	0.16
(b) Other receivables		
- Ingersoll-Rand Technologies and Services Private Limited, India	93.08	87.75
- Gardner Denver Engineered Products India Pvt Ltd, India	26.60	-
- Ingersoll-Rand International (India) Private Limited, India	3.90	6.76
- Milton Roy India Pvt Ltd, India (formerly known as Accudyne Industries India Pvt Ltd)	0.80	-
(c) Trade payables		
- Ingersoll-Rand Industrial Ireland Limited, Ireland	1,498.58	1,289.59
- Ingersoll-Rand (China) Industrial Equipment Manufacturing Co. Limited, China	1,374.37	1,075.43
- Ingersoll-Rand Global Ventures LLC, USA	741.75	597.30
- Gardner Denver Deutschland Gmbh, Germany	558.16	628.30
- Gardner Denver International Ltd, United Kingdom	48.25	558.38
- Ingersoll-Rand Technologies and Services Private Limited, India	77.60	52.34
- Ingersoll-Rand International (India) Private Limited, India	97.02	88.19
- Officina Meccaniche Industriali Srl, Italy	18.16	27.95
- Plurifilter DOO, Slovenia	166.40	138.91
- Shanghai Ingersoll Rand Compressor Limited, China	58.28	45.04
- Gardner Denver Oy, Finland	229.97	487.35
- Gardner Denver Nash LLC, USA	58.83	45.86
- CompAir International Trading (Shanghai) Co. Ltd. China	32.31	47.95
- Gardner Denver SRL, Italy	12.10	0.40
- Gardner Denver Engineered Products India Pvt Ltd, India	15.15	164.56
- Gardner Denver Inc., USA	113.46	-
- Jorc Industrial BV, Netherlands	4.35	-
(d) Creditors for capital goods		
- Gardner Denver Engineered Products India Pvt Ltd, India	-	39.37

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

35 Related party transactions: (Contd.)

(g) Terms and conditions

- (1) Transaction relating to dividends was on the same terms and conditions that applied to other shareholders.
- (2) Export of IT services to immediate holding company is on cost-plus basis.
- (3) All transactions including sale of goods were made on normal commercial terms and conditions and at arm's length price.
- (4) All outstanding balances are unsecured and are repayable in cash.

36 Ratios

Sl	Ratio	Numerator	Denominator	Year ended		%
				March 31, 2023	March 31, 2022	
1	Current Ratio (in times)	Current Assets	Current Liabilities	2.61	2.51	4.15%
2	Debt- Equity Ratio (in times)	Debt (Borrowings)	Equity	Not applicable as the Company does not have any debt	Not applicable as the Company does not have any debt	-
3	Debt Service coverage ratio (in times)	Profit for the year + Depreciation and amortisation expense + Finance costs	Debt Service (Principal repayment + Interest payment)	Not applicable as the Company does not have any debt	Not applicable as the Company does not have any debt	-
4	Return on Equity ratio (in %) *	Profit for the year	Average Equity = (Opening Equity + Closing Equity)/2	32.33	23.61	36.92%
5	Inventory turnover ratio	Cost of goods sold (COGS)	Average Inventory Average Inventory = (Opening Stock + Closing Stock)/2	4.26	4.72	-9.90%
6	Trade receivables turnover ratio	Turnover (Revenue from operations)	Average trade receivables = (Opening Trade receivables + Closing Trade receivables)/2	4.72	5.03	-6.14%

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

36 Ratios: (Contd.)

Sl	Ratio	Numerator	Denominator	Year ended		% Variance
				March 31, 2023	March 31, 2022	
7	Trade payables turnover ratio	Net credit purchases (COGS + Other expenses)	Average trade payables = (Opening Trade payables + Closing Trade payables)/2	4.03	4.17	-3.27%
8	Net capital turnover ratio	Turnover (Total income)	Average amount of working capital = (Opening working capital + Closing working capital)/2 Working Capital = Current Assets - Current Liabilities	2.71	2.79	-3.05%
9	Net profit ratio (in %) *	Profit for the year	Turnover (Total income)	15.61	11.93	30.86%
10	Return on capital employed (in %) *	Profit for the year before Interest and Taxes	Capital Employed Capital Employed = Tangible net worth (Total Equity - Intangible assets) + Lease liability + Deferred tax liability	42.70	26.98	58.27%
11	Return on Investment - Fixed deposits (Rol) (in %)	Interest income on Deposits with banks	Average investment in bank deposits = (Opening bank deposits + Closing bank deposits)/2	4.09	3.43	19.01%

* - [The increase in Return on equity, Net profit ratio and Return on capital employed are due to increase in Net profit as result of higher turnover as compared to previous year]

- 37 The Company does not have any Benami property or any proceeding which is pending against the Company for holding any Benami property.
- 38 The Company has sanctioned working capital limits in excess of Rs.500 from banks or financial institutions on the basis of security of current assets, the quarterly returns or statements filed by the Company with such banks or financial institutions when requested by the bank, are in agreement with the books of account of the Company.
- 39 The Company has filed charges and satisfaction of charges with Registrar of Companies, where ever it is applicable.

Notes to the Financial Statements

(All amounts in Rupees Lakhs, unless otherwise stated)

- 40 The Companies (Accounts) Amendments Rules 2022 mandates maintenance of backup of company's books of account and other books and papers maintained in electronic mode on servers physically located in India on a daily basis with effect from August 5, 2022. The Company has evaluated several options during the financial year 2022-23 considering other important aspects such as mitigation of data and cyber security risks. The Company has now initiated actions and implementation is expected to be completed in due course of time. The Company is of the view that this does not have any material impact on its Financial Statements for the year ended March 31, 2023.
- 41 (i) The Company has not invested funds in any entity with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other entities by or on behalf of the company (ultimate beneficiaries) or
 - (b) provide any guarantee or security to or on behalf of the ultimate beneficiaries.
- (ii) The Company has not received any fund from entities with an understanding that the Company shall:
- (a) lend or invest in other entities identified by or on behalf of the funding Party (ultimate beneficiaries) or
 - (b) provide any guarantee or security on behalf of the ultimate beneficiaries.
- 42 The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.
- 43 The Company has not traded or invested in crypto currency or virtual currency during the financial year.

44 Dividends

The Company paid dividend of Rs.20.00 per equity share during the year ended March 31, 2023 towards final dividend for the year ended March 31,2022. The Company has paid dividend of Rs.30.00 per equity share during the year ended March 31, 2023 towards interim dividend for the year ended March 31,2023.

Dividend declared by the Company are based on profits available for distribution. On May 25, 2023, the Board of Directors of the Company have proposed a dividend of Rs.20.00 per equity share in respect of the year ended March 31, 2023 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately Rs.6,313.60 Lakhs

- 45 The financial statements of the Company for the year ended March 31, 2022, were audited by the B S R & Co. LLP, Chartered Accountants, the predecessor auditor.
- 46 **Prior year figures**
- Prior year's figures have been regrouped/ reclassified wherever necessary to conform to current year's classifications.

for Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number : 0080725

Krishna Prakash E
Partner
Membership Number: 216015
Place: Bengaluru
Date: 25 May 2023

for and on behalf of Board of Directors of
Ingersoll - Rand (India) Limited

Sekhar Natarajan
Director
DIN: 01031445
Place: Mumbai
Date: 25 May 2023

P. R. Shubhakar
Chief Financial Officer & Company Secretary
DIN: 06688703
Place: Bengaluru
Date: 25 May 2023

Inder Arora
Executive Director
DIN: 10041497
Place: Udaipur
Date: 25 May 2023



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