PTC INDUSTRIES

ASPIRE • INNOVATE • ACHIEVE

TOWARDS PARITY

Powering the engine

60 YEARS OF INNOVATION & EXCELLENCE

60th Annual Report
2022-23

Contents

Key highlights

₹227 crores
Total Income

23%
YoY growth

₹66 crores
EBITDA

37%
YoY growth

₹26 crores
PAT

102%
YoY growth

Margin snapshot

29%
EBITDA margin

(EBITDA margin **26%** in FY22)

12%
PAT margin

(PAT margin **7%** in FY22)

* Consolidated

Our Tribute

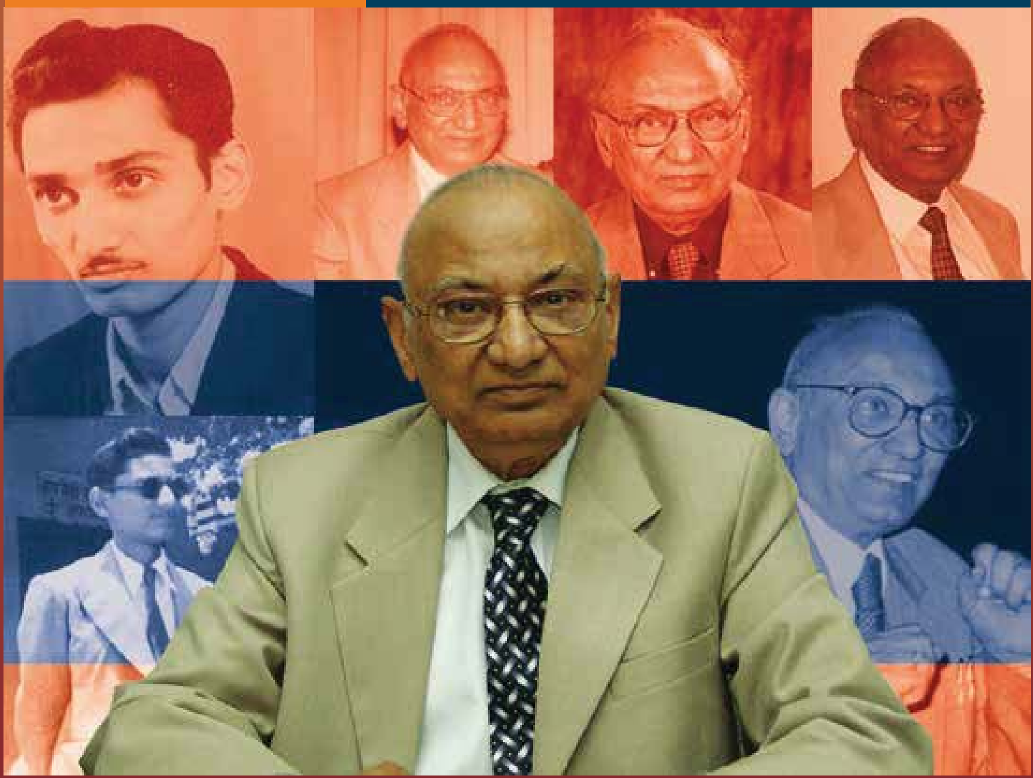
इहैव तैर्जितः सर्गो येषां साम्ये स्थितं मनः ।
निर्दोषं हि समं ब्रह्म तस्माद् ब्रह्मणि ते स्थिताः ॥19॥

Those whose minds are established in sameness and equanimity
have already conquered the cycle of birth and death in this very life.
They possess the flawless qualities of the Brahman, and are therefore
are already seated in the Absolute Truth.

- Shrimad Bhagwat Gita, Chapter 5, Verse 19

Satish Agarwal was a man with a vision.

He was an extraordinary leader, who blessed many with his wisdom, guidance and unconditional support. He inspired many, and always had a kind word for the vast number of people whose lives he touched. The relationships that he built over the decades were founded on respect and friendship and spanned many cultures and countries. He left an indelible mark on every soul he met.



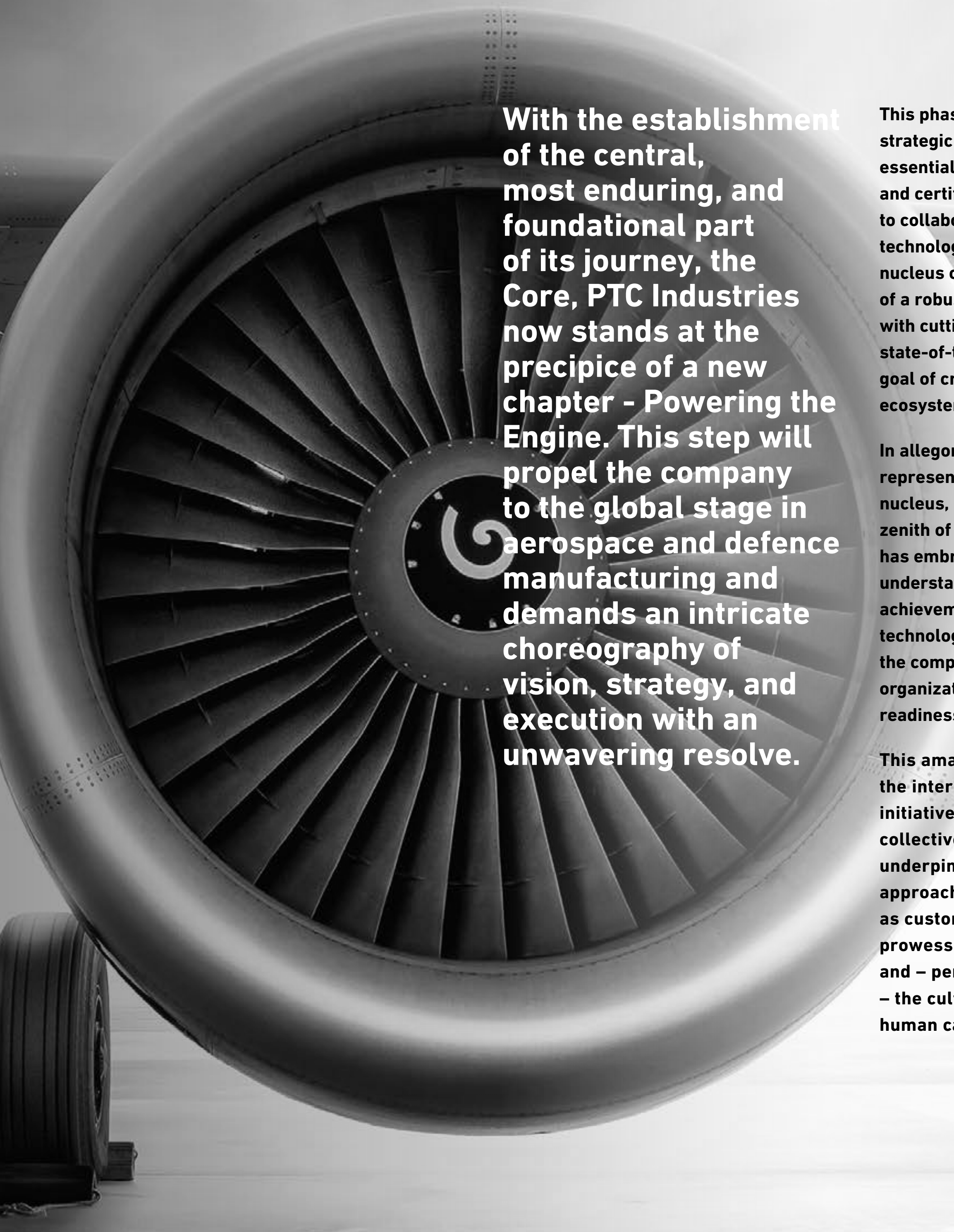
The concept of Dharma at PTC Industries serves as a guiding thread that weaves together its purpose, righteousness, and commitment. It is the compass by which the organisation navigates its path, aligning its actions with its values and aspirations. In this resolute journey towards achieving Parity, PTC exemplifies the profound significance of upholding its Dharma and the unwavering commitment this demands.

Powering the engine

For PTC Industries, its Dharma is multifaceted - it lies in the pursuit of excellence, fostering innovation, creating opportunities, and impacting communities. Hence, its overarching Dharma, in the context of aerospace and defence manufacturing, is the pursuit of Parity - to stand shoulder to shoulder with our global counterparts.

Embarking on a journey aligned with one's Dharma requires more than just vision; it demands steadfast commitment. PTC Industries' pursuit of Parity is an embodiment of this commitment. It's not just about achieving technological equivalence; it's about ensuring that every operation, every decision, and every effort converges towards this overarching goal. This journey demands unwavering dedication, as each challenge is viewed as an opportunity to strengthen its resolve. From navigating complex requirements to mastering intricate manufacturing techniques, each challenge is embraced as an essential part of the journey towards Parity. The commitment to this Dharma fuels the determination to overcome every hurdle, reminding it of the purpose it has set out to fulfil.

The resolve to achieve Parity is not just about PTC's growth; it's about contributing to the growth of an entire industry, fostering self-reliance, and strengthening the nation's capabilities. By upholding this commitment to its Dharma, PTC Industries becomes an agent of change, that transcends its own success, towards Bharat's Amrit Kaal.



With the establishment of the central, most enduring, and foundational part of its journey, the Core, PTC Industries now stands at the precipice of a new chapter - Powering the Engine. This step will propel the company to the global stage in aerospace and defence manufacturing and demands an intricate choreography of vision, strategy, and execution with an unwavering resolve.

This phase involves a spectrum of strategic actions, from securing essential endorsements, approvals, and certifications from customers to collaborations that forge new technological partnerships. At the nucleus of this phase lies the creation of a robust infrastructure, equipped with cutting-edge technology and state-of-the-art equipment, with the goal of creating a new manufacturing ecosystem in the country.

In allegorical terms, the engine is representative of the organizational nucleus, propelling it toward the zenith of its objectives. PTC Industries has embraced this metaphor, understanding that authentic achievement lies not solely in technological breakthroughs, but in the complete metamorphosis of its organizational framework, ensuring readiness for exponential growth.

This amalgamation encapsulates the interplay of strategic blueprints, initiatives, and endeavours, collectively forging the driving force underpinning the journey. This holistic approach consists of facets as diverse as customer acquisition, operational prowess, technological advancement, and – perhaps most fundamentally – the cultivation of a Value-based human capital.

ACHIEVING EXCELLENCE: COLLABORATIONS, CERTIFICATIONS, AND COMMITMENTS

A pivotal achievement over the past year has been the establishment of key partnerships, the attainment of quality certifications, and approvals from globally esteemed organizations in the industry. These accomplishments bear testament to PTC's resolute commitment to excellence.

Integral to this achievement has been the organization's adherence to meticulous quality control processes and an ongoing drive towards continuous improvement initiatives. Through these collective endeavours, PTC Industries has met and exceeded the exacting standards prescribed by regulatory bodies and discerning customers. These certifications go beyond being mere acknowledgments; they serve as gateways to new territories for business expansion and a growing market footprint.

At the heart of this stage is the establishment of lasting customer relationships. This is achieved by a genuine understanding of customer expectations and consistently trying to surpass them. This will cultivate a firm customer base, which in turn, will propel sustainable growth. PTC Industries' approach extends beyond transactions to the delivery of exceptional value, engendering trust, and a constant commitment to exceeding customer expectations.

Significantly, this has been further strengthened by various agreements and MoUs signed with eminent companies such as Safran, Dassault Aviation, BAE Systems, Midhani, Bharat Dynamics Limited, Hindustan Aeronautics Limited, and others during the year. These agreements and MoUs signify a remarkable advancement in the PTC's growth trajectory.

With each alliance forged, each endorsement secured, and each certification acquired, PTC Industries continues to reaffirm its dedication to delivering on its goals. This commitment, supported by a steady drive for perpetual enhancement, not only sets PTC Industries apart but propels it towards a trajectory of sustained growth and increased market prominence.

PIONEERING SELF-RELIANCE: ADVANCED TECHNOLOGY AND ROBUST INFRASTRUCTURE

A crucial step towards aerospace self-reliance necessitates the intersection of cutting-edge technology and a robust infrastructure. PTC Industries, steadfast in its commitment to global equivalence, is resolutely advancing with the acquisition of state-of-the-art equipment and the establishment of a resilient manufacturing ecosystem.

Grounded in expertise, PTC Industries is strategically investing in cutting-edge equipment and infrastructure, a cornerstone of its capabilities. Leveraging its proficiency in working with exotic materials like titanium and nickel superalloys, this measure will strengthen the creation of a robust ecosystem for aerospace and defence manufacturing within the country.

The acquisition of critical equipment such as the Vacuum Arc Remelting Furnace, Electron Beam Cold Hearth Melting Furnace, Plasma Arc Melting Furnace, Vacuum Induction Melting Furnace, and other key machinery are essential for powering this engine of self-reliance. These strategic investments collectively contribute to the establishment of a distinctive global infrastructure tailored for the manufacture of strategic and critical materials such as Titanium and other Exotic Alloys.

Integral to this approach is the cultivation of technological alliances and collaborations with renowned international partners. This strategic orientation not only ensures the infusion of the latest techniques and processes but also positions PTC as a manufacturer of aerospace components and materials par excellence. Its expertise in employing sophisticated technologies like vacuum melting supports its competence in manufacturing for aerospace and defence applications and its potential as a reliable and consistent supplier for both global and domestic markets.

This infrastructure will serve as the bedrock of PTC's manufacturing capabilities, ensuring high precision, consistent performance, and meticulous adherence to stringent quality benchmarks. From the initial design phases to the final production steps, every facet of the manufacturing process is underpinned by this robust infrastructure.

This amalgamation of cutting-edge technology and a robust infrastructure not only solidifies the company's self-reliance aspirations but also propels it towards an arena of global parity and excellence.

TRANSFORMATION FOR TOMORROW: A FUTURE-READY WORKFORCE

The pivotal role of a skilled and motivated workforce in powering the engine is unequivocal. Hence, a strategic focus on human capital transformation at this stage is imperative. This encompasses a multi-pronged approach, including talent acquisition, competency, and skill development, as well as the implementation of performance management systems that foster engagement, growth, and recognition among employees.

In line with this transformational drive, PTC Industries has embarked on an extensive journey the aim of which is to realign the company's human resource function with its overarching strategic objectives, thus preparing the workforce for the dynamic demands of the future.

Central to this effort is organizational restructuring. Acknowledging the importance of agility in response to market dynamics and customer requisites, PTC Industries is meticulously streamlining its organizational structure. Through rigorous analysis of business functions and processes, the company is enhancing efficiency, expediting decision-making, and fostering enhanced inter-team collaboration.

Augmenting competencies and skills within the workforce is an imperative focal point of HR transformation. Recognizing the rapid pace of technological advancements, the organization is embracing comprehensive competency frameworks. These frameworks will outline the skills and knowledge required for each role within the company and identify gaps. PTC Industries will take proactive measures to facilitate targeted training programs, both internally and through external partnerships. This initiative will empower employees with updated skills, fostering proficiency that aligns with their roles and amplifies the company's overall success.

Thus, PTC Industries' HR transformation journey encapsulates pivotal facets like organizational restructuring, process optimization, competency building, and performance management system implementation. This comprehensive initiative is strategically aimed at crafting an adaptive, capable, and efficient organization, refining processes, empowering employees with essential competencies, and cultivating a culture of excellence. With this alignment of human resources to strategic goals, PTC Industries will be poised to not only navigate future challenges but also to chart a course of sustainable growth.

Our Dharma is not just about achieving goals; it's about doing so ethically and with integrity. Dharma without values has no consequence. PTC Industries' commitment to achieving parity is underpinned by ethical practices, quality assurance, and customer trust. The resolve to adhere to Dharma ensures that even in the face of shortcuts or compromises, the company stays true to its values, upholding the sanctity of its journey.

About us

We have been at the forefront of precision engineering, manufacturing high-quality components for critical and super-critical applications. Our unwavering commitment to excellence, combined with our extensive industry expertise, has earned us a reputation as a trusted and reliable partner.

In 1963, PTC Industries Limited was established with a purpose to produce top-notch metal components using high-quality casting techniques catering to large number of industries for their specific process applications. The company's unwavering dedication and relentless pursuit of excellence have propelled it to become a prominent supplier of high-precision metal components for demanding operations in various sectors, such as Aerospace, Defence, and Industrial.

PTC continues to,

Aspire

to be a full-service supplier for our customers, thereby becoming an integral part of their value chain.

Innovate

not just to keep pace with the present, but by becoming leaders in pioneering new technologies, products and processes.

Achieve

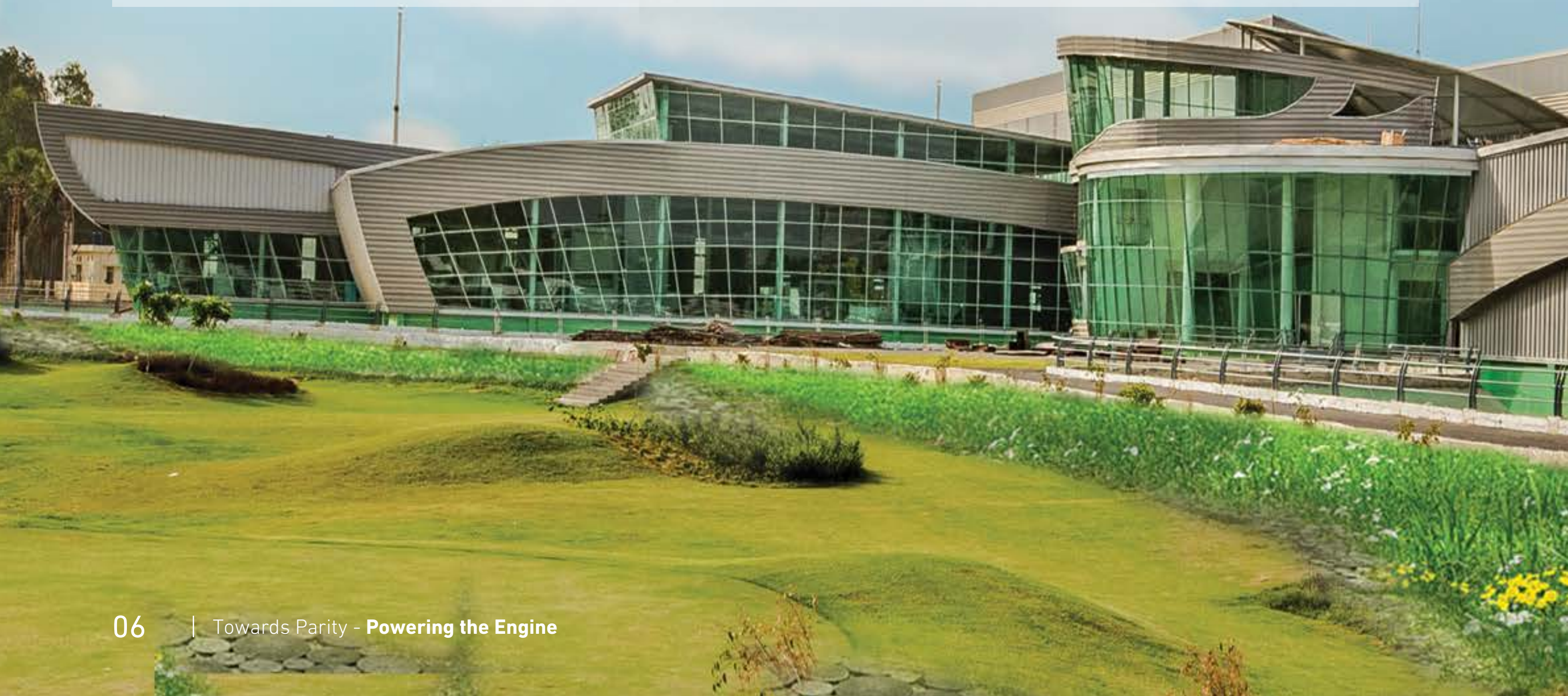
a standard of quality such that quality becomes a part of the consciousness of each and every worker.

Vision

Our vision is to be the #1 choice in the markets we serve, creating value through innovative solutions.

Mission

Our mission is be a leading global manufacturer of engineered metal components, products and systems through sustainable, disruptive and innovative technologies.



Journey over the years

1960s-1970s

Established in 1963 with the dream of creating a capability to export metal parts from the country. First investment casting foundry in India. Invested in latest equipment like a Plasma arc melting furnace and Induction Melting furnaces for manufacture of metal components for critical applications.

1980s-1990s

Developed a capability to replace imports of industrial components and also started exporting to US. Received several awards and recognitions including prestigious export awards, and established in-house research and testing capabilities.

2000s - Early 2010s

Acquired and developed award-winning technologies such as Replicast®, RapidCast™, forgeCAST™.

Introduced Robotics and Automation in production processes. Awarded by TIME India and recognised by Forbes as one of 16 Hidden Gems of the country.

Late 2010s - 2020s

Set up the Advanced Manufacturing & Technology Centre and the first ever Titanium Casting Capability in the country. Began its march towards Parity and ventured into Defence, Aerospace and Medical sectors.

Incorporated Aerolloy Technologies and aquired land in the UP Defence Industrial Corridor. Began establishing the first ever Titanium & Super Alloy Material Manufacturing Plant in the country and an Aerospace Castings facility.

Chairman & MD's message

Dear Shareholders,

As we stand on the threshold of a new chapter in our nation's history, it is with a sense of huge responsibility and honour that I reflect upon the profound significance of the *Amrit Kaal*, a new dawn of opportunities that will bring with it the chance to fulfil our nation's aspirations. Together, we envision a prosperous and inclusive India, in which the fruits of development will reach all regions and citizens. We dream of a developed nation that will prosper through equitable growth and bring better living conditions for all, world-class infrastructure, and technological advancements.

Just as our forefathers fought valiantly for our nation's freedom, today, we too are on a noble quest, fighting against the shackles of dependency.

PTC's journey over the last sixty years is a testament to the potential within each one of us to contribute to this greater cause. Our company has never been just a place of work; it is a crucible of dreams and aspirations that are inextricably interwoven into the fabric of our nation's progress.

While we strive to break free from the clutches of dependence on external factors and empower ourselves to shape our destiny, we also ensure that every product we manufacture is a testament to this dedication to create, innovate, and bring value not just to India, but also to the world. But our journey doesn't stop at self-reliance alone. We also bear the responsibility of striving for Parity – the idea that every citizen, regardless of their background, deserves an equal opportunity to succeed.

As we set out towards this worthy goal, we must also ask ourselves, what will give us the best chance of continuous success for many generations of technology and people?

Cultivating Excellence: Our Guiding Values

The answer lies in the cultivation of a resilient foundation that can withstand the test of time and the rapid evolution of technology. The winds of change will inevitably blow, and new challenges will emerge on the horizon. Thus, it is imperative to recognize that our success is not solely contingent on the strategies we deploy or the markets we navigate. It rests firmly on the bedrock of our values and the tapestry of our company culture. Just as our forefathers' unwavering resolve paved the way for our nation's freedom, our corporate values serve as the guiding compass that steers us through these uncharted territories.

As author Jim Collins says, "Great organizations understand the difference between their core values and purpose (which almost never change), and operating strategies and cultural practices (which endlessly adapt to a changing world)".

We find ourselves today at the brink of a transformative phase that is poised to extend across the next several years. This period holds the promise of ushering in the fruition of numerous new projects and strategic investments. Alongside this growth, our team is set to expand, welcoming fresh talents into the folds of the PTC family. In light of these developments, it becomes even more pertinent to uphold the principles that have propelled us thus far and reflect on the values that have shaped our journey.

> **"PTC's journey over the last sixty years is a testament to the potential within each one of us to contribute to this greater cause."**

These values are not mere words etched into our mission statement; they are the core of our identity, the guiding light that has steered us through challenges and triumphs alike. Reinforcing, re-emphasizing, and re-inculcating these values into the heart of our operations is paramount. By doing so, we ensure that our journey forward is aligned with the same spirit that has led us to our current juncture.

Our values define who we are, how we operate, and where we're headed. Our values are defined by the word ASPIRE, which stands for:

> "The global business arena is witnessing a remarkable transformation marked by a series of defining events over the last few years."

A

Agility - responding and adapting to changes quickly; learning new skills and responding to new requirements; executing work faster.

S

Sustainability - taking responsibility for longevity; creating lasting value for our stakeholders; safeguarding the environment;

and Selflessness - seeking what is best for PTC; having no ego when searching for the best ideas; helping colleagues; sharing information openly and proactively.

P

Passion - inspiring others with own thirst for excellence; caring intensely about PTC's success; being tenacious;

with Prudence - making wise decisions; getting beyond treating symptoms and identifying root causes; thinking strategically.

I

Integrity – being known for honesty, candour, and directness; being straightforward, being quick to admit mistakes;

Impact - accomplishing important work; demonstrating consistently strong and reliable performance; focusing on results;

and Innovation - re-conceptualising issues to discover practical solutions to difficult problems; challenging prevailing assumptions and suggesting better approaches; creating new ideas; staying nimble; minimizing complexity and simplifying.

R

Respect - treating people with respect independent of their status or disagreement; listening well to understand better; remaining calm in stressful situations; understanding and being considerate of the needs of others.

E

Endurance - rejecting the temptation to give up when things get tough; staying focused on executing work.

Aspire

embodies in itself the path to our success and the aspiration to get there.

Our focus is clear: to foster a value-driven organization, one that is not only resilient in the face of change but also sustainable across generations. It is by adhering to our values that we forge an unbreakable bond with all our stakeholders earning their trust and respect.

Evolving Opportunities: The Geopolitical Impact

We are living in a new world, where all established domestic and international dynamics are being re-evaluated and getting realigned. This presents us with both challenges and extraordinary opportunities. PTC is uniquely positioned against this backdrop to leverage this unfolding opportunity for unprecedented growth and transformation.

The global business arena is witnessing a remarkable transformation marked by a series of defining events over the last few years.

Global Supply Chain Reconfiguration

Firstly, the acute disruption in global supply chains, exacerbated by the aftermath of the COVID-19 pandemic, has triggered a significant re-evaluation of existing operational dependencies. This disruption has propelled the world to explore alternative sourcing avenues, a shift that has the potential to redefine India's manufacturing landscape. This juncture presents a substantial window of opportunity that PTC is well-positioned to capitalize on.

Russia-Ukraine Conflict

Secondly, the ongoing conflict between Russia and Ukraine carries implications that ripple beyond the geopolitical arena. Historically, Russia has played a prominent role in the global defence equipment export landscape, with India as a key customer.

It is important to understand that even though over the last two to four years, there has not been any major equipment that has been bought from Russia, there is still a huge quantum of import that is happening in the form of spares, components and materials.

Approximately one-third of Russia's total exports are tied to aero engines, with aircraft and aircraft spares constituting another significant portion.

> "We are living in a new world, where all established domestic and international dynamics are being re-evaluated and getting realigned. This presents us with both challenges and extraordinary opportunities."

This underscores the vital role of aerospace-related exports in Russia's trade, particularly in terms of engines, platforms, systems, and components.

Furthermore, the Russia-Ukraine conflict has revealed a crucial implication – Russia's substantial contribution to the global supply of titanium wrought materials and components. Over 50% of Russia's titanium production is exported to the West. This dependency is particularly evident in aerospace, defence, and civil industries, where titanium is a critical material.

Recent news articles highlight the global aerospace industry's reliance on Russian titanium. A Wall Street Journal piece emphasizes the need for the West to reduce dependency on it. Airbus is pursuing plans to disengage from Russian titanium sourcing, while Boeing has halted its titanium imports as a response to the geopolitical situation. Boeing's annual report acknowledges the significance of titanium for their production and Airbus, too, acknowledges its reliance on Russian titanium, both directly and indirectly through suppliers.

Geographical risks tied to titanium sourcing are being re-evaluated due to Russia's invasion of Ukraine. These intricate dynamics emphasise the pivotal role titanium plays in global aerospace industries and the critical need for reliable sources amidst geopolitical shifts, and securing a consistent supply of titanium is imperative for the entire aerospace ecosystem.

Given the investments in technology and state-of-the-art infrastructure that PTC has been making in manufacturing components and wrought products in Titanium Alloys for the last few years, PTC is the only company in India with the capability to fill this void.

Aatmanirbhar Bharat (Self-Reliant India)

Lastly, it is impossible to overlook the government's steadfast drive towards self-reliance, encapsulated in the term "Atmanirbharta," particularly in the realm of aerospace and defence.

The government's strong commitment to bolster self-sufficiency, especially in defence, is evident. This aligns with the larger context of increasing defence spending both domestically and globally. In the last Union budget, India's defence expenditure was approximately $74 billion. Projections indicate an anticipated growth to $183 billion by 2030 – a compound annual growth rate (CAGR) of around 12% over seven to eight years.

It is also important to note that the capital expenditure portion of the defence budget was about 30% in the last budget cycle, equivalent to around $22 billion. Extrapolating this allocation to the capital budget, projected figures suggest approximately $55 billion by 2030.

This highlights a dynamic landscape of expanding defence budgets and growing investments – both nationally and internationally. As we navigate these shifts, we find ourselves poised to capitalize on the momentum created by the alignment of these themes. Our strategic positioning aligns perfectly with these evolving trends, setting the stage for significant growth and impact. By contributing to this transformative agenda, we not only bolster our domestic industry but also reinforce our resilience and influence in the global landscape.

Considering the implications outlined earlier, it becomes evident that substantial growth opportunities lie ahead, contingent upon possessing the necessary technology. The inability of India to fully engage in the global defence ecosystem can be attributed to technology gaps in crucial domains. This is precisely where our role emerges.

" Our strategic positioning aligns perfectly with these evolving trends, setting the stage for significant growth and impact. By contributing to this transformative agenda, we not only bolster our domestic industry but also reinforce our resilience and influence in the global landscape. "

Over our 60-year history, our core focus has centred on metal and metal components. This sector serves as our domain of expertise and proficiency. Recognizing this, we embraced a fundamental ethos about seven to eight years ago – a guiding principle we consider our company's core. This principle is driven by the concept of achieving 'Parity'.

In essence, Parity signifies aligning our capabilities, technology, skills, workmanship, talent, knowledge, quality, productivity, efficiency, and sustainability with global benchmarks. We aspire to stand shoulder-to-shoulder with the best worldwide in the realm of metal and metal components. This foundational principle isn't just a tagline; it's the compass that shapes our strategic decisions, dictating not only which ventures we pursue but also those we choose to abstain from.

By adhering to the principle of Parity, we have positioned ourselves as a pivotal player in bridging technology gaps, thereby contributing significantly to India's participation in the global defence landscape. Our expertise and unwavering commitment to excellence mark our distinct value proposition in a world that increasingly demands cutting-edge technological solutions.

Thus, our Dharma to achieve Parity is becoming our catalyst, propelling us towards a quantum leap. We are not merely at the right place; we are poised at the precise intersection where intention meets opportunity.

Engineering Excellence: Powering the Engine

This brings us to our theme for this year, where **'Powering the Engine'** becomes a trigger for growth, innovation, and progress for PTC in the aerospace and defence sector. Just as an engine requires potent fuel, adequate thrust, and precision machinery to operate efficiently, PTC is harnessing its enduring values, emerging opportunities and advanced manufacturing capabilities to steer India's trajectory towards self-reliance, global competitiveness, and technological excellence. This theme highlights PTC's commitment to align with global shifts, seize strategic opportunities, and create synergies that amplify India's aerospace and defence capabilities.

Amid this complex interplay of forces, PTC's strategic role finds expression through three vital technology Groups. The first, the **Industrial & Defence Group,** which includes our Air-Melt Castings vertical and Machining and Integration vertical, caters to the specific needs of critical and supercritical applications in Oil & Gas, Marine, Energy, Pulp & Paper, and Defence.

The second is the **Aerospace Castings Group,** which includes our Titanium Castings vertical, Super Alloy Castings vertical and Controlled Microstructure Castings vertical. The latter represents the manufacturing of Single Crystal, Directionally Solidified, and Equiaxed blades and vanes – a capability that a select few companies and countries have in the world.

A 15,000 square metre plant with enhanced capacity and capability for the manufacture of aerospace and defence components under these verticals is being set up at the 50-acre land in the Lucknow node of the Uttar Pradesh Defence Industrial Corridor with comprehensive state-of-the-art equipment and technological capabilities.

The third is the **Aerospace Materials Group,** which includes our Titanium Alloy Mill vertical and Super Alloy Mill vertical. These Mills are being set up in a 20,000 square metre plant at the same 50-acre site in Lucknow. An Electron Beam Cold Hearth Remelting furnace, a Vacuum Arc Remelter, a Plasma Arc Cold Hearth Melting Furnace and a Vacuum Induction Melting Furnace shall be installed here, enhancing our manufacturing capacity, and improving indigenous capabilities to manufacture critical and strategic materials. Additionally, an Open Die-Forging facility is also being integrated into this plant.

These Groups will play a pivotal role in the manufacture of high-quality components, materials and, sub-systems for aerospace, defence, medical and industrial applications indigenously.

Each milestone achieved by PTC Industries brings us closer to our goal of achieving parity and building a robust defence and aerospace ecosystem in India. Through strategic partnerships, advanced technology acquisitions, and participation in prestigious events, we are taking significant strides towards becoming a global leader in manufacturing advanced engineered metal components, materials and sub-systems. Moving forward, we remain dedicated to driving innovation, fostering self-reliance, and contributing to the growth and development of India's defence and aerospace sectors.

Financial Overview

During the fiscal year, we recorded an increase in total revenue, at ₹ 227 crores, compared to ₹ 185 crores in the previous year. Our EBITDA also rose from ₹ 66 crores to ₹ 48 crores, accompanied by an improved EBITDA margin of 29.2%, an increase of 310 bps in comparison to FY2021-22. These achievements can be attributed to growth in products and customers along with our cost optimisation initiatives, which have been carefully implemented to maximise operational efficiency and deliver value to our shareholders. Moreover, our profit after tax reached ₹ 25.8 crores, marking a substantial improvement from ₹ 12.80 crores in the previous year.

Noteworthy Developments

We are proud to have been honoured with the **'Raksha Mantri Excellence Award'** in 2022, for excellence in indigenisation in the Defence and Aerospace Sector – an award we received from the honourable Defence Minister and a testament to our relentless efforts to promote the highest standards of manufacturing and contribute to the government's vision of creating 'Aatmanirbhar Bharat'.

We are also thrilled to have participated in the prestigious **'Paris Air Show 2023'**, which serves as an exceptional platform for showcasing our capabilities and our technological know-how. It provides us with the opportunity to engage with key stakeholders, establish new partnerships, and strengthen our position in the global defence and aerospace market.

I am also happy to extend a warm welcome to Ms Prashuka Jain, who joined our esteemed Board of Directors this year, bringing with her a wealth of expertise and insights that will undoubtedly enrich our strategic deliberations and contribute to our shared vision of driving PTC's success to new horizons.

This pursuit of self-reliance and parity isn't without challenges. However, history has shown us that challenges are merely stepping stones towards greatness. We always have the power to transform

obstacles into opportunities and setbacks into comebacks. As we navigate these waters, let's remember that the collective strength of our team is greater than any individual effort.

Way forward

As we look ahead, we remain committed to fostering a culture of innovation, operational excellence, and strategic collaborations. With an unwavering focus on maximising stakeholder value, we remain committed to operating with responsibility. We realise the importance of upholding the highest standards of ethical practices to strengthen the foundation of a sustainable organisation.

I remain extremely grateful to our esteemed shareholders, whose unwavering support and confidence in our vision have been integral to our success. Your continued trust in PTC Industries has been a source of motivation for us to continually strive for excellence.

I would also like to acknowledge the support and cooperation of our customers, directors, associates, bankers, financial institutions, regulatory authorities, business partners, and communities where we operate. Their relentless trust and optimism have guided us to create a positive ecosystem that fosters growth and sustainability.

In closing, I extend my heartfelt gratitude to each and every employee in the PTC family for being a part of our cherished legacy. Together, we will continue to soar to new heights, achieve milestones and set new benchmarks in the years to come.

> **"Wherever there is the divine skill of disciplined action and the resolute mind, there, undoubtedly, you will find prosperity, enduring accomplishments, righteous conduct, and an unwavering sense of purpose."**

As we continue to innovate, collaborate, and inspire one another, we will also nurture an environment where ideas flourish, skills are honed, and aspirations are achieved. We reaffirm our commitment to self-reliance and parity, knowing that every step we take today shapes the destiny of our company, our community, and our country.

As the Bhagavad Gita wisely reminds us, "Wherever there is the divine skill of disciplined action and the resolute mind, there, undoubtedly, you will find prosperity, enduring accomplishments, righteous conduct, and an unwavering sense of purpose." PTC Industries' unwavering commitment to its Dharma is a reflection of this profound wisdom, serving as an inspiration for all those who endeavour to align their actions with their true purpose.

Jai Hind!

Regards,

Sachin Agarwal
Chairman & Managing Director

Our business model

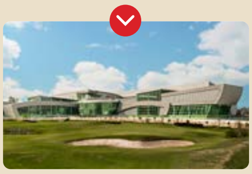
Inputs → **Operational ecosystem & Our offerings**

Inputs

	Inputs
Financial Capital	**₹306.67 Crores** Equity **₹96.38 crores** Long-term debt **₹307 Crores** Net worth
Manufactured Capital	**2** Manufacturing units **₹338.78 Crores** Gross block
Intellectual Capital	**In-house** R&D centre **Accomplished** Research & Development Team **Comprehensive** range of testing facilities
Human Capital	**510+** employees **₹25.87 Crores** Employee benefit expenses
Social & Relationship Capital	**3,558** suppliers **5,969** shareholders **₹26.13 Lakhs** expense on CSR
Natural Capital	**72,753.5 KL** Water consumed **55,964.79 GJ** Energy consumed **4,519.42 MT** Waste generated

PTC & Aerolloy Technology Verticals

INDUSTRIAL CASTINGS & MACHINING



Industrial Castings

Replicast, Rapidcast, Investment Casting

Machining & Assembly

CNC 5-Axis Machines; Assembly shop

AEROSPACE CASTINGS GROUP

Titanium Castings

Investment Casting; VAR; HIP

Super Alloy Castings

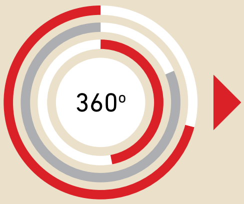
Investment Casting; VIM; HIP

Controlled Microstructure

Investment Casting; SX, DS, EQ

Platform Independent Core Manufacturing Technologies

Established Capabilities to Cater to entire Spectrum of A&D Sector



Civil Aviation

- Torque tubes
- Airframe structural
- Engine mounts
- Turbine frames
- Engine liners
- Swirlers and injectors

Air Defence

- Airframe Structures
- Intermediate casings
- Bearing Housings
- Re-fuelling nozzles
- Turbine oil-tanks
- Engine Gearboxes

Naval Defence

- Pump components valves
- On-line fittings
- Radar structures
- Propellers and propulsion components

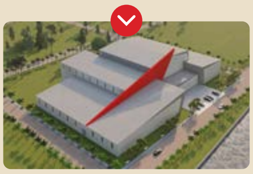
Space

- Propellant tanks
- Propulsion nozzles
- Bulkheads
- Liquid fuel pump casings and impellers
- Lightweight structurals

Aero Engines

- Turbine frames
- Blades, buckets and vanes
- Bearing housings
- Inlet and outlet structures

AEROSPACE MATERIALS GROUP



Titanium Alloy Mill

VAR, EBCHR, PACHR; Forging

Super Alloy Mill

Masterallloy VIM, VAR; Forging

Land Defence

- Suspension arms
- Muzzle Brakes
- Lightweight artillery structures
- Armour Protection

Strategic System

- Propellant tanks
- Propulsion nozzles
- Bulkheads
- Pressure bottles
- Lightweight structural

Outcomes

₹227 Crores
Total Income

₹26 Crores
PAT

₹66 Crores
EBITDA

8.26%
Return on Equity

Technology Leader
Cutting-edge manufacturing technologies for complex and critical components

Innovation Driven
Pioneering materials, techniques and processes for manufacturing excellence

Diverse Verticals
diversified portfolio of technology verticals, including industrial castings, aerospace castings, and aerospace materials

Values Driven Approach
Guided by values, committed to quality, driving efficiency

Global Partnerships
strategic global partnerships and customer relationships

Growth Catalyst
poised to capitalize on the dynamic shifts in the global aerospace and defence landscape

Sustainable Growth Enablers

Commitment to Technology and Innovation

Strong project management capability

Competitive access to capital

Diversification, integration and cost leadership

3386
CSR beneficiaries

₹6.61 Crores
Contribution to the exchequer

Over 40
Training programmes conducted

643
New supplier added

Green Titanium
capability under implementation

100%
Waste water recycled

4,494.42 MT
Waste recycled

4520.95 GJ
Renewable energy consumption

Value created

Investors
- Consistent financial growth
- Transparent and ethical business practices

Employees
- Supportive and inclusive work environment
- People development and empowerment

Customers
- Lasting customer relationships
- Quality, Value & Speed

Suppliers
- Responsible and sustainable sourcing
- Nurturing supplier growth

Government and regulators
- Compliance with laws and regulations
- Contribution to local economies and communities

Communities
- Fostering social development
- Positive community engagement

Alignment with SDGs

8 Decent Work and Economic Growth

11 Sustainable Cities and Communities; 12 Responsible Consumption and Production

9 Industry, Innovation and Infrastructure

3 Good Health and Well-being; 5 Gender Equality

4 Quality Education; 6 Clean Water and Sanitation; 10 Reduced Inequalities

7 Affordable and Clean Energy; 13 Climate Action; 17 Partnerships for the Goals

Company Profile

Quality, innovation, and advanced technologies define PTC Industries Limited, as one of the world's leading suppliers of high-precision metal components for critical super-critical operations across a wide range of segments including Aerospace, Defence, and Industrial. The Company's commitment to unmatched quality has helped it to emerge as a preferred partner to its customers across the world. PTC's journey started in 1963 as its founders were driven with an aim to manufacture high-quality castings which were at par with the best in the world for their chosen areas of applications.

For the last few years, PTC has been on a quest to achieve Parity in the sphere of manufacturing of strategic and critical materials and their components within India and this has been embodied as our guiding principle or 'Dharma'. This driving force propels it to elevate the nation to stand shoulder-to-shoulder with global leaders. PARITY, in PTC's vision, signifies not just technological equivalence, but also an equilibrium encompassing opportunities, capabilities, skills, sustainability, wealth creation, and prosperous livelihood for all.

With this overarching aspiration, PTC Industries has embarked on an unwavering journey of initiatives aimed at attaining parity in metal and metal component manufacturing. It meticulously identifies gaps and missing links, transforming them into opportunities to bolster domestic capabilities. By harnessing its collective expertise, PTC is forging a robust foundation of manufacturing prowess within India. This endeavour includes the strategic acquisition and integration of state-of-the-art equipment, systems, and platforms across the industrial, aerospace, and defence sectors.

The pursuit of manufacturing parity isn't solely about self-sufficiency; it also positions a nation as a global manufacturing epicentre. This achievement opens pathways for self-reliance, transforming the nation into a reliable manufacturing hub for other countries. Moreover, it equips the nation to enhance its export capabilities, thereby diversifying revenue streams. The attainment of Parity empowers the infusion of world-class technologies, fostering knowledge exchange, technology transfers, skill enrichment for a vast workforce, and the introduction of value-added products to domestic markets.

In reaching this zenith of manufacturing prowess, a world of flexibility unfurls. This newfound flexibility translates to cost efficiencies, meticulous quality control, expedited production timelines, and much more. PTC Industries envisions a future where PARITY isn't just a goal but a tangible reality, ushering in a new era of industrial excellence and global prominence.

Lineage and History

Incorporated in 1963, Precision Tools & Castings Private Limited (now PTC Industries Limited) embarked on its journey with the goal of emerging as a technologically advanced and innovative foundry. With a dream to make India self-reliant, PTC commenced manufacturing parts using the new Lost Wax (Investment Casting) technology, the first in India, for Valves, Pumps and Impeller castings. The company pioneered investing in cutting-edge equipment like a Plasma Arc Furnace and Induction Furnaces.

The Company has always believed that research and innovation are keys to sustaining growth over the long term. In 1981, PTC's research and development efforts gained cognizance, and its In-house R&D Laboratory was recognized by the Department of Science & Technology (DST), Government of India.

PTC collaborated with Aciéries et Fonderies de l'Est (AFE) of France for technological know-how for the manufacture of critical Castings by Sand Moulding process. To further its expansion plans, the Company forged a partnership with a US-based company for setting its footprint in the US markets.

The Company's efforts were recognized across various platforms. The 'Dhatu Nayak' award by the All India Induction Furnaces' Association, was presented to Mr. Sateesh Agarwal. PTC was awarded the Best Exporter Shield from EEPC (Northern Region) for many years and received the Certificate of Excellence in 1992 for Iron & Steel based products.

In 2000, the ISO 9001-2000 certification by BVQI and AD-2000 Merkblat certification by TUVNORD was awarded to the company. It also received a certification from BVQI for the Pressure Equipment Directive.

In a bid to strengthen its operations, the Company set up the Mehsana Plant in 2001 with facilities for Investment Castings and later a CNC Machine Shop fully equipped with Turning Centres, Turn Mill Centres, and Vertical & Horizontal Machining Centres was also added.

The Company established the Advanced Manufacturing & Technology Centre (AMTC) – the most advanced metal component manufacturing facility in the world in 2017. This facility houses more than 20 unique technologies with the most sophisticated equipment in the world. The Company has invested in robotics, automation, and best practices in every process. The plant has fortified PTC's position as a distinctive manufacturer of engineered metal components and products for the most critical applications where precision and quality are the most crucial criteria.

In February 2020, the Company formed a 100% fully owned subsidiary named Aerolloy Technologies Limited (ATL) to create a unique capability in the country for the manufacture of metal and components for Aerospace and Defence applications both for domestic use and exports.

ATL's new Aerospace and Defence facility was inaugurated by Shri Rajnath Singh, Honourable Defence Minister, Government of India on 13th Nov 2021 in the presence of Honourable Minister for Industrial Development, Government of UP, Shri Satish Mahana. This plant is the first of its kind in the private sector for the manufacture of components for aero engines and other supercritical metal components for applications in Aerospace and Defence. This plant is developing capabilities for the supply of parts for both domestic and export markets to large OEMs.

Further, ATL has been allotted 20 Hectares (50 Acres) of land next to the Brahmos facility, by UPEIDA in the Lucknow node of the UP Defence Industrial Corridor where it is setting up a fully integrated material manufacturing facility for all critical and strategic materials including Titanium Alloys, Nickel, and Cobalt Superalloys. This will significantly enhance ATL's capabilities for aerospace and defence applications and be a momentous step forward toward building an Aatmanirbhar Bharat.

Unmatched Infrastructure

PTC Industries has strategically invested in an integrated network of manufacturing units, boasting state-of-the-art facilities across Uttar Pradesh and Gujarat. These encompass two advanced foundries, two CNC machine shops, and a Research & Development laboratory accredited by the DSIR. PTC's unwavering dedication to quality is a culmination of over six decades of meticulous refinement. The company's comprehensive testing facilities serve as a testament to its commitment to excellence, ensuring rigorous tests and inspections tailored to customer requirements.

Drawing upon a decade-long journey enriched with experiences and insights, PTC Industries has harnessed the power of Replicast®, automation, robotics, and CNC machining, among other cutting-edge technologies. This dynamic evolution has culminated in the establishment of the state-of-the-art Advanced Manufacturing & Technology Centre (AMTC) in Lucknow, India—a pinnacle of innovation housing the world's most advanced equipment and technologies.

The AMTC serves as a reservoir of indigenous capabilities, fortified by a suite of technologies and facilities. This prowess is channelled into the production of high-precision components that exhibit unparalleled quality, consistency, and reliability, specifically tailored for super-critical applications. Within this facility, PTC proudly showcases its signature proprietary technologies, including RapidCast™, PrintCast™, forgeCast™, Powderforge™, and TiCast™. Distinguished by these innovations, the AMTC boasts a spectrum of cutting-edge equipment, robots, CNC machines, and automation systems. This range of technology is brought to life through strategic collaborations with technology partners, machine manufacturers, and vendors from esteemed global destinations such as the United Kingdom, the United States, Germany, Japan, and beyond.

The AMTC Plant defines PTC's commitment to excellence, equipped with cutting-edge technologies such as computerized methoding through solid modelling and casting simulation. The integration of a Design Unit, fortified with advanced software from SolidWorks® and Magma®, combined with adept design engineers, fosters innovation. The pioneering inclusion of a Robotic 7-Axis Machining Centre for Virtual Tooling further exemplifies the company's commitment to innovation, especially in the context of its RapidCast™ technology. Moreover, both plants feature fully automated Robot-assisted Shell Coating systems, elevating quality consistency, efficiency, lead time reduction, and waste minimization. The AMTC Plant has the capability to produce single-piece castings of up to 6,000 kgs.

Complementing the foundries, fully equipped Machine Shops stand as a testament to PTC's holistic approach. These encompass cutting-edge Turning Centres, Vertical Machining Centres, and Horizontal Machining Centres along with Co-ordinate Measuring Machines sourced from premier manufacturers in Japan and Europe, solidifying the company's pursuit of precision and performance.

Furthermore, through its subsidiary, Aerolloy Technologies Limited, PTC has pioneered a fully operational Titanium Casting facility—an accomplishment that marks the first fully functional manufacturing unit within the Uttar Pradesh Defence Industrial Corridor in Lucknow.

Continuing this trajectory, PTC is actively engaged in expanding its horizons. The acquisition of 50 acres of prime land adjacent to the Brahmos facility in the Lucknow node of the Uttar Pradesh Defence Industrial Corridor is poised to bring to fruition a strategic milestone. The forthcoming facilities at this location embody the company's vision of establishing indigenous Integrated Material Manufacturing capabilities and Aerospace Casting capabilities within the nation which will set in motion a wave of indigenous manufacturing for Defence and Aerospace applications in the country.

Aerolloy has also successfully completed the acquisition of the following equipment for its integrated metal manufacturing unit being set up at the new site in the UP Defence Industrial Corridor in Lucknow.

- the Vacuum Arc Remelter (VAR) for the manufacture of Titanium ingots with an annual melting capacity of 1,500 tonnes.
- the Electron Beam Cold Hearth Remelting (EBCHR) furnace with an annual melting capacity of 5,000 tonnes.
- the Plasma Arc Melting (PAM) furnace for the manufacture of exotic Titanium alloys.
- Vacuum Induction Melting (VIM) furnace for Nickel and Cobalt-based Superalloy ingots with an annual melting capacity of 900 tonnes.

This project will pave the way for the manufacturing of Strategic and Critical materials for Defence, Aerospace, Medical, and Industrial applications indigenously. With the installation of this equipment, the world's largest single-site Titanium recycling facility shall now be set up in India and make PTC one of the very few companies in the world with the manufacturing capacity and technology for remelting and recycling Titanium scrap within the country and producing aviation-grade Titanium alloy ingots indigenously.

Manufacturing Excellence

PTC's commitment to manufacturing excellence is not just a promise; it's a way of life that fuels its growth and success. Throughout its journey, PTC's diverse technical capabilities have been harnessed to create a favourable environment for all its products, setting the stage for remarkable achievements.

In the past few years, PTC has taken substantial strides in expanding its capabilities and diversifying its product range. The introduction of High Integrity Vacuum-Melt Titanium, Hot Isostatic Pressing, Powder Fabrication, and other cutting-edge technologies is a testament to its unwavering dedication to innovation and quality, particularly in the Aerospace and Defence sectors.

PTC's focus on continuous improvement has led to breakthrough advancements in technology such as Reactive Alloy Production, Vacuum Melting, and Metal Powder Manufacture, which has broadened its component and material manufacturing capabilities and intensified the demand for its metallurgical expertise. Its strategic prowess has manifested in the establishment of production capability across various domains, including Ultra Large Investment Casting, Titanium & Superalloys, and Additive & Powder Metallurgy. These areas now operate in alignment with industry-recognized standards, elevating its production output substantially.

The Company has also made strategic investments in technologies that are set to ensure its long-term competitiveness and disruptive edge. The significance of its efforts in cutting-edge technologies for the manufacture of high-precision, high-integrity components like Replicast®, RapidCast™, and forgeCAST™ is parallel to its commitment to producing vacuum melt alloys and large investment cast parts for critical aerospace and defence applications using TiCast™ and Printcast™. Recognizing the evolving landscape of the manufacturing industry with the rise of Industry 4.0, PTC has embraced advanced technologies and digital systems that render operations more dynamic and efficient. This includes the integration of artificial intelligence, big data analytics, and business monitoring algorithms, poised to enhance productivity and amplify core business capabilities. Additive manufacturing solutions that foster Prototype Development and Rapid Manufacturing, propelling clients towards faster and more efficient solutions also form a part of PTC's diverse capabilities.

Embracing digital transformation is also a cornerstone of PTC's pursuit of manufacturing excellence. The Company is applying digital technology to enhance customer relationship management, video analytics, safety and compliance, quality control, and assurance, ultimately elevating every facet of its operations. PTC's organizational structure and systems are also being optimally aligned to match its rapid growth, while also developing a comprehensive process-based approach for bringing reliability and sustainability in its operations.

The management of its manufacturing capability is a strategic process at PTC aimed at optimizing throughput, efficiency, and overall operational performance. The company employs a range of methodologies and practices to achieve these objectives:

Asset Tracking and Monitoring: PTC employs advanced asset tracking and monitoring systems to gain real-time visibility into the status and performance of manufacturing assets. This allows the identification of potential bottlenecks, downtime, or underutilization of assets.

Predictive Maintenance: By utilizing predictive maintenance techniques, PTC can anticipate and address maintenance needs before they result in unplanned downtime. This involves monitoring equipment conditions and utilizing data analytics to determine when maintenance or repairs are required, preventing costly disruptions to production.

Optimized Production Scheduling: PTC employs sophisticated production scheduling software to create efficient production plans. This includes considering factors like asset availability, capacity, order priorities, and material availability to create schedules that maximize throughput while minimizing idle time.

Lean Manufacturing Principles: PTC embraces lean manufacturing principles to eliminate waste, reduce lead times, and improve overall efficiency.

Automation and Robotics: The implementation of automation and robotics in key manufacturing processes has helped PTC achieve consistent and rapid production, reducing the reliance on manual labour and potential human errors. This leads to increased throughput and consistency in quality.

Data-Driven Decision Making: PTC relies on data-driven decision-making processes. Data related to production processes, equipment performance, and downtime is collected and analysed helping to identify areas for improvement and guide strategic decisions to maximize throughput.

Continuous Improvement: The Company embraces a culture of continuous improvement, seeking to refine processes, optimize workflows, and enhance its operations continually. This also involves initiatives like Kaizen and Six Sigma methodologies.

Cross-Functional Collaboration: Effective management requires collaboration across different departments such as production, maintenance, engineering, and logistics. Cross-functional teams work together to address challenges and seize opportunities for improved throughput.

Training and Skill Development: Ensuring that the workforce is well-trained and skilled is crucial for efficient asset management at PTC. The Company invests in training programs to empower employees to operate, maintain, and troubleshoot equipment effectively.

Feedback and Adaptation: PTC actively seeks feedback from frontline workers who directly interact with manufacturing assets. This feedback loop allows the company to make timely adjustments and refinements to asset management strategies.

By integrating these strategies and practices, PTC effectively manages its manufacturing, optimizing resource utilization, minimizing downtime, and ensuring a streamlined production process.

These milestones set the stage for a promising future. Looking ahead, the people at PTC also recognize that nurturing their technical strength is paramount. In their role as technologists, engineers, and industry leaders, they must drive innovation across products, processes, and materials, fostering continuous advancement and unceasing success.

At PTC, the voyage toward manufacturing excellence is characterized by a resolute commitment to innovation, continuous improvement, and the seamless integration of technology into all processes. This journey has set PTC on a trajectory of sustained success, poised to shape the future of manufacturing.

Quality First

PTC Industries stands as a testament to its unwavering commitment to product quality, serving as the foundation of its enduring success. The company holds a steadfast belief that the achievements of its customers are intricately linked to the excellence it delivers, compelling PTC to infuse quality into every aspect of its operations.

The pursuit of quality at PTC transcends mere product attributes; it extends across the work environment, technology integration, and the services offered. This comprehensive approach guarantees that customers experience nothing short of the best. To maintain these high standards, PTC employs a multi-faceted strategy that harmonizes every element of its endeavours.

At PTC, the Quality Management Systems (QMS) are thoughtfully crafted to imbue quality into every stage of operations, spanning from design and manufacturing through to testing and delivery. Using comprehensive QMS software, the company orchestrates streamlined process control, precise documentation, and meticulous traceability. This software facilitates comprehensive oversight, enabling monitoring and management of all quality facets. Through the synergy of an unwavering QMS and scrupulous quality control techniques, PTC Industries upholds its steadfast commitment to exceeding customer expectations and upholding the industry's most exacting quality benchmarks.

This dedication to quality translates into tangible action through a meticulous regimen of quality checks. The company's rigorous testing and inspection procedures align meticulously with both customer specifications and global standards. The comprehensive suite of inspection tests encompasses Destructive and Non-Destructive methodologies, including Tensile Testing, Impact Testing, Wet Analysis, Ultrasonic Flaw Detection, Magna Flux Crack Detection, Pressure Testing, and more. This thorough approach ensures that each product departing PTC's facilities is imbued with an unwavering commitment to quality.

Endorsements and approvals further affirm PTC Industries' dedication to exceptional quality standards. These include:

ISO 9001 from TUV: A testament to the company's unwavering adherence to globally recognized quality management practices.

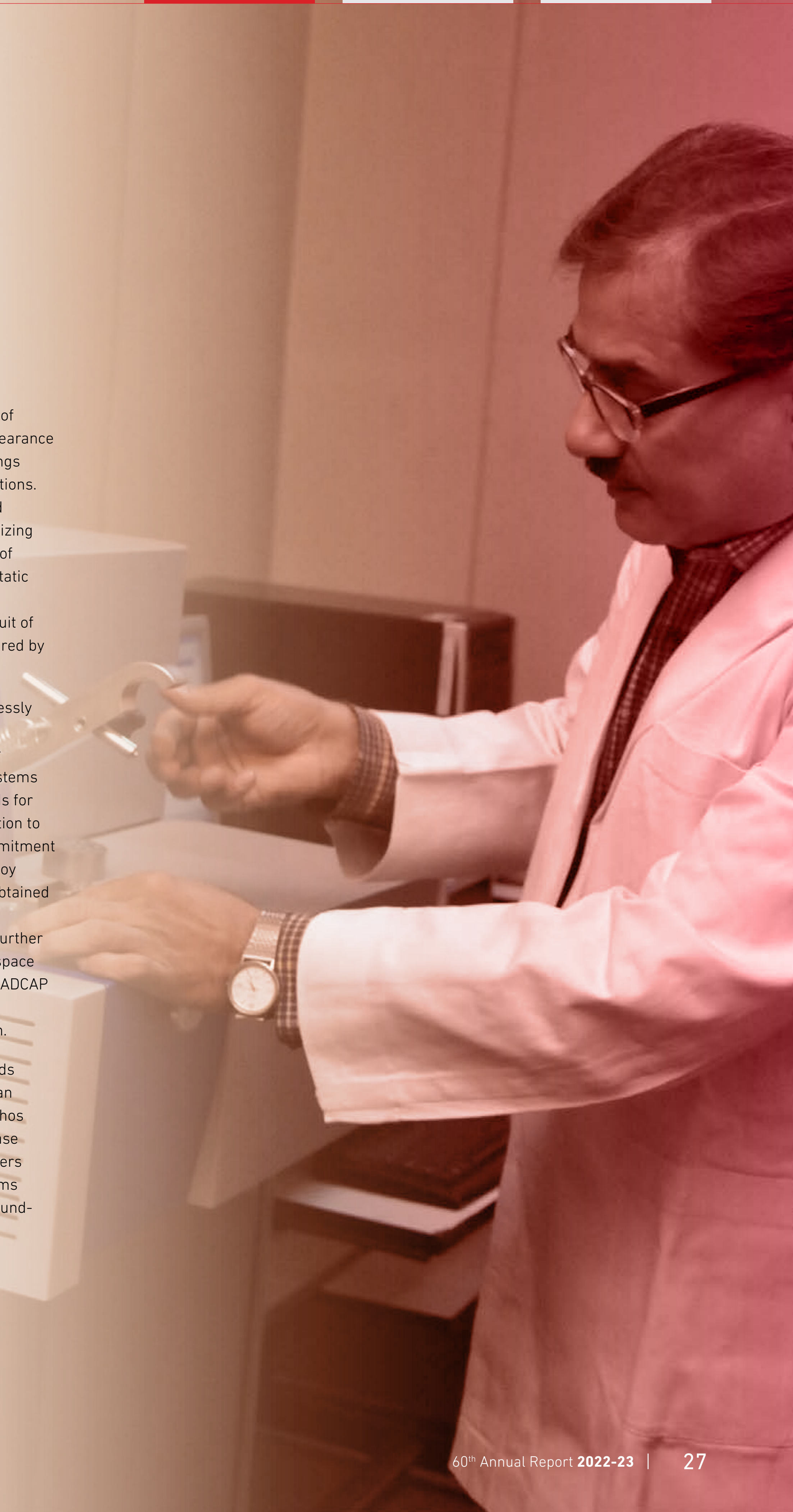
PED (Pressure Equipment Directive) TUV W0 MERKBLATT from TUV: A validation of PTC's resolute commitment to the highest standards in pressure equipment.

Marine Classification Approvals: Esteemed bodies such as DNV, Bureau Veritas, Lloyds, and the American Bureau of Shipping underscore PTC's credibility in the marine industry.

Approval from the Nuclear Power Corporation of India: A testament to the company's adherence to exacting quality norms in a pivotal sector.

Management System Certification as per EN 9100:2018 for Aerolloy Technologies: This certification demonstrates Aerolloy's capability for Manufacture of As-Cast and Machined investment casting in air and vacuum melt for Steel, Titanium and Super alloys for Aerospace applications as per AS 9100.

Laboratory Quality Management system as per ISO 17025:2017 : PTC Industries testing Laboratory is certified with Laboratory Quality Management system as per ISO 17025 : 2017 from NABL.



PTC Industries shines as a beacon of innovation, as exemplified by its Clearance Certificate for critical On-Line Fittings (OLFs) tailored for Defence applications. These fittings, meticulously crafted from premium Titanium alloys, utilizing the distinctive In-House Capability of Investment Casting + HIP (Hot Isostatic Pressing) techniques, stand as a testament to PTC's relentless pursuit of cutting-edge solutions, a rarity shared by only a select few worldwide.

This commitment to quality seamlessly extends to the digital realm. PTC's successful attainment of the Cyber Essentials certification for BAE Systems - UK, aligning with IASME standards for cybersecurity, reaffirms its dedication to ensuring digital security. This commitment is mirrored in its subsidiary, Aerolloy Technologies Limited, which has obtained approvals from industry giants for critical metal components supply further solidifying its standing in the aerospace domain. Additionally, the suite of NADCAP approvals bestowed upon Aerolloy accentuates its formidable position.

At PTC Industries, quality transcends mere commitment; it emerges as an unwavering pursuit. This quality ethos reverberates throughout every phase of its operations, providing customers with products that stand out in terms of performance, reliability, and ground-breaking innovation.

Human Capital

PTC Industries recognizes that its core strength lies in the collective potential of its human capital. As such, the company has taken significant strides to bolster its workforce through a series of targeted initiatives. This comprehensive approach encompasses the refinement of skills through well-structured learning and development initiatives, fostering peer engagement, and embracing a culture of continuous growth.

The welfare and safety of its employees are paramount to PTC. To ensure a thriving environment, the company provides an array of health schemes, camps, and voluntary programs for employees and their families. Additionally, PTC has laid a foundation for a quality-centric work culture, fostering collaboration and employee involvement to create an optimal working environment.

PTC is committed to promoting open collaboration and engagement. Equal opportunity is a cornerstone of its ethos, fostering a diverse and equitable work environment. This commitment to diversity and inclusion is integral to its sustainable growth strategy, aptly termed the 'winning balance.'

PTC's pursuit of a more inclusive culture is bearing fruit, attributed to open communication, leadership ownership, and a management commitment to fairness. The company recognizes that this cultural evolution is instrumental in fostering trust, enhancing employee engagement, and fortifying its potential for continued success and growth.

In line with its dedication to fostering a sense of ownership among employees and providing wealth creation opportunities, PTC introduced the "Abhilasha - PTC Employees Stock Option Scheme 2019" ('PTC-ESOS 2019'). This initiative underscores PTC's commitment to sharing the rewards of organizational growth and aligning employee aspirations with the company's progress.

PTC believes that every employee is an important member of the Company, and with their commitment to building a glorious future for the Company, they can also create value for all its stakeholders. Since every employee plays a critical role in creating this value, they should each get an opportunity to share this value too.

With a strong organisational culture, three things have started to become more evident: Employees begin to understand how the organisation wants them to respond to any situation; employees believe that the expected response is the proper one, and employees know that they will be rewarded for demonstrating the organisation's values.

Thus, PTC has been taking important steps in perpetuating a strong culture, starting with recruiting and selecting people who share PTC's vision and will thrive in its culture. It has also developed orientation, training, and performance management programs that outline and reinforce the company's core values and ensure that employee behaviour and approach embody the values that the company holds worthy. PTC attributes its achievements to its exceptional team, cultivated through a mix of internal development programs, external recruitment, and promotions. Leadership and functional capabilities are bolstered to align with the company's evolving demands and ambitious growth targets.

In the current year, PTC embarked on a transformative HR project in partnership with PriceWaterhouseCoopers. This initiative aims to elevate the capabilities of its human resources, reshape its organizational structure to align with strategic objectives, and streamline processes. Through competency assessments and performance evaluation enhancements, PTC seeks to bridge skill gaps and foster data-driven decision-making. This forward-looking HR transformation aligns with the company's pursuit of agility, efficiency, and sustainable growth, positioning PTC Industries as a beacon of excellence, innovation, and prosperity in the industry.

Commitment to ESG

At PTC Industries, ESG considerations have been intricately woven into the business philosophy, recognizing the significant impact its activities can have on various aspects of the world. PTC's ESG framework underscores its dedication to sustainability, responsible business practices, and the creation of lasting value for all stakeholders.

ENVIRONMENT

At the heart of PTC's philosophy, an eco-conscious transformation is unfolding, where not only product quality and performance are elevated, but the entire manufacturing process has been meticulously re-engineered to embrace environmental sustainability. This endeavour is reinforced by a resolute commitment to minimizing or eliminating wastage at every juncture of production. The holistic approach aims to amplify organizational efficiency, powered by the adoption of automation and robot-assisted manufacturing. This paradigm shift enhances process consistency and reliability, while also championing environmental neutrality.

PTC's new technologies deployed at its plants characterize its commitment to environmental harmony. The integration of these technologies was meticulously undertaken, with unwavering scrutiny to ensure zero adverse environmental impact. The result is a manufacturing ecosystem where waste generation is minimized, and significant materials are recycled and repurposed. A milestone in this journey is the construction of the AMTC Plant which is a testament to the company's dedication to sustainability. The building is adorned with a rooftop solar plant, rainwater harvesting facilities, and advanced effluent and waste treatment systems. Investment in the latest fume extraction and exhaust systems further underlines PTC's unwavering commitment to the highest product quality and full responsibility for preserving

the environment and safeguarding the interests of future generations.

Waste management lies at the crux of PTC's ESG strategy. The company is resolute in proper waste disposal and has actively undertaken initiatives to lower waste generation. These initiatives harmonize with PTC's broader vision to minimize its ecological footprint.

Water conservation is a prime facet of PTC's commitment to environmental stewardship. The company has taken significant steps to optimize water usage and reduce consumption and recycles and reuses a large proportion of water thereby contributing to water conservation on a larger scale.

PTC is resolutely committed to pioneering a sustainable future by integrating a comprehensive range of energy conservation measures across its manufacturing landscape. The company's initiatives extend from the integration of on-grid solar power plants synchronized with DG units to harness solar energy during power failures and reduce fuel consumption. Energy-efficient UPS systems, power active filters, and LED lighting solutions are strategically employed to optimize energy usage and enhance power quality. PTC's commitment to responsible transportation is evident through the pool system, which effectively reduces fuel consumption and air pollution. Further, the company's adoption of battery-operated forklifts and hydraulic pallets demonstrates a proactive stance towards lowering diesel consumption and promoting energy-efficient practices.

Intricate steps have been taken to address both direct and indirect waste materials. Recycling and reuse systems are meticulously implemented to curtail solid waste generation and optimize resource utilization. Cutting-edge technologies, such as the installation of efficient CNC machines with 5-axis, robotic systems, and waste heat recovery systems, contribute not only to reduced energy consumption but also enhanced production efficiency. PTC's emphasis on environmentally conscious construction is exemplified by the deployment of transparent fiberglass sheets and energy-efficient LED lights, both of which capitalize on natural light and minimize electrical lighting loads.

PTC's energy conservation journey extends even further into its commitment to water usage and heat management. From vacuum-pouring box cooling mechanisms to heat treatment furnace quenching tank water temperature controls, the company's initiatives lead to substantial water savings.

In essence, PTC's holistic approach to energy conservation underscores its role as a trailblazer in sustainable manufacturing. The amalgamation of cutting-edge technologies, meticulous waste management strategies, and a genuine commitment to environmental responsibility positions PTC as a vanguard of innovation in the pursuit of a greener future.

SOCIAL

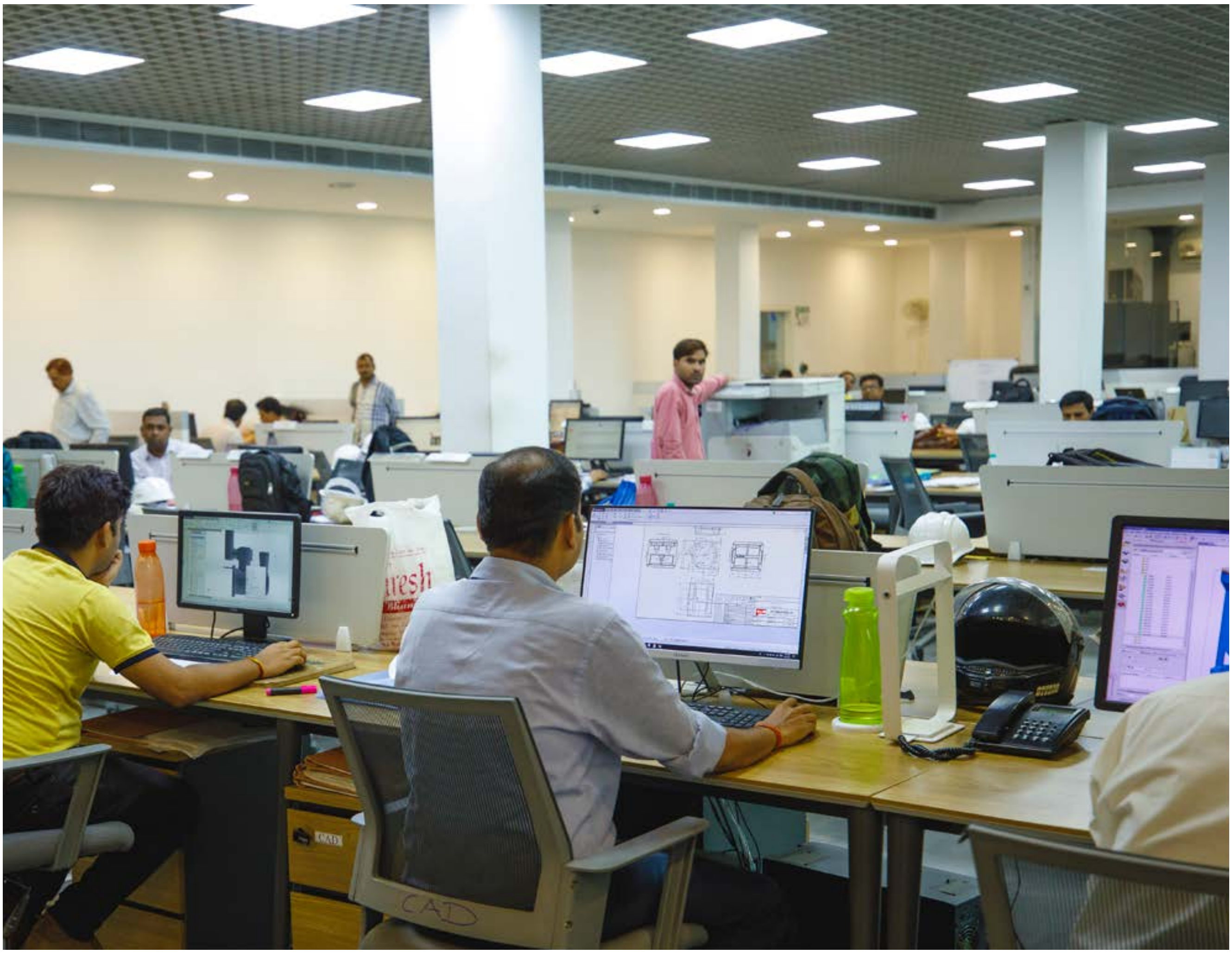
PTC's unwavering commitment to enhancing stakeholder value is exemplified by its multifaceted social initiatives that not only strengthen client relationships but also foster enduring partnerships with supply chain stakeholders. These initiatives are strategically designed to create a positive impact on both the business ecosystem and the communities it operates in.

PTC deploys a robust strategy that encompasses understanding client needs, providing bespoke solutions, and offering unparalleled service quality strengthening its capabilities for client acquisition and retention. The establishment of a qualified and competent Customer Support function further defines the company's client-centric approach. This department acts as a responsive channel for addressing client complaints, ensuring swift resolution, and fortifying trust.

The development of lasting relations with supply chain partners is a cornerstone of PTC's business philosophy. The company engages in collaborative dialogue, transparent communication, and fair practices to nurture enduring partnerships. This approach fosters mutual growth and ensures a seamless flow of resources, ultimately contributing to an efficient and reliable supply chain.

PTC's commitment to societal well-being is evident through its community-based initiatives. During FY23, the company took impactful steps to give back to the communities it operates in. An example of this is the 'Skill Development Program' which is being initiated in partnership with international and domestic bodies. This program is aimed at empowering local youth by providing them with essential skills, enhancing their employability, and contributing to the region's socio-economic growth.

In essence, PTC's social initiatives serve as a testament to its holistic approach towards business, where sustainable growth is intricately linked to nurturing client relationships, building resilient supply chains, and contributing positively to the well-being of the communities it serves.



GOVERNANCE

PTC Industries upholds a robust governance framework that serves as the cornerstone of its operations, reflecting its unwavering commitment to ethical practices, transparency, and efficient management. The company's governance policies are meticulously designed to ensure transparency, accountability, and adherence to the highest standards of business conduct.

Monitoring the governance policies falls under the purview of a dedicated team within the company, ensuring that policies are not only established but also consistently upheld. This team oversees the implementation of governance practices, assesses their effectiveness, and identifies areas for improvement.

PTC's governance policies are regularly reviewed and updated to align with the dynamic market landscape and evolving regulatory requirements.

To ensure fair business practices, PTC maintains stringent measures that extend to all aspects of its operations. The company's policies are designed to prevent conflicts of interest, maintain fair competition, and uphold integrity in all dealings. Ethical rules and the Code of Conduct are effectively implemented through regular training programs, clear communication, and a strong emphasis on ethical behaviour as a fundamental corporate value.

PTC's governance framework is not static; it is continually adapted to align with the evolving dynamics of the market. This adaptive approach enables the company to navigate changing business landscapes while staying true to its core principles. As part of its governance structure, the company has set clear accountabilities for ESG-related performance. The senior management oversees and guides PTC's efforts in environmental, social, and governance matters, ensuring that these considerations are integrated into the company's strategy and operations.

Collectively, PTC's commitment to ESG principles is deeply ingrained in its operational ethos, steering the company toward a sustainable future while upholding its dedication to quality, innovation, and social responsibility.

Winning over the World

With a strong product portfolio backed by unmatched quality, PTC has reinforced its position globally and within India and emerged stronger than ever with lasting customer relationships coupled with specialized manufacturing capabilities. As a leading manufacturer of critical and supercritical metal parts, PTC caters to a diverse array of industries, including Aerospace, Defence, Oil & Gas, LNG, Energy, Marine, Medical, and more.

Embodying versatility, PTC offers an extensive material spectrum encompassing Titanium Alloys, Nickel and Cobalt based Alloys, Stainless Steel Alloys, and many other Exotic Alloys. This exceptional diversity is exemplified through PTC's infrastructure and capabilities, adept at manufacturing components, assemblies, strategic systems, and materials for a wide range of applications.

PTC's global imprint is demonstrated by the export of over 85% of its products for over four decades, traversing continents and establishing its name in Europe, North America, Asia, and South America. An illustrious clientele, including industry leaders like Kongsberg (formerly Rolls Royce Marine), Flowserve, Metso, Siemens, and many more establishes PTC's global foothold. In parallel, PTC's commitment to the nation's progress is exemplified through contributions to vital sectors like Defence, Aerospace, Energy, and India's prestigious space programs.

PTC's ascent is further propelled by strategic collaborations that extend its impact across borders and industries, reinforcing its role as an innovator and leader. These collaborative endeavours underscore the company's commitment to both national self-reliance and global excellence.

During the current year, the Company, or its subsidiary, Aerolloy Technologies entered into a number of agreements and MoUs with industry giants like Safran Aircraft Engines, Dassault Aviation, Bharat Dynamics Limited and Hindustan Aeronautics Limited, etc. Several MOUs were signed to explore capabilities and opportunities, while many development orders have also been received for the development of aerospace components and strategic parts.

This includes an MoU with Dassault Aviation, for exploring PTC's potential to supply Titanium and Super Alloy materials, components, and castings for aerospace applications, including the latest Rafale multirole fighters. Embracing India's journey towards self-reliance, PTC also entered into strategic partnerships with HAL – SED, Koraput, Midhani, Bharat Dynamics Limited to collaborate for

shaping the nation's aerospace and defence landscape. These partnerships cover a range of areas including the development of aviation-grade Raw Materials, Components, Sub-systems, and Systems and the creation of a Defence Testing Infrastructure.

PTC's role in DRDO – GTRE's Combat Aircraft Engine Development is an embodiment of India's 'Aatmanirbhar Bharat' vision. As the Ministry of Defence seeks indigenous fighter aircraft platforms, PTC's contributions to critical components underline its instrumental role.

In each of these partnerships, PTC's significance resonates beyond transactions, embodying its potential to shape aerospace horizons, strengthen defence capabilities, and champion innovation on a global scale. PTC Industries' indomitable trajectory exemplifies not only its global prowess but also its steadfast commitment to fuelling India's technological ascendancy, a beacon of innovation in a dynamic world.

Awards and Recognitions

PTC Industries' unwavering commitment to excellence and innovation has earned the company a remarkable array of prestigious awards and recognitions. These accolades not only showcase PTC's outstanding contributions but also reflect its impact on various sectors, from defence to industrial manufacturing to exports. Some of the noteworthy recognitions that PTC Industries has received over the years include:

National Award for R&D Efforts in the Industry

The Indian Government bestowed the prestigious National Award for R&D Efforts in the Industry upon PTC Industries in 2006. The Department of Science and Industrial Research, Government of India, recognized PTC's exceptional success in indigenizing and commercializing the Replicast® technology. This award underscores PTC's commitment to harnessing innovative solutions to enhance value delivery for its customers.

Total Cost Leadership Award by Rolls Royce – Marine

Rolls Royce – Marine, a revered customer of PTC Industries, recognized the company's excellence by conferring upon it the Total Cost Leadership Award. This award demostrates PTC's exceptional contributions to cost-effective solutions and its unparalleled dedication to meeting Rolls Royce – Marine's high standards.

Special Jury Award at TIME India Awards

In 2017, PTC achieved a distinctive milestone by becoming the sole foundry in India to be honoured with the Special Jury Award at the TIME India Awards. Presented by TIME India magazine, this accolade highlights PTC's overall competitiveness, steadfast commitment to innovation, and remarkable achievements in areas such as export orientation, pioneering the adoption of Industry 4.0, and driving sustainable manufacturing practices.


16/HIDDEN GEMS

PTC MAKES A VERY SMALL SHARE OF THE CASTINGS PRODUCED IN INDIA. BUT IT IS THE END-USE OF THESE PRODUCTS THAT SETS THE COMPANY APART

PTC INDUSTRIES: CASTING MAGIC WITH METAL

The Agarwals invested in unique technology for their foundry to attract A-list international clients

BY SALIL PANCHAL

A family-run foundry in Lucknow, which moulds metal into the form its clients specify, has ridden the highs of an insulated economy, weathered the storms of post-liberalised India, and emerged unscathed to cater to international engineering firms. During this process of upheaval, founder Sateesh Agarwal adopted different manufacturing strategies and introduced new technologies to battle tough market conditions and stand apart from rivals.

PTC Industries creates casts and specialised products from stainless steel and high-alloys melted into moulds, and has been doing so for 51 years. The business went through

its technology to an Indian firm it knew little about. "It took a year for them to agree," says Sachin, who now heads daily operations at PTC.

To tackle the threat from China, PTC paid for, and later innovated on, the CTI proprietary technology called Replicast, which is used to manufacture complex precision stainless steel castings required by power, aerospace and oil exploration companies, among others. It was a crucial moment, one that not only changed PTC's fortune but also helped it acquire a unique identity. Today, PTC Industries' net worth stands at Rs. 109.06 crore, according to the promoters, with revenues of Rs 122 crore for FY2014.

THE MEN BEHIND IT

decade later, the 'Chinese threat' emerged. By then, Sachin had returned from the US, armed with a master's degree in finance from Boston College and an MBA from

Pragati. In 2012, the PE firm invested Rs 16 crore for an 8 percent stake in the company. This will increase to a 20 percent stake on a total investment of Rs 40 crore by the end of 2014.

Rs 122 crore
Revenues for FY 2013-14

1,800 tonnes from three plants. It is a very small percentage of the castings produced in India. But it is the end-use of these products that sets the company apart. It is the only foundry in India to base its business on Replicast and successor technologies.

In recent years, the company, in association with CTI, is using a new technology called 'RapidCast', which promises to revolutionise the industry by breaking weight barriers. PTC is the only company in the world that produces 2,500 kg single-piece casts using ceramic moulding.

The company is expected to show a 30 percent jump in sales and profit for FY2015. To keep up with the demand, it is building a Rs 300-crore plant in Lucknow (replacing the existing one), which will quadruple the annual capacity of its Lucknow unit. The factory will become operational in 2015-16.

WHY IT WAS HIDDEN

For one, its location. Lucknow is not viewed as a thriving industrial centre. Its business-to-business model means that end users are unaware of its existence. The nature of the metal castings it moulds does not lend itself to displays in showrooms.

RISKS AND CHALLENGES

Forbes India identified PTC Industries as one of the sixteen 'Hidden Gems' of Indian industries in 2014. This recognition underscores the company's exceptional capabilities and its noteworthy contributions to the industrial landscape of the country.

CII Industrial Innovation Awards

In a testament to its pioneering spirit, PTC Industries secured the prestigious CII Industrial Innovation Award in 2018. This recognition positioned PTC as the most innovative manufacturing company in the medium segment of the country. The award underscores PTC's constant drive to break new ground and innovate across the manufacturing spectrum.

Raksha Mantri Excellence Award

In a resounding acknowledgment of its contributions to the defence industry, PTC Industries was honoured with the prestigious Raksha Mantri Excellence Award. This accolade highlights the company's pioneering efforts in pushing the boundaries of technology and delivering cutting-edge solutions to the defence sector. Recognized by the Ministry of Defence, this award is a testament to PTC Industries' unwavering dedication to advancing the country's defence capabilities and solidifying its role as a leading player in this critical domain.

UP State Award for Excellence in Exports

PTC Industries' exceptional performance in the export sector was celebrated with the prestigious UP State Award for Excellence in Exports. This recognition highlights the company's significant contributions to the economic growth of the state. The award was bestowed upon Shri Alok Agarwal, a pivotal figure within PTC Industries, by the Honourable Chief Minister, Yogi Adityanath. This accolade underscores the company's impressive achievements in international trade.

Clearance Certificate for Critical ON-LINE FITTINGS (OLFs) for Defence Applications

An exceptional feat was accomplished as PTC Industries secured a 'Clearance Certificate' for critical On-Line Fittings (OLFs) crafted from precious Titanium alloys. Leveraging its unique In-House Capability comprising Investment Casting + HIP (Hot Isostatic Pressing) processing techniques, the company's achievement reflects exceptional expertise on par with only a select few worldwide. This achievement underscores PTC Industries' capacity to deliver cutting-edge solutions for vital defence applications.

Beyond these laudable accolades, PTC Industries is actively engaged in fostering collaboration with governmental entities to usher in the latest technologies to India. These partnerships include ventures with the Department of Science & Technology, Ministry of Science & Technology, aimed at developing and commercializing the RapidCast™ technology. Similarly, PTC's collaboration with the Department of Heavy Industries, Ministry of Heavy Industries & Public Enterprises, focuses on technology acquisition and the development of Titanium Castings with Ceramic Shelling. These initiatives bear testament to PTC's commitment to building indigenous manufacturing capabilities and supporting India's journey towards self-reliance in crucial manufacturing domains.

The convergence of these awards, recognitions, and collaborative initiatives showcases PTC Industries as an industry leader that consistently strives for excellence, innovation, and technological advancement in pursuit of delivering unparalleled value to its customers and contributing to the nation's growth.

Approval from Safran Aircraft Engines

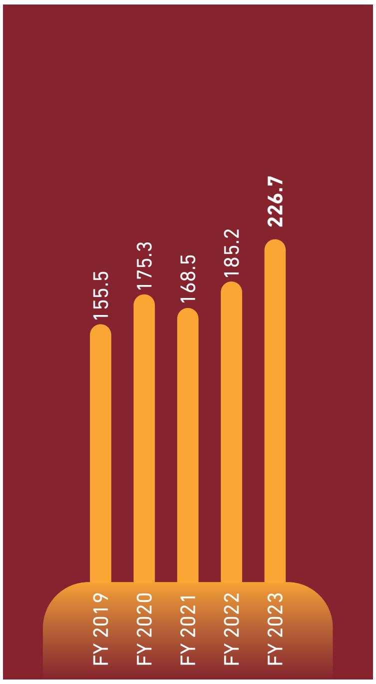
A groundbreaking achievement was reached when PTC Industries' wholly owned subsidiary, Aerolloy Technologies, secured approval from Safran Aircraft Engines (SAE), a prominent global aircraft engine manufacturer. SAE's approval of Aerolloy for the development and supply of critical Titanium and Super Alloy castings for Aero Engines signifies a significant milestone. This approval reinforces PTC's role as a trusted partner for top-tier international aerospace entities, solidifying its position in the global aerospace landscape.

Developmental Contract for DRDO - GTRE's Combat Aircraft Engine

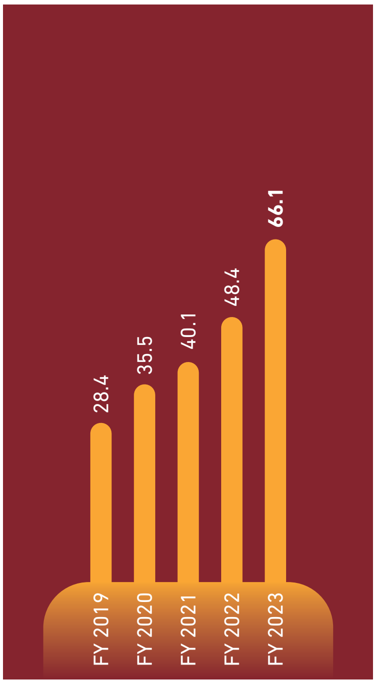
Aligned with India's 'Aatmanirbhar Bharat' initiative and the strategic focus on indigenous defence capabilities, PTC Industries clinched a developmental contract for critical components in DRDO - GTRE's Combat Aircraft Engine program. This development signifies a substantial stride towards bolstering India's self-reliance in defence technology. PTC Industries' involvement reaffirms its pivotal role in shaping the nation's defence ecosystem.

Financial highlights

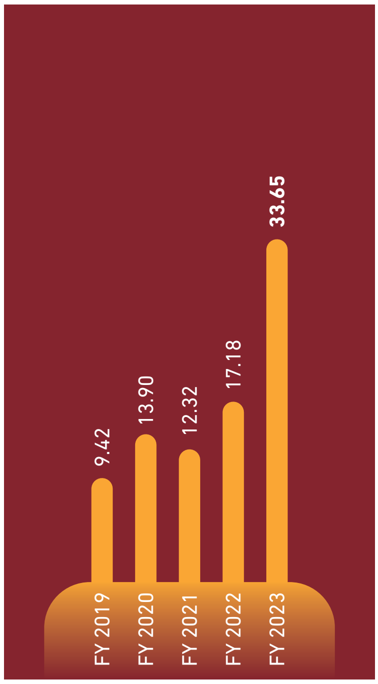
Total Income
(₹ in crores)



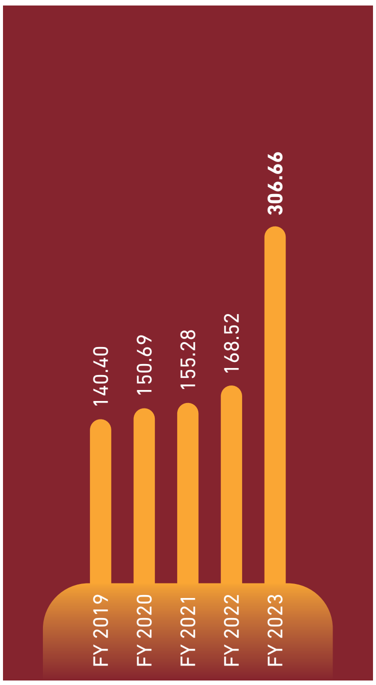
EBITDA
(₹ in crores)



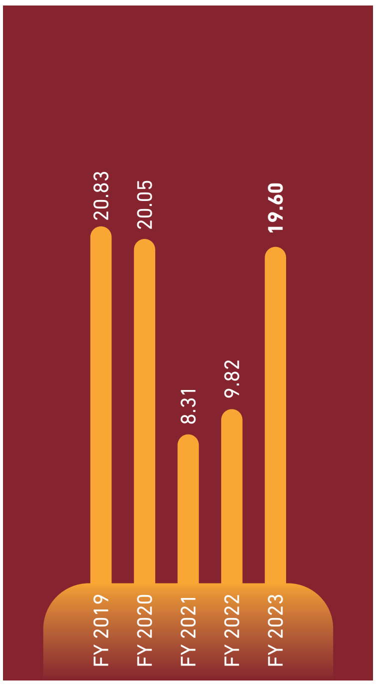
Profit Before Tax
(₹ in crores)



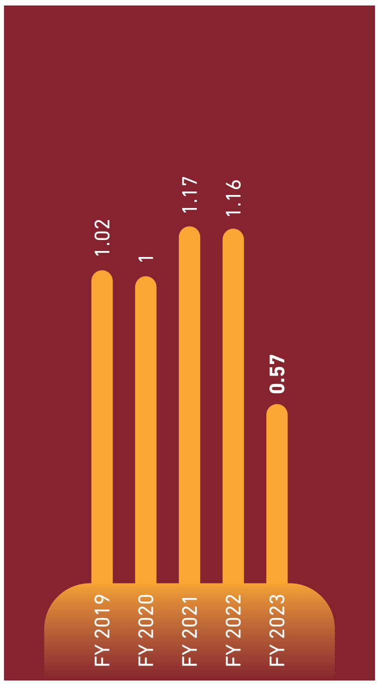
Net Worth
(₹ in crores)



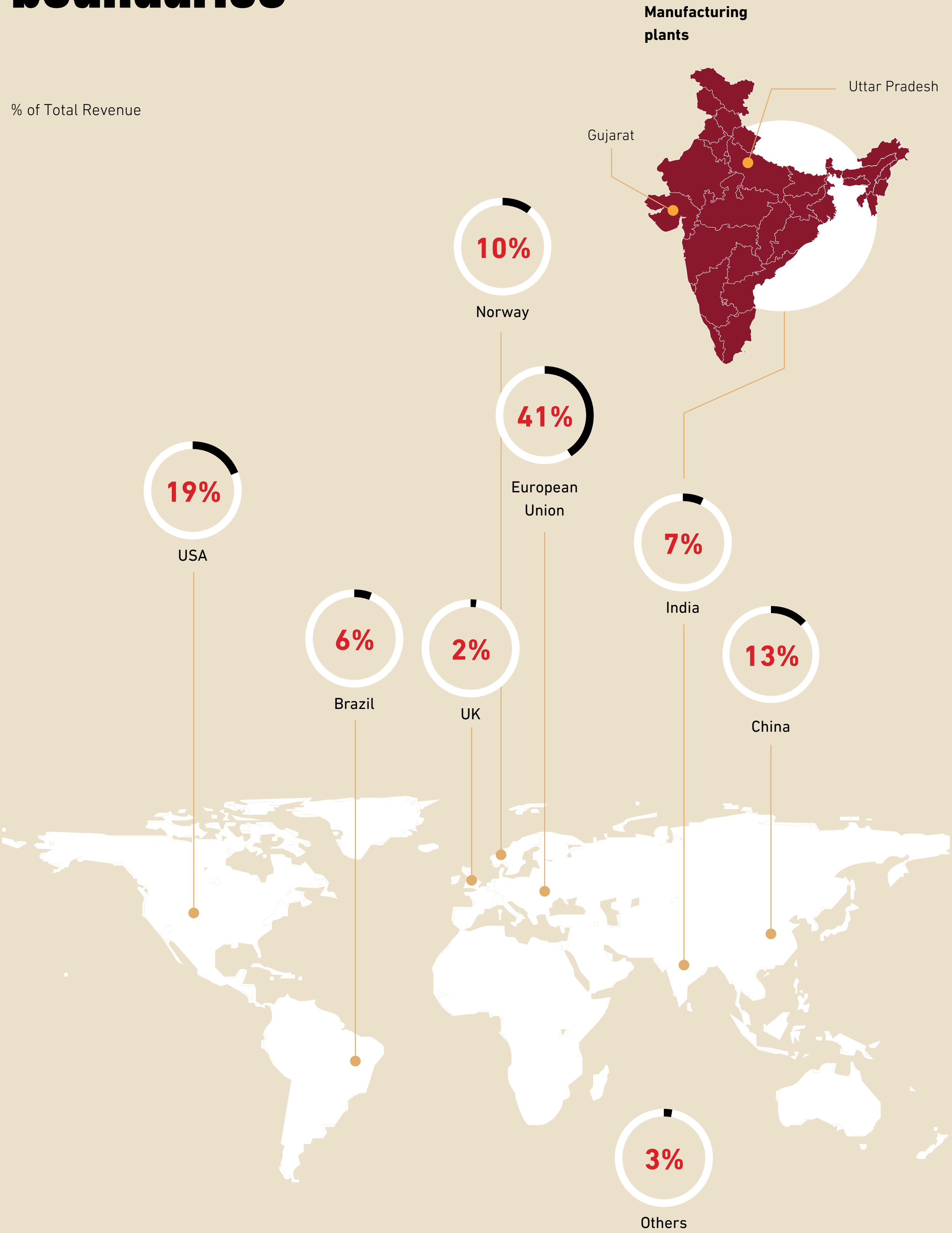
Earnings per share
(₹)



Debt to Equity Ratio



Expanding boundaries



Company Information

Chief Financial Officer

Smita Agarwal

Company Secretary

Pragati Gupta Agrawal

Bankers

State Bank of India

Punjab National Bank

HDFC Bank

Yes Bank

ICICI Bank

Auditors

Walker Chandiok & Co. LLP

L-41 Connaught Circus
New Delhi 11000, India

Registered Office

Advanced Manufacturing & Technology Centre,
NH25A, Sarai Shahjadi, Lucknow 227101
Uttar Pradesh, India

Tel: +91 522 711 1017

Fax: +91 522 711 1020

Website: www.ptcil.com

CIN: L27109UP1963PLC002931

AMTC Plant

NH 25A, Sarai Shahjadi
Lucknow 227101
Uttar Pradesh, India

Mehsana Plant

Rajpur, Taluka Kadi, District
Mehsana 382740
Gujarat, India

Windmill Power Division

Surajbari Region
Shikarpur Village
Kutch District Gujarat, India

Share Transfer Agent

Link Intime India Private limited
C-101, 247 Park, L. B. S. Marg,
Vikhroli (West), Mumbai 400 083
Maharashtra, India

Board of Directors

Sachin Agarwal

Chairman & Managing Director,
51 Years
MBA, M.Sc (Finance)
Joined- June18, 1998

Priya Ranjan Agarwal

Director, Marketing,
64 Years
B.E. (Mechanical)
Joined- December 28, 1992

Alok Agarwal

Director, Quality &Technical,
61 Years
B.Tech, IIT Kanpur
Joined- 27 July,1994

Smita Agarwal

Director and CFO,
47 Years
C.A. and DISA (ICAI)
Joined- June 01, 2019

Ashok Kumar Shukla

Executive Director,
55 Years
B.Tech (Mechanical)
Joined-October 1, 2017

Ajay Kashyap

Independent Director,
74 Years
B.Tech (Chem), M.Sc. (Chem)
Joined- April 19, 2007

Krishna Das Gupta

Independent Director,
80 Years
M.Com, LLB, M.Phil,
Masters Diploma in Public Administration
Joined- July 31, 2008

Rakesh Chandra Katiyar

Independent Director,
67 Years
M.Com, PhD, FICWA, D Lit.
Joined- April 19, 2007

Brij Lal Gupta

Independent Director,
71 Years
B.Sc., CAIB
Joined- December 6, 2014

Vishal Mehrotra

Independent Director,
51 Years
LL.B
Joined-August 10, 2019

Prashuka Jain

Independent Director,
35 Years
Chartered Accountant
Joined-September 05, 2022

Directors' Report

DEAR MEMBERS,

Your Directors are pleased to present the 60th Annual Report of the Company along with financial statements for the year ended 31st March 2023.

1. RESULTS OF OUR OPERATIONS

Table gives the financial performance of the Company for the financial year 2022-23 as compared to the previous financial year.

FINANCIAL HIGHLIGHTS

SN	Particulars	Standalone		Consolidated	
		Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022
1	(a) Revenue from operations	21,598.78	17,893.51	21,926.21	17,895.48
	(b) Other income	1,067.33	690.53	747.27	627.99
	Total income	**22,666.11**	**18,584.04**	**22,673.48**	**18,523.47**
2	**Total expenses**	**16,802.07**	**14,170.99**	**16,062.96**	**13,685.32**
3	**Profit before finance cost, depreciation and amortisation, exceptional items and tax (EBIDTA),**	**5,864.04**	**4,413.05**	**6,610.52**	**4,838.15**
4	Finance cost	1,538.88	1,505.52	1,577.74	1,516.58
5	Depreciation and amortisation expenses	1,647.76	1,453.93	1,666.92	1,462.99
6	**Profit before tax and exceptional item**	**2,677.40**	**1,453.60**	**3,365.86**	**1,858.58**
7	Exceptional item	-	(156.79)	-	(156.79)
8	Profit before tax	2,677.40	1,296.81	3,365.86	1,701.79
9	Total tax expense	666.93	347.16	784.35	420.64
10	**Profit for the period**	**2,010.47**	**949.65**	**2,581.51**	**1,281.15**
11	Total other comprehensive income	(7.35)	(1.64)	(7.75)	(0.49)
12	Total comprehensive income for the period (comprising profit and other comprehensive income for the period)	2,003.12	948.01	2,573.76	1,280.66
13	Paid-up equity share capital (₹ 10 per share)	1,338.23	523.91	1338.23	523.91
14	Earnings per share (Face value of ₹ 10/- each):				
	(a) Basic	15.27	7.28	19.60	9.82
	(b) Diluted	15.22	7.27	19.54	9.81

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Based on consolidated financial statement the Company witnessed growth in revenue from operations by 22.52% to ₹ 219.26 crores with scaling up of capacity utlisation and induction of new customers and products during the year.

Profit before finance cost, depreciation and amortisation, exceptional items and tax (EBIDTA), as a percentage of total income, has increased to 29.16% from 26.12% in the previous year, in absolute terms it has increased by 11.64%.

Based on standalone financial statement the Company witnessed growth in revenue from operations by 21% to ₹ 215.99 crores with growth in business and additional of new products and new customers to the Company's portfolio. Profit before finance cost, depreciation and amortisation, exceptional items and tax (EBIDTA), as a percentage of total income, has increased to 25.87% from 23.75% in the previous year.

For a detailed discussion on the Company's financial and operating results, please refer to the Financial Performance section of the Management Discussion and Analysis Report in this Annual Report.

DIVIDEND

The Company has already commercialized its manufacturing capability at the Advanced Manufacturing & Technology Centre (AMTC) in Lucknow, Uttar Pradesh. A substantial investment has been made in new technologies and capabilities for this new facility, effects of which are visible in the Company's financial performance. However, the Company has also formed a new subsidiary Aerolloy Technologies Limited for entering into the aerospace components and strategic materials market for significant capital expenditure is under way. Hence, the majority of funds are being invested into the Company's 100% subsidiary to support this growth and therefore the directors do not consider it prudent to recommend any dividend for the year ended on March 31, 2023. The Company has also not transferred any amount to the General Reserve during the year. The amount of ₹ 25.82 crores is proposed to be retained in the Profit and Loss Account for the year ended on March 31, 2023.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As per the requirement of section 186(4) of Companies Act, 2013, particulars of loans given, investments made, guarantees given or securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements on **page number 222**. The Company is in compliance with the limits as prescribed under Section 186 of Companies Act, 2013 read with Rule 11 of the Companies (Meeting of Board and its Powers) Rules, 2014.

RELATED PARTY TRANSACTIONS

All contracts, arrangements, or transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract, arrangement, or transaction with related parties which could be considered material in accordance with the policy of the Company on the materiality of related party transactions or which is required to be reported as Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is put up on the Company's website and can be accessed at https://www.ptcil.com. There were no materially significant related party transactions that could have potential conflict with the interest of the Company at large.

The disclosures as required under Part A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in accordance with Ind AS 24 in the notes to standalone financial statements.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

The company has applied to the National Stock Exchange Limited (NSE Limited) for listing of all its equity shares of the company. Company has received the final approval for listing and trading of its entire 1,33,82,257 (One Crore Thirty Three Lakh Eighty Two thousand Two hundred and Fifty Seven) equity shares of face value of Rs. 10/- each w.e.f. 09th June 2023 vide NSE letter Circular Ref. No. 0695/2023 dated June 07, 2023.

Further after the closing of Financial Year 2022-23, As per the Approval of the Board of Director on June 08, 2023 and shareholders' approval on July 08, 2023 the company issue and allot up to 1,80,000 (One Lakh Eighty Thousand) Equity Shares of face value of Rs.10/- (Rupees Ten Only) each fully paid up, for cash, to be issued at a price of Rs. 2,500/- (Rupees Two Thousand and Five Hundred Only) per Equity Share, determined in accordance with the provisions of Chapter V of SEBI ICDR Regulations, for an aggregate amount of up to Rs. 45,00,00,000/- (Rupees Forty Five Crores Only).

Further Aerolloy Technologies Limited (wholly owned subsidiary of PTC Industries Limited) participated at the International Paris Air Show 2023, exhibited and displayed its best-in-class capabilities and technologies for Aerospace and Defence applications.

GLOBAL PANDEMIC – COVID-19

As the COVID-19 pandemic enters its fourth year, surveillance has declined dramatically. In most countries, life has returned to "normal". Still, millions continue to be infected or re-infected with SARS-CoV-2, and many questions remain about the potential emergence of new variants that could cause fresh surges. As many countries adjust their emergency response, absorbing COVID-19-related actions into integrated respiratory disease management, there is an opportunity to strengthen the public health foundation for future epidemic and pandemic response efforts. Going forward, India will have to prioritize economic expansion and sustainability to maintain its trajectory of growth and influence. The country must continue to embrace transformational, rather than incremental change to shape an economic policy that supports rapid growth.

PTC will continue to work diligently and comprehensively to support to address all aspects of COVID-19 and ensure that the hard lessons of COVID-19 will maintain robust engagement in pandemic preparedness for the future.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 read with Schedule V Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report on **page number 87.**

2. BUSINESS

PTC has witnessed remarkable growth during the year in its industrial castings business, particularly for exports to large Original Equipment Manufacturers (OEMs) and especially with the augmentation of its product offerings. Through strategic partnerships and a focus on delivering high-quality products, PTC has solidified its position as a leading player in the international market for critical and super-critical cast metal components. The company's relentless commitment to innovation and customer satisfaction has enabled it to enter into long-term supplies with its customers, further boosting its global presence and market share in the industrial castings sector.

In addition to its success in the industrial castings business, PTC's aerospace and defence segment is showing promising signs of growth through its wholly owned subsidiary, Aerolloy Technologies. The Company has managed to secure development orders and customers, including with prestigious companies like Safran Aircraft Engines and Israel Aerospace Industries. PTC is also entrenched with a number Indian Defence agencies supplying critical cast metal components for various applications across land, air and naval defence systems.

Overall, PTC's commitment to excellence, coupled with its strategic expansion into both industrial castings, aerospace and defence sectors, has yielded remarkable results. With a growing portfolio of international clients and a strengthening position in the domestic defence market, the company is well-positioned for continued growth and success in the years to come.

SUBSIDIARY

The Company has formed a 100% owned subsidiary Company named Aerolloy Technologies Limited, incorporated on February 17, 2020, having CIN No. U27200UP2020PLC127120. The Company has no other subsidiary, associate or joint venture. The Company has made an investment of ₹ 42.67 Crores in its wholly owned subsidiary Aerolloy Technologies Limited by subscription of 4,26,739 equity shares of ₹ 10/- each during the year under report, taking aggregate investment to ₹ 64.54 crores in its wholly owned subsidiary.

Your Company's Policy for the determination of a material subsidiary, as adopted by your Board, in conformity with Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, can be accessed on your Company's corporate website at www.ptcil.com. Aerolloy Technologies Limited is a material subsidiary of the company. The Minutes of Board Meetings of the subsidiary companies and details of significant transactions and arrangements entered into by them are placed before the Board of Directors of the Company. The annual financial statements of the subsidiary companies are reviewed by the Audit Committee of the Company. Performance review reports of wholly owned subsidiaries are also placed before the Board of Directors of the Company on a half-yearly basis. A statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures enclosed as Annexure-I.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the provisions of the act and listing regulations read with Ind AS-110-consolidated financial statement, Ind AS-28-investments in associates and joint ventures, and Ind As-31-interests in joint ventures, the Company has prepared consolidated financial statements for the year 2022-23. The following may be read in conjunction with the Consolidated Financial Statements of the Company prepared in accordance with Indian Accounting Standard 110. Shareholders desirous of obtaining the Report and Accounts of your Company's subsidiaries may obtain the same upon request. Further, the Report and Accounts of the subsidiary companies are also available on your Company's website, www.ptcil.com, in a downloadable format.

RESEARCH AND DEVELOPMENT

PTC Industries' unwavering focus on research and development has begun to bear fruit, particularly in the field of Titanium Casting technology and components for defence and aerospace applications in titanium and super alloys. The company's dedicated efforts in this area are poised to revolutionize the metal component industry and redefine the future of critical metal component manufacturing for a wide range of applications. These groundbreaking technologies and processes are expected to have a profound impact, not only on PTC's operations but also on the broader aerospace and defence sectors both within the country and internationally.

Over the past few years, PTC Industries has placed heightened emphasis on continuously developing and indigenizing cutting-edge technologies. This commitment is specifically directed towards the manufacturing of strategic materials, components, and subsystems for Defence and Aerospace applications, which are projected to serve as the primary growth engine for the company moving forward. By constantly pushing the boundaries of innovation and adopting the latest advancements in the industry, PTC is positioning itself at the forefront of the market, poised to lead the way in meeting the evolving demands of the Defence and Aerospace sectors.

The Company has already been recognized by the Department of Scientific and Industrial Research (DSIR), under the Ministry of Science and Technology, Government of India, for its in-house Research and Development facilities. DSIR has also granted approval to PTC Industries Limited u/s 35 (2AB) of the Income Tax Act, 1961 for availing various incentives provided under the Act in connection with its research and development activities.

The Company has successfully completed its Technology Development and Demonstration Programme (TDDP) for the development and commercialization of the RapidCast™ technology for the manufacture of stainless-steel castings of weight up to 6,000 kilograms which have become fully operational and allowed the Company to manufacture stainless steel castings weighing up to 6,000 kilograms, single-piece for a wide range of critical and super-critical products during the year.

Additionally, the Company's project for the acquisition and customisation of Technology for the Development and Commercialisation of Titanium Castings with Ceramic Shelling under the Technology Acquisition Fund Programme (TAFP) supported by the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Government of India has also been completed. The research and development undertaken under this project is resulting in a unique capability being created in the country for the indigenous manufacture of Titanium Castings for the first time ever. This has a very far-reaching impact as Titanium components are used in a wide range of applications from aerospace, chemical industries, and industrial components to medical implants.

QUALITY AND SAFETY

PTC Industries places the highest level of importance on maintaining exemplary standards for quality, safety, training, development, health, and the environment. The company has made significant strides in adopting cutting-edge technologies, including artificial intelligence, data analytics, and advanced software, to continuously upgrade and uphold its safety and quality parameters. This commitment to excellence is evident in the company's numerous international quality standard certifications, such as ISO 9001:2015, PED (Pressure Equipment directive), AD 2000 Merkblatt, and various Marine Classification Approvals, as well as its DSIR approved Research and Development laboratory.

A shining example of PTC's dedication to achieving higher levels of quality is its wholly-owned subsidiary, Aerolloy Technologies receiving the prestigious certification for manufacturing Titanium and Nickel Super Alloy Castings for Aerospace applications under EN 9100:2018 and AS 9100 from TUV NORD CERT GmbH. These certifications underscore the company's relentless pursuit of excellence in the Aerospace sector. Further, Aerolloy has also been approved by significant aerospace customers like Safran, Israel Aerospace Industries, and Honeywell Aerospace for supply of critical metal components. Various NADCAP approvals have also been received by Aerolloy during the year.

At PTC Industries, the safety and well-being of its employees are paramount. The company places significant emphasis on safety awareness, Personal Protective Equipment (PPE) usage, and rigorous safety practices to maintain an injury, hazard, and accident-free workplace. By implementing innovative technologies and global best practices, the company continually strives to improve operational efficiency while minimizing its impact on the environment.

Furthermore, PTC Industries goes above and beyond to contribute positively to the communities around its operations, reflecting its strong sense of corporate responsibility. Utilizing renewable energy sources and rainwater harvesting to manage operations showcases the company's commitment to environmental preservation for the benefit of present and future generations.

With an experienced environmental engineer leading the EHS department, PTC Industries ensures compliance with various international guidelines for environmental, health, and safety, reaffirming the company's dedication to maintaining the highest industry standards.

In summary, PTC Industries stands steadfast in its commitment to excellence, demonstrating its unwavering commitment to quality, safety, and environmental stewardship. With a positive work culture and a focus on continuous improvement, the company is setting new benchmarks in the industry, all while contributing positively to society and the environment.

AWARDS AND RECOGNITIONS

i. **Raksha Mantri Excellence Award:** PTC Industries was lauded with the Raksha Mantri Excellence award for its innovative and remarkable work in the field of Defence. The company's commitment to pushing the boundaries of technology and delivering cutting-edge solutions to the defence sector garnered special recognition from the Ministry of Defence. This prestigious award reflects PTC Industries' unwavering dedication to advancing the country's defence capabilities and showcasing its position as a leading player in the defence industry.

ii. **UP State Award for Excellence in Exports:** During the year, PTC Industries was honoured with the prestigious UP State Award for Excellence in Exports. The company's exceptional performance in the export sector was recognized, highlighting its significant contributions to the state's economic growth. Shri Alok Agarwal, a key figure in PTC Industries, received this distinguished award from the Honourable Chief Minister, Yogi Adityanath, further acknowledging the company's outstanding achievements in international trade.

iii. **Approval from Safran Aircraft Engines:** PTC Industries' wholly-owned subsidiary, Aerolloy Technologies Limited (ATL), achieved a significant milestone by receiving approval from Safran Aircraft Engines (SAE), a top global aircraft engine manufacturer. SAE approved ATL for the development and supply of critical Titanium and Super Alloy castings for Aero Engines. This groundbreaking achievement marks the first time such critical cast components for Aircraft Engines, in Titanium and Super Alloys, are being sourced by SAE from India, positioning ATL as a trusted partner for top-tier international aerospace companies.

iv. **Developmental Contract for DRDO - GTRE's Combat Aircraft Engine:** In line with the Indian government's 'Aatmanirbhar Bharat' initiative and the strategic importance of indigenously developed defence capabilities, PTC Industries secured a developmental contract for critical components for DRDO - GTRE's Combat Aircraft Engine program. This development represents a significant step towards strengthening India's self-reliance in defence technology and reinforces PTC Industries' role as a key contributor to the nation's defence ecosystem.

v. **Clearance Certificate for Critical ON-LINE FITTINGS (OLFs) for Defence Applications:** PTC Industries achieved another noteworthy feat by obtaining a 'CLEARANCE CERTIFICATE' for critical ON-LINE FITTINGS (OLFs) made from expensive Titanium alloys, utilizing their unique In-House Capability comprising of Investment Casting + HIP (Hot Isostatic Pressing) processing techniques. This achievement is a testament to the company's exceptional expertise and state-of-the-art capabilities, which are on par with only a few select companies worldwide. The clearance further validates PTC Industries' proficiency in providing cutting-edge solutions for critical defence applications.

Overall, these awards and recognitions showcase PTC Industries' relentless pursuit of excellence, innovation, and commitment to advancing the defence and aerospace sectors in India and on the global stage. The company's dedication to quality, technology, and self-reliance positions it as a prominent player driving the growth of India's defence and aerospace industries.

3. HUMAN RESOURCE MANAGEMENT

PTC recognizes that its highly motivated and dedicated employees are its primary asset and the driving force behind the company's holistic growth and prosperity. As part of its commitment to the development of its workforce, PTC has initiated a comprehensive HR Transformation project. This transformative project aims to build a future-ready organizational structure that fosters growth, efficiency, and innovation.

One of the key focus areas of the HR Transformation project is the development of a robust process framework to streamline and automate various HR processes. By leveraging cutting-edge technology, PTC aims to enhance efficiency, reduce manual efforts, and improve overall productivity. The implementation of automated systems will not only optimize HR functions but also free up valuable time for employees to focus on strategic and value-added tasks.

As part of the transformation journey, PTC is also carrying out competency assessments to identify and nurture talent within the organization. This enables the company to align employee skills with organizational objectives and provides targeted training and development opportunities. Continuous upskilling and training programs are conducted, covering various domains like management, operations, finance, and technology, empowering employees to grow both personally and professionally.

Furthermore, the HR Transformation project includes the establishment of a comprehensive performance monitoring structure. This performance evaluation system enables PTC to recognize and reward exceptional performance while also identifying areas for improvement and providing necessary support for employee development.

At PTC, the efficiency of the workforce has always been a key priority as the company moves towards larger capacities and greater capabilities. PTC focuses on continuous business process optimization, efficiency improvement, and cost reduction. Throughout the year, various manufacturing excellence and productivity improvement projects are conducted with both internal and external experts. This year, under the guidance of experts, the company's world-class team launched a series of six-sigma projects, working towards the implementation of Lean Manufacturing and 5S techniques. At the shop floor, several new systems and innovative manufacturing tools have been implemented to enhance the quality and efficiency of the output.

Internal and external training programs and seminars covering management, operations, finance, and technology are regularly undertaken to ensure that employees' competencies are consistently upgraded, benefiting them both personally and professionally. Employees are actively encouraged to stay abreast of technological developments and novel approaches adopted globally, to update their knowledge and skills. With access to the latest equipment and digital tools, employees leverage their expertise for the company's benefit. PTC fosters a culture of cross-functional training and skill development, offering opportunities for employees to educate themselves across various manufacturing and functional processes.

The company maintains effective communication channels to facilitate meaningful interactions between management and staff. Responsive and candid communication with employees is standard practice, and PTC has started demanding the same from its next tier of leadership. Regular interactions and collaborative sessions, held at least once a month, provide a platform for discussing strategy, risks, and execution. The company encourages innovation by providing employees with structured support to navigate uncertainty and nurture their creative process without restraint.

PTC's management remains steadfast in its commitment to innovation and has established a dedicated task force focused on Technology and Innovation to drive the growth of inventive processes and ideas within the workplace. Active participation of the senior management team in the task force's activities enables them to discern inflection points that may be overlooked by other staff members and make informed decisions. Beyond regular interactions, the management provides ample opportunities for innovative thoughts to come forward through exclusive pages and dedicated time for creative and innovative thinking in the company's in-house magazine and office functions.

Through these initiatives, PTC continues to uphold its dedication to employee development, innovation, and excellence in the workplace.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is placed at Annexure III and forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is placed at Annexure III and forms part of this Report.

4. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India (“SEBI”). The Company has also implemented several best governance practices. The report on Corporate Governance as stipulated in Schedule V Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report. The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

NUMBER OF MEETINGS OF THE BOARD

The Board met Six times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company seeks to maintain an appropriate mix of executive and independent directors in order to maintain the independence of the Board and segregate the functions of governance and management. The Board consists of professionally qualified individuals from diverse backgrounds with wide experience in business, education, finance, and public service. As at year-end, the Board consists of 11 directors, one of whom is Chairman & Managing Director four are Whole-time directors and six are independent directors. Your Company, in compliance with section 178(1) of the Companies Act, 2013 read with The Companies (Meeting of Board and its Powers) Rules, 2014, has duly constituted a Nomination and Remuneration Committee. This committee is chaired by an independent director and formulates the criteria for determining qualifications, positive attributes, independence of a director and other matters.

Appointment and the remuneration of Board members, key managerial personnel or one level below the Board level is fixed on the basis of the recommendation of the Nomination and Remuneration Committee made to the Board, which may ratify them, with or without modifications. Disclosures pursuant to the requirements of section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been made in Annexure III of this Board Report. The Company affirms that there has been no change in this policy and that the remuneration paid to directors is as per the terms laid out in this policy.

INDUCTION AND CHANGES

In accordance with the provisions of Section 152 of the Act read with Article 158 and 159 of the Articles of Association of the Company, Ms. Smita Agarwal will retire by rotation at the ensuing AGM and, being eligible, offer herself for reappointment. The Board has recommended her reappointment. The Company also appointed Ms. Prashuka Jain (DIN- 06412915) as an Independent Women Director w.e.f. from September 05, 2022, and the same was approved by the shareholders on 59th AGM of the Company.

Further, the tenure of Managing Director & Whole Time Directors expired on September 30, 2022, accordingly, the Board recommended for their re-appointment and necessary agenda items for the appointment of Mr. Sachin Agarwal as Chairman & Managing Director, Mr. Alok Agarwal as Director (Quality & Technical), Mr. Priya Ranjan Agarwal as Director (Marketing), Mr. Ashok Kumar Shukla as Whole Time Director and Smita Agarwal as Whole Time Director & CFO was placed at AGM and these were approved by the shareholders of the Company at the 59th AGM of the Company.

Familiarisation Programme for Directors

PTC places great importance on fostering a well-informed and engaged Board of Directors, who act as responsible trustees to meet stakeholders' expectations and societal aspirations. To ensure effective discharge of their roles, the Company has implemented a comprehensive familiarisation program for its Directors.

Under this program, Directors are continuously updated on changes and developments in the domestic and global corporate and industry landscape, including relevant statutes, legislations, and the economic environment. This empowers them to make well-informed and timely decisions that align with the Company's strategic goals and objectives.

To further enhance their understanding, the Directors are provided with insights into matters significantly impacting the Company's operations and growth. Regular visits to Company facilities are also organized, enabling Directors to gain first-hand knowledge of the Company's operational processes and engage with the workforce.

By actively promoting Director familiarisation, PTC ensures that its Board is equipped with the necessary knowledge and expertise to effectively steer the Company, safeguard stakeholders' interests, and uphold the highest standards of corporate governance.

Attributes, Qualifications and Independence of Directors and their Appointment

The Nomination and Remuneration Committee, adopted the criteria for determining qualifications, positive attributes and independence of Directors, including Independent Directors, pursuant to the Act and the Rules thereunder. The Corporate Governance Policy, inter alia, requires that Non-Executive Directors be drawn from amongst eminent professionals, with experience in business, finance, law, public administration, and enterprise. The Board Diversity Policy of your Company requires the Board to have a balance of skills, experience, and a diversity of perspective appropriate to the Company. The skills, expertise, and competencies of the Directors as identified by the Board along with the names of directors who have such skills, expertise, or competence, are provided in the Report on Corporate Governance forming part of the Report and Accounts. The Articles of Association of your Company provide that the strength of the Board shall not be fewer than three nor more than fifteen. Directors are appointed/ re-appointed with the approval of the Members for a period of three to five years or a shorter duration, in accordance with retirement guidelines and as may be determined by the Board from time to time. All Directors, other than Independent Directors and Managing Director are liable to retire by rotation unless otherwise approved by the Members. One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-election.

Details of the Company's Policy on remuneration of Directors, Key Managerial Personnel, and other employees is provided in the Report on Corporate Governance forming part of the Report and Accounts.

DECLARATION BY INDEPENDENT DIRECTORS

As per the requirement of section 149(7), the Company has received a declaration from every Independent Director that he or she meets the criteria of independence as laid down under section 149(6) read with rule 5 of the Companies (Appointment and Qualification of Directors) Rule, 2014 and Regulation 25 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Independent Directors of your Company have confirmed that (a) they meet the criteria of Independence as prescribed under Section 149 of the Act and Regulation 16 of the Listing Regulations 2015, (b) they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence and (c) they have registered their names in the Independent Directors' Databank. Further, in the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Listing Regulations 2015 and are independent of the management of the Company.

BOARD EVALUATION

The Nomination and Remuneration Committee, as reported in earlier years, formulated the Policy on Board evaluation, evaluation of Board Committees' functioning and individual Director evaluation, and specified that such evaluation will be done by the Board, pursuant to the Act and the Rules thereunder and the Listing Regulations 2015.

In keeping with PTC's belief that it is the collective effectiveness of the Board that impacts the Company's performance, the primary evaluation platform is that of the collective performance of the Board as a whole. Board performance is assessed against the role and responsibilities of the Board as provided in the Act and the Listing Regulations 2015 read with the Company's Governance Policy. The Nomination and Remuneration Committee has devised the criteria for evaluation of the performance of the Directors including the Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with code of conduct, vision, and strategy, etc., which is in compliance with applicable laws, regulations, and guidelines. Evaluation of the functioning of Board Committees is based on discussions amongst Committee members and shared by the respective Committee Chairman with the Chairman of the Nomination and Remuneration Committee, who in turn shares the consolidated report with the Chairman of the Board for his review and gives feedback to each Director. Individual Directors are evaluated in the context of the role played by each Director as a member of the Board at its meetings, in assisting the Board in realising its role of strategic supervision of the functioning of the Company in pursuit of its purpose and goals. While the Board evaluated its performance against the parameters laid down by the Nomination and Remuneration Committee, the evaluation of individual Directors was carried out against the laid down parameters, anonymously in order to ensure objectivity. Reports on the functioning of Committees were placed before the Board by the Committee Chairmen. The Independent Directors Committee of the Board also reviewed the performance of the non-Independent Directors and the Board, pursuant to Schedule IV to the Act and Regulation 25 of the Listing Regulations 2015.

KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013 the Key Managerial Personnel of the Company are Mr. Sachin Agarwal, Chairman & Managing Director, Ms. Smita Agarwal, Director and CFO, Mr. Alok Agarwal, Director (Quality & Technical), Mr. Priya Ranjan Agarwal, Director (Marketing), Mr. Ashok Kumar Shukla, Whole Time Director and CFO and Mrs. Pragati Gupta Agarwal, Company Secretary.

COMMITTEES OF THE BOARD

Currently, the Board has 7 (Seven) committees. A detailed note on the Board and its committees is provided in the Corporate Governance Report section of this Annual Report. The composition of the committees and compliances, as per applicable provisions of the Act and Rules, are as follows:

Audit committee

Composition of the committee

Dr. Rakesh Chandra Katiyar, Chairperson,
Mr. Brij Lal Gupta, Member
Mr. Krishna Das Gupta, Member
Ms. Smita Agarwal, Member

Highlights of duties, responsibilities and activities

- All recommendations made by the committee during the year were accepted by the Board.
- The Company has adopted the Higher Education Loan Policy for directors and employees to encourage employees to support higher education for their family members.
- The Company also reviewed and enforced the Related Party Transaction Policy during the year.

Nomination and remuneration committee

Composition of the committee

Mr. Krishna Das Gupta, Chairperson,
Mr. Brij Lal Gupta, Member
Dr. Rakesh Chandra Katiyar, Member

Highlights of duties, responsibilities and activities

- The Committee oversees and administers executive compensation.
- The Committee recommends the criteria for evaluation of the performance of the Directors including the Independent Directors.
- All recommendations made by the committee during the year were accepted by the Board.

Stakeholders' relationship committee

Composition of the committee

Dr. Rakesh Chandra Katiyar, Chairperson,
Mr. Ajay Kashyap, Member
Mr. Sachin Agarwal, Member
Mr. Krishna Das Gupta, Member

Highlights of duties, responsibilities and activities

- The Committee reviews and ensures redressal of investor grievances, ratifies share transfers, duplicate issue of certificates and transmissions.
- The committee noted that no grievances of the investors have been reported during the year.

Project monitoring and environment committee

Composition of the committee

Mr. Sachin Agarwal, Chairperson
Mr. Krishna Das Gupta, Member
Mr. Alok Agarwal, Member
Mr. Ajay Kashyap, Member

Highlights of duties, responsibilities and activities

- It oversees and monitors the progress of large capital expenditures and projects being implemented by the Company
- It considers matters related to the smooth implementation of new projects, including project feasibility, resource allocation, and risk assessment including the Company's investment into its wholly owned subsidiary for setting up new facilities for manufacture of aerospace castings, strategic materials for defence and aerospace as well as any ongoing expenditure related to PTC's industrial operations.
- It actively monitors the execution of approved projects, tracking performance against project plans, and taking proactive measures to address any challenges or deviations.
- It also assesses the impact of the operations of the Company on the environment and initiates steps for the identification of potential issues and provision of support in setting a direction for improvements.

Banking committee

Composition of the committee

Mr. Sachin Agarwal, Chairperson,
Mr. Alok Agarwal, Member
Mr. Brij Lal Gupta, Member

Highlights of duties, responsibilities and activities

- Approval of sanction letters and/or borrowings at a time or by a cumulative sum not exceeding ₹ 35,00,00,000 (Rupees thirty-five crores) subject to the fact that the Chairman of the Committee will place such approval at the subsequent meeting of the Board.
- Passing of resolution(s) for opening, closing, and operation of bank accounts with present bankers of the Company viz., State Bank of India, Punjab National Bank, HDFC bank, Yes Bank, or any of the banks in the future.
- To authorise additions/deletions to the signatories pertaining to banking transactions.
- To approve investment of surplus fund for an amount not exceeding ₹ 10,00,00,000 (Rupees Ten crores) as per the policy approved by the Board.
- To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivatives products.
- Any approval and/or execution for day-to-day banking matters of the Company.
- To attend to any other responsibility as may be entrusted by the Board to perform any activity within terms of reference.

Risk management committee

Composition of the committee

Dr. Rakesh Chandra Katiyar, Chairperson,
Mr. Priya Ranjan Agarwal, Member
Mr. Brij Lal Gupta, Member

Highlights of duties, responsibilities and activities

- The committee oversees the framing, review and effective implementation of the approved risk management policy throughout the organization. It ensures that appropriate risk mitigation strategies are in place to safeguard the Company's interests.
- The committee collaborates with relevant stakeholders to identify and recommend appropriate risk mitigation measures. It ensures that risk management processes are aligned with the Company's strategic objectives.
- The committee ensures that the risk management policy and processes comply with applicable regulations and industry best practices. It strives to foster a culture of risk awareness and responsibility within the organization.
- The Risk Management Policy of the Company can be accessed at www.ptcil.com.

Listing committee

Composition of the committee

Mr. Sachin Agarwal, Chairperson,
Mr. Alok Agarwal, Member
Ms. Smita Agarwal, Member,
Mrs. Pragati Gupta Agrawal,
Company Secretary

Highlights of duties, responsibilities and activities

- The Listing committee ensures strict compliance with all provisions of the Listing Agreement with the stock exchanges where the Company's equity shares are listed.
- During the year, the committee oversaw all compliances, procedures, and managed the Company's listing on the National Stock Exchange as well as the Rights Issue and Preferential Issue made by the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134(3)(c) of the Companies Act, 2013 the Directors confirm that:

(a) in preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with the requirements set out under Schedule III of the Act have been followed and that there are no material departures from the same;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2023 and of the profit of the Company for year ended on that date;

(c) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively to the best of their knowledge and ability; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

ADOPTION OF IND-AS

In accordance with the Companies (Indian Accounting Standards) Rules, 2015 the Company has adopted Ind-AS for preparation of financial statements with effect from April 01, 2017.

LISTING

The Company has its equity shares listed on BSE Limited. Further company has also got listed on National Stock Exchange India Limited w.e.f, June 09, 2023. The Company has paid listing fees for the year 2023-24 to the both stock exchanges. The Company has also established connectivity with both depositories, NSDL and CDSL.

4. AUDITORS

STATUTORY AUDITORS

The statutory auditors of the Company, M/s Walker Chandiok & Co LLP, Chartered Accountants (Reg. No.001076N/N500013) were appointed as statutory auditors of the Company in the 56th Annual General Meeting of the Company to hold office until the conclusion of the 60th Annual General Meeting. The Chairman and Managing Director of the Company has been empowered to decide and approve the remuneration of the Statutory Auditor from time to time.

The notes referred to by the auditors in their reports are self-explanatory and hence do not require any explanation. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR

M/s Amit Gupta & Associates, Practicing Company Secretaries were appointed as secretarial auditors of the Company for the year 2022-23 as required under Section 204 of the Companies Act, 2013 and Rules made thereunder. The secretarial audit report of the Company for FY 2022-23, in Form MR3, forms part of the Annual Report at Annexure –VI and carries no qualifications, reservations, adverse remarks or disclaimers and hence no explanations are required. Pursuant to the provisions of the Regulation 24A of SEBI Listing Regulations, secretarial audit report of Aerolloy Technologies Limited, a material subsidiary of the Company for FY 2022-23, in Form MR3, forms part of the Annual Report at Annexure –VIA.

The Board has appointed M/s. Amit Gupta & Associates, Practicing Company Secretaries, as the secretarial auditor of the Company for the financial year 2023-24.

COST AUDIT

The Company maintains necessary cost records as specified by Central Government under sub-section 1 of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014. In terms of the provisions of Section 148 of the Companies Act, 2013, the Company is not required to have its cost records audited by a Cost Accountant in practice, as provide under Rule 7(i) of Companies (cost records and audit) Rules, 2014, since the Company has revenue from exports exceeding 75% of its total turnover.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future. However, attention is drawn towards statements on contingent liabilities, in the notes of financial statements.

AUDIT COMMITTEE AND VIGIL MECHANISM

Pursuant to requirement of section 177(1) of Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has already formed the Audit Committee, composition of which is covered under Corporate Governance report section of this Annual Report. The primary objective of the Audit Committee is to monitor and provide effective supervision of the financial reporting process of the Company, and to ensure proper and timely disclosures maintaining transparency and integrity for the shareholders.

The Vigil Mechanism of the Company provides a formal structure to all the directors and employees to report genuine concerns and safeguard the interests of the stakeholders of the Company. PTC's vigil mechanism also incorporates a Whistle Blower Policy in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which includes the appointment of a Whistle Blower Officer who will look into the matter being reported, conduct detailed investigation and take appropriate disciplinary action. Protected disclosures can be made by a whistle blower through an email, or dedicated telephone line or a letter to the Whistle Blower Officer or to the Chairman of the Audit Committee. The Company's Whistle Blower policy may be accessed on the Company's website at http://www.ptcil.com. During the year under review, no employee was denied access to Whistle Blower Officer or Audit Committee and no complaint was received.

ANNUAL RETURN

The Annual Return of your Company is available on its corporate website at www.ptcil.com.

INTERNAL FINANCIAL CONTROLS

PTC places a strong emphasis on maintaining effective internal financial controls with regard to its financial statements. These controls are seamlessly integrated into the risk management process, addressing both financial and financial reporting risks. To ensure comprehensive coverage, the internal financial controls have been meticulously documented, digitized, and seamlessly embedded into the business processes.

To obtain assurance on the effectiveness of these controls, PTC employs various methodologies. This includes rigorous management reviews, control self-assessment, continuous monitoring by functional experts, and thorough testing of the internal financial control systems. As part of the process, the Company's Statutory Auditors conduct in-depth tests to evaluate the controls, and during the year, no reportable material weaknesses in the design or operation of these controls were observed.

By diligently maintaining strong internal financial controls, PTC demonstrates its commitment to sound financial management, transparency, and accountability. These measures serve to safeguard the integrity of financial information and bolster stakeholder confidence in the Company's financial reporting processes.

CREDIT RATING

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies as given below:

Instrument	Rating Agency	Rating*	Outlook	Rating Action
Long Term Bank Facilities	Informerics Ratings	IVR BBB+	Stable	Reaffirmed
Short Term Bank Facilities	Informerics Ratings	IVR A2	Stable	Reaffirmed
Short Term non-fund-based Bank Facility	Informerics Ratings	IVR A2	Stable	Reaffirmed

*The ratings have been obtained for Borrowings only. There is no credit rating obtained by the Company for fixed deposit program or any other scheme involving for mobilisation of funds.

RISK MANAGEMENT

PTC aims to have a formalised and systematic approach for managing risks across the Company. It encourages knowledge and experience sharing in order to increase transparency on the key risks to the Company to the extent possible. This approach increases risk awareness and ensures proper management of risks as part of the daily management activities.

The Company has constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in:

- Framing the Risk Management Policy: The committee is responsible for recommending a comprehensive risk management policy to the Board. This policy shall primarily focus on mitigating unsystematic risks that may impact the Company's operations adversely.
- Implementation of Risk Management processes: The committee oversees the effective implementation of the approved risk management policy throughout the organization. It ensures that appropriate risk mitigation strategies are in place to safeguard the Company's interests.
- Risk Assessment and Reporting: The committee diligently assesses and apprises the Board of any significant and relevant risks that have the potential to adversely affect the Company's affairs. It provides timely and accurate risk reports to facilitate informed decision-making.
- Risk Mitigation Measures: The committee collaborates with relevant stakeholders to identify and recommend appropriate risk mitigation measures. It ensures that risk management processes are aligned with the Company's strategic objectives.
- Monitoring and Review: The committee monitors the ongoing effectiveness of risk management initiatives, regularly reviewing risk exposures and mitigation efforts. It provides periodic updates to the Board on risk management activities.
- Compliance and Best Practices: The committee ensures that the risk management policy and processes comply with applicable regulations and industry best practices. It strives to foster a culture of risk awareness and responsibility within the organization.
- Crisis Management: The committee plays a pivotal role in crisis management, devising contingency plans to address unforeseen risks and events effectively.
- Reporting and Communication: The committee maintains open channels of communication with stakeholders, promoting transparency in risk reporting and disclosure.

The policy on Risk Management may be accessed on the Company's website at www.ptcil.com.

The objective of the Company's risk management process is to support a structured and consistent approach to identify, prioritize, manage, monitor and report on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

The Company has introduced several initiatives for risk management including the introduction of audit functions and processes to identify and create awareness of risks, optimal risk mitigation and efficient management of internal control and assurance activities.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

GOING CONCERN STATUS

There is no significant or material order passed during the year by any regulator, court or tribunal impacting the going concern status of the Company or its future operations.

KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year ended 31st March, 2023 along with details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in key financial ratios, and the detailed explanations, are provided in **page no 218.**

CHANGES IN SHARE CAPITAL

In line with the approval of the shareholders for issue of shares on rights basis at 58th annual general meeting of the Company held on November 22, 2021, the Company has issued and completed allotment on August 23, 2022 of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("rights equity shares") of our company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 lakh on a rights basis to the eligible equity shareholders of our company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of our company on the record date, that is, on July 22, 2022.

Further as per approval of the Board of Directors on October 20, 2022, and Shareholders' approval on November 19, 2022 for issue and allotment of up to 2,89,600 Equity Shares of face value of Rs. 10/- each and up to 6,30,170 Fully Convertible Warrants ('Warrants') of face value of Rs. 10/- each of the Company to persons belonging to Non-Promoter Category on a preferential basis.

On December 07, 2022 Company issued and allotted 2,84,600 Equity Shares of face value of Rs. 10/- per Equity Share at an issue price of Rs. 2,349/- per Equity Share aggregating to Rs. 66,85,25,400 /- (Rupees Sixty-Six Crore Eighty-Five Lakh Twenty-Five Thousand Four Hundred Only), and 6,30,170 Fully Convertible Warrants ('Warrants') at an issue price of Rs. 2,349/- per Warrant aggregating to Rs. 1,48,02,69,330 /- (Rupees One Hundred Forty-Eight Crore Two Lakh Sixty-Nine Thousand Three Hundred Thirty Only), convertible into equivalent number of Equity Shares of face value Rs. 10/- each within a period of 13 months from the date of allotment, on a preferential basis ('Preferential Allotment') to the persons belonging to the 'Non-Promoter' category on a preferential basis ('Preferential Allotment')

After the close of Financial Year 2022-23, as per the Approval of the Board of Directors on June 08, 2023 and shareholders' approval on July 08, 2023 the company has issued and allotted 1,80,000 (One Lakh Eighty Thousand) Equity Shares of face value of Rs.10/- (Rupees Ten Only) each fully paid up, for cash, at a price of Rs. 2,500/- (Rupees Two Thousand and Five Hundred Only) per Equity Share, determined in accordance with the provisions of Chapter V of SEBI ICDR Regulations, for an aggregate amount of up to Rs. 45,00,00,000/- (Rupees Forty Five Crores Only).

EMPLOYEE STOCK OPTION SCHEME

With a view to attract, retain, incentivize and motivate employees of the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Company took approval of the shareholders of the Company in their 56th Annual General Meeting held on September 28, 2019 to create, issue, offer, grant and allot to or for the benefit of such person(s), who are the permanent Employees or Directors of the Company as may be permissible under the SEBI Regulations (hereinafter referred to as 'Employees') and as maybe decided by the Board under the scheme titled 'PTC Employee Stock Option Scheme 2019' (hereinafter referred to as 'PTC-ESOS 2019'), not exceeding 157,170 stock options convertible into 157,170 equity shares of the face value of ₹ 10 each fully paid-up, in such manner, during such period, in one or more tranches and on such terms and conditions including the price as the Board may decide in accordance with the SEBI Regulations or other provisions of the law as maybe prevailing at the relevant time.

The members of the company have also approved on November 22, 2021 to create, issue, offer, grant and allot 'PTC-ESOS2019' to or for the benefit of such person(s), who are the permanent Employees or Directors of a group company including subsidiary or its associate company, in India or outside India,

The Compensation Committee (Nomination & Remuneration Committee) at its meeting held on September 15, 2021 had approved grant of 10965 Stock Options (convertible into 10965 Equity shares of the Company, upon exercise) to 454 Eligible Employees in terms of the 'PTC-ESOS2019'. Further the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on June 11, 2022 had approved grant of 2255 (convertible into 2255 Equity shares of the Company, upon exercise) to 64 eligible employees in terms of the 'PTC-ESOS2019'. Recently, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on August 30, 2022 had approved grant of 12500 (convertible into 12500 Equity shares of the Company, upon exercise) to one eligible employee in terms of the 'PTC-ESOS2019'.

Further, in terms of PTC-ESOS 2019, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on August 30, 2022 approved the adjustment in the Options, pursuant to the issue of up to 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("rights equity shares") of our company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 lakh on a rights basis to the eligible equity shareholders of our company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of our company on the record date, that is, on July 22, 2022, in the following manner:

Details	Existing	Adjusted pursuant to the Rights Issue
Total Pool	1,57,170	3,92,925 (2,35,755 additional)
Exercise Price	990/- per share	402/- per share

The Company has filed the necessary application for seeking in-principle approval for listing of 2,35,755 shares, arising due to Rights Issue adjustment.

In terms of the provisions of Regulation 13 of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, the company has obtained a certificate from the secretarial auditors of the company that the scheme has been implemented in accordance with these regulations and in accordance with the resolution of the company in the general meeting and the same is placed at Annexure -V.

5. CORPORATE SOCIAL RESPONSIBILITY

PTC strongly believes in the concept of sustainable development and is committed to operate and grow its operations in a socially and environmentally responsible way.

Our vision is to expand our operations whilst reducing the environmental impact of our operations and increasing the positive social impact on our community.

The Board has approved the Corporate Social Responsibility Policy which is available on the company's website www.ptcil.com.

The Company has formed a trust, viz. PTC Foundation, in the year 2014-2015 for the purpose of undertaking CSR activities exclusively. PTC Foundation shall work along with the Board and the CSR committee in order to identify and implement CSR initiatives of the Company. Key CSR initiatives of the Company focus on providing primary and secondary education, supporting technical learning institutes, empowering women, improving health and sanitation facilities, supporting sports and promoting Indian art and culture. The Company has spent ₹ 1.53 Lakhs for its CSR activities and Rs. 24.60 lakhs transferred to the PTC Industries UCSR 2022-23 account in the financial 2022-23. Details of initiatives taken by the Company during the year are covered in the Corporate Social Responsibility Report attached as Annexure IV to this Directors' Report as per the requirement of Rule 9 of The Companies (Accounts) Rule, 2014.

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

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo in accordance with the Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 are annexed to the Directors' Report in Annexure VII.

7. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company's has always had a very strict policy on the sexual harassment issues and has zero tolerance in this matter. Ensuring a safe environment for its women employees is a major priority for the Company and its management. As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has formed an Internal Committee to address complaints pertaining to sexual harassment in the workplace. The Company policy mandates prevention of sexual harassment and to ensure a free and fair enquiry process with clear timelines for resolution. To build awareness, the Company conducts awareness and training programmes on a periodic basis. In your Company's legacy of more than 59 years, no instance of sexual harassment has ever been reported by any employee. During the year 2022-23 also, the Company has not received any complaints of sexual harassment.

8. GENERAL

Your directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year, as no such proceedings initiated or pending.
- The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, as there was no instance of onetime settlement with any Bank or Financial Institution.

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will' and other similar expressions as they relate to the Company and/or its Businesses are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

ACKNOWLEDGEMENTS

PTC Industries' Board of Directors extends heartfelt gratitude to the Company's bankers, other financial institutions, the Government of India, State Governments, and government agencies for their unwavering guidance and continued support throughout the year. The collective support from these esteemed entities has played a pivotal role in the Company's success and progress.

Looking ahead, PTC Industries eagerly anticipates the same unwavering support as it continues its mission to enhance the lives of all those associated with the Company. With this backing, PTC is poised to reach new heights and create a positive impact in the lives of its stakeholders.

The Board of Directors also takes this opportunity to express sincere appreciation to the dedicated employees, workers, and outside professionals for their significant contributions. Their unwavering dedication, hard work, and commitment have been instrumental in the overall development, growth, and prosperity of PTC Industries. Their collective efforts have been the driving force behind the Company's success, and the Board commends their invaluable contributions to the Company's journey.

On behalf of the Board of Directors

Place: Lucknow	**Sachin Agarwal**	**Alok Agarwal**
Date: August 12, 2023	Chairman & Managing Director	Director - Quality & Technical

Annexure to Directors' Report to the Members

ANNEXURE I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. in Lakhs except % of shareholding)

Sr. No.	Share Range	% to total number of shares
1.	Name of the subsidiary	Aerolloy Technologies Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (Indian Rupee)
4.	Share capital	65.53
5.	Reserves & surplus	7,319.97
6.	Total assets	11,454.96
7.	Total Liabilities	4,069.46
8.	Investments	4,267 Lakhs in FY 2022-23
9.	Turnover	1501.21
10.	Profit before taxation	688.46
11.	Provision for taxation	117.43
12.	Profit after taxation	571.03
13.	Proposed Dividend	-
14.	% of shareholding	**100**

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates and Joint Ventures

There are no Associates and Joint Ventures of the Company.

For and on behalf of **Board of Directors** of **PTC Industries Limited**

Place: Lucknow
Date: August 12, 2023

Sachin Agarwal
Chairman & Managing Director

Alok Agarwal
Director - Quality & Technical

ANNEXURE II

FORM NO. AOC. 2

Particulars of contracts/arrangements entered with related parties

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

This form discloses the 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 are no contracts or arrangements entered during the year under report, which were not at arm's length basis.

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Aerolloy Technologies Limited (Wholly owned subsidiary company)
b)	Nature of contracts/arrangements/transaction	Investment, purchase & sale of goods and payment of rent
c)	Duration of the contracts/arrangements/transaction	On ongoing basis
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	The transactions involve investment, purchase and sale of goods and services, and payment of rent. The aggregate amount transactions made during the year is Rs. 5785.66 Lakhs.
e)	Date of approval by the Board	May 28, 2022
f)	Date of approval by the Shareholders	Being a wholly owned subsidiary company no approval of shareholders is required.
g)	Amount paid as advances, if any	-

ANNEXURE III

Particulars of Employees

Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(Amount in lakhs)

Name(s) of Whole time Directors	Designation	Remuneration in year 2022-23 (In Rs.)	Remuneration in year 2021-22 (In Rs.)	% increase in remuneration	Ratio of remuneration to median remuneration of employees	Ratio of the remuneration to Net Profit (2022-23)
Sachin Agarwal	Chairman & Managing Director	205.61	120.18	71.09	96.99	7.96
Alok Agarwal	Director (Quality & Technical)	34.09	33.25	2.53	16.08	1.32
Priya Ranjan Agarwal	Director (Marketing)	51.57	45.22	14.04	24.33	2.00
Ashok Kumar Shukla	Executive Director	114.16	91.28	25.07	53.85	4.42
Smita Agarwal	Director and CFO	37.46	34.05	10.01	17.67	1.45

(Amount in lakhs)

Name of Non-Executive Director (Independent Director*)	Remuneration in year 2022-23 (In Rs.)	Remuneration in year 2021-22 (In Rs.)	% increase in remuneration
Krishna Das Gupta	0.68	0.64	6.25
Ajay Kashyap	0.34	0.27	25.93
Dr. Rakesh Chandra Katiyar	0.68	0.61	11.48
Vishal Mehrotra	0.28	0.21	33.33
Brij Lal Gupta	0.95	0.82	15.85
Prashuka Jain**	0.24	-	NA

Notes:

* Independent Directors are only eligible for sitting fees and other out-of-pocket expenses incurred for attending meetings of the Board or any committee thereof. The details provided are for sitting fees paid to Independent Directors during the year.

** Percentage increase is not applicable in Ms. Prashuka Jain, as she has been appointed as Independent Director on September 05, 2022.

(Amount in lakhs)

Name of KMP	Remuneration in year 2022-23 (In Rs.)	Remuneration in year 2021-22	% increase in remuneration	Ratio of the remuneration to Net Profit (2022-23)
Sachin Agarwal	205.61	120.18	71.09	7.96
Smita Agarwal	37.46	34.05	10.01	1.45
Alok Agarwal	34.09	33.25	2.53	1.32
Priya Ranjan Agarwal	51.57	45.22	14.04	2.0
Ashok Kumar Shukla	114.16	91.28	25.07	4.42
Pragati Gupta Agrawal	1.93	1.84	4.89	0.07

i. The median remuneration of employees for the year is Rs. 2,12,012 (previous year Rs. 2,06,874). The increase in the median remuneration is 2.48% over the previous year.

ii. The Company has 519 permanent employees (previous year 512) on the rolls, as of the year ended on March 31, 2023.

iii. As on a consolidated basis Company's profit for the year stood at Rs. 25.82 crores at the year ended on March 31, 2023, as compared to Rs. 12.81 crores for the year ended on March 31, 2022. The percentage of increase in the net profit of the Company is 101.56%. The increase in the remuneration of all KMPs has been 119 lakhs in the year 2023 as compared to year 2022. Variation in remuneration has been based on the recommendation of Nomination and Remuneration Committee of the Company; the remunerations are at par with comparable industry average.

Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(Amount in lakhs)

Sr. No.	Name	Remuneration (Gross) (In Rs. Lakhs)	Designation	Qualification	Date of Employment	Total Experience (Years)	Age in Years	Particulars of Last Employment and Designation	No. of Equity shares held	% of Shareholding
1	Sachin Agarwal	205.61	Chairman & Managing Director	MBA, M.Sc. (Finance)	June 18, 1998	25	51	-	28,55,491	21.34
2	Ashok Kumar Shukla	114.16	Whole Time Director	B.Tech.	October 01, 2017	33	54	-	2,05,238	1.53
3	James Michael Collins	102.93	Head of Technology and Innovation	B.Eng.(hons) Material Science and Engineering	December 11, 2017	16	36	Foundry Process Engineer & Consultant with Castings Technology International Ltd (UK)		-
4	Priya Ranjan Agarwal	51.57	Director, Marketing	B.Eng. Mechanical	December 28, 1992	36	64	-	9,87,914	7.38
5	Smita Agarwal	37.46	Director and Chief Financial Officer	C.A., DISA (ICAI)	January 1, 2009	26	47	Pricwater house Coopers, Executive	3,35,276	2.51
6	Alok Agarwal	34.09	Director (Quality and Technical)	B.Tech. (IIT Kanpur)	July 27, 1994	29	61	-	5,51,799	4.12
7	Rohit Agrawal	30.88	Senior Manager, Machine Shop	M.E. Mechanical	December 11, 2017	23	44	JNJ Machines Private Limited, Surat, Head - Operations	-	-
8	Rakesh Kumar Jha	25.76	Senior Manager (Operations)	Diploma (Foundry & Forge)	September 09, 2019	20	40	Gujarat Metal Cast Industries Private Limited	-	-
9	Vipin Kumar Agrawal	21.62	General Manager, Export Import	B. Com.	February 1, 1986	33	69	Yoga Fasteners, Company Manager	9,500	0.07
10	Anuj Kumar Singh	18.70	Head Accounts & Taxation	B.Sc., LLB, C.A.	June 21, 2021	10	41	AOV Group Head Finance & Accounts	2	0.00

Notes:

- Employment in company is contractual.
- Remuneration includes salary, commission, allowances and value of perquisites.
- It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company

For and on behalf of **Board of Directors** of **PTC Industries Limited**

Place: Lucknow
Date: August 12, 2023

Sachin Agarwal
Chairman & Managing Director

Alok Agarwal
Director - Quality & Technical

ANNEXURE IV

Annual Report on CSR Activities

[Pursuant to Section 135 of Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

At PTC Industries Limited (PTCIL), Corporate Social Responsibility (CSR) is an intentional and well-planned set of activities that leverage the Company's capabilities to create a positive and lasting impact on the communities in and around its operational areas.

PTC's CSR initiatives are thoughtfully designed to foster sustainable and equitable development, ultimately enhancing the quality of life for people residing in these communities. With a strong commitment to empowering the community, the Company focuses on skill enhancement programs that equip individuals with valuable expertise and opportunities for personal growth. Additionally, its efforts are directed towards ensuring health and food security for underserved communities, promoting well-being and resilience. Furthermore, it actively supports aspiring sportspersons and nurtures the growth of art and culture. By investing in the development of local talents, the Company encourages creativity, instills a sense of pride, and aims to contribute to the enrichment of cultural heritage.

PTC is dedicated to being a responsible corporate citizen, uplifting society, and making a positive difference in the lives of those it serves. Through its CSR endeavours, it aims to create sustainable progress, leaving a lasting legacy of progress and prosperity for generations to come.

The Company's CSR policy can be accessed at www.ptcil.com.

PTC inter-alia is planning to Undertake Following Activities in the coming year:

- Investment In Infrastructure and Training Programs to Enable Skill Development
- Working Closely with ITI's
- On-The-Job Training
- Vocational Education
- Assessment and Counselling
- Fostering Entrepreneurship
- Up-Skilling the Existing Workforce
- Skilling Persons with Disability
- Supporting Scaling Innovation
- COVID-19-related projects
- Promoting rural sports, nationally recognised sports, paralympic sports and Olympic sports

2. Web-link where CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.ptcil.com

3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

4. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Nil

5. **Average net profit/ (Loss) of the last 3 year's company as per section 135(5):**

(Amount in lakhs)

2019-20	1,389.82
2020-21	1,232.45
2021-22	1296.81
TOTAL	**3919.08**
Average of three year's net profits	1306.36
Prescribed CSR expenditure (2% of the average net profit of three years)	26.12

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6. (a) Two percent of average net profit/ (loss) of the company as per section 135(5): Rs. 26.12 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): Rs. 26.12 lakhs

7. The average net profits for immediately preceding three financial years, aggregates of Rs. 1306.36 Lakhs. Hence, the Company was obligated to spend any amount on CSR activities in the financial year 2022-23 Rs. 26.12 lakhs.

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

Total Amount Spent for the Financial Year. 2022-23 (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 1.52 lacs	N.A.	-	N.A.	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No).	Location of the project	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation- Direct (Yes /No).	Mode of Implementation – Through Implementing Agency	
				State	District.					Name	CSR Regist-ration number

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No).	Location of the project		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	
				State	District.			Name	CSR Registration number
1	Health and welfare	(i)	Yes	Uttar Pradesh	Lucknow	1.52	Yes		

(d) Amount spent in Administrative Overheads: Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 1.52 lacs/-

(g) Excess amount for set off, if any

S. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit/(loss) of the company as per section 135(5)	26.12 Lakhs
(ii)	CSR obligation of the company	26.12 Lakhs
(iii)	Total amount spent for the Financial Year	1.52 Lakhs
(iv)	Excess amount spent for the financial year [(iii)-(ii)]	-
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(vi)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (A) Details of Unspent CSR amount for the preceding three financial years: 24.60

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. In lakhs)	Amount spent in the reporting Financial Year (Rs. In lakhs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (Rs. In lakhs)
				Name of the Fund	Amount (Rs. In lakhs).)	Date of transfer	
1	24.60	24.60	-	-	-	-	24.60
	TOTAL	**24.60**	**24.60**	**-**	**-**	**-**	**24.60**

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

Not applicable

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

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

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

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

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

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of **Board of Directors** of **PTC Industries Limited**

Place: Lucknow
Date: August 12, 2023

Sachin Agarwal
Chairman & Managing Director

(K.D. Gupta)
Independent Director

ANNEXURE V

CERTIFICATE

[PURSUANT TO REGULATION 13 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASES EMPLOYEE BENEFITS AND SWEAT EQUITY REGULATIONS, 2021]

The Board of Directors,
PTC Industries Limited,
(CIN - L271090P1963PLC002931)
Advance Manufacturing and Technology Centre, NH-25 A, Sarai Shahjadi,
Lucknow-227101, Uttar Pradesh, India

Dear Sir(s)

Sub: Secretarial Auditor's Certificate for the Year ended March 31, 2023, in accordance with Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021.

We have examined the records and documents maintained by PTC Industries Limited ("the Company") and based on the information and explanations given to us and to the best of our knowledge and belied, We confirm that the following schemes of the Company for the year ended March 31, 2023 have been implemented in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021, as amended and in accordance with the respective resolutions of the Company passed in the general meeting.

Sr. No	Scheme	Details of Shareholders meeting regarding approval/amendment of the Scheme
1	PTC Employee Stock Option Scheme 2019	September 28, 2019 & November 22, 2021

Note: The Compensation Committee (Nomination & Remuneration Committee) at its meeting held on August 30, 2022 approved the adjustment in the stock options, pursuant to the issue of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("rights equity shares") of our company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 lakh on a rights basis to the eligible equity shareholders of our company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of our company on the record date, that is, on July 22, 2022, in the following manner:

Details	Existing Approval	Adjusted pursuant to the Rights Issue
Total Pool	1,57,170	3,92,925 (*2,35,755 additional)
Exercise Price	990/- per share	402/- per share

*In-principle approval in respect of additional 2,35,755 stock options is pending.

This Certificate has been issued on the request of the management of the Company and is solely for the purposes as stated in Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021. This certificate should not be used for any other purposes signing missing, add please-

For **Amit Gupta & Associates**
Company Secretaries

Amit Gupta
ProprietorMembership No. : F5478
P. No. 4682
UDIN - F005478E000432927

Date: May 30, 2023
Place: Lucknow

ANNEXURE VI

FORM NO. MR.3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,
PTC Industries Limited,
(CIN - L271090P1963PLC002931)

Advance Manufacturing and Technology Centre,

NH-25 A, Sarai Shahjadi,

Lucknow-227101, Uttar Pradesh, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PTC Industries Limited** (CIN - L271090P1963PLC002931) (hereinafter referred as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,

We hereby report that in our opinion

i. 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

ii. The Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations");

c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations");

d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 ("Buyback Regulations") - (Not applicable to the listed entity during the review period);

e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, Regulations 2021 ("SBEB Regulations");

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2021 ("Non-convertible Securities Regulations") - (Not applicable to the listed entity during the review period);

g) The Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ("Delisting Regulations") - Not applicable as the listed entity has not made any delisting during the year under report;

h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies and dealing with client - Not applicable as the listed entity is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;

j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 ("DP Regulations");

vi. The following other laws on account of the nature of industry are specifically applicable to the Company:

(a) The Boilers Act, 1923;

(b) The Explosives Act, 1884;

(c) Acts and Rules prescribed under prevention and control of pollution;

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India; and

(ii) Listing Agreement entered into by the Company with BSE Limited,

During the period under review, the Company has complied with the provisions of the Act, and the Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. However, we have noted a delay in appointment of Independent Women Director on falling in a list of top 1000 entities as per the Market capitalisation. 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 convene the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

- Majority decisions are carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that the systems and processes in the Company require further strengthening and improvements, considering the size and operations of the Company to enable better monitoring and ensuring of timely compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were following material event having bearing on the affairs of the Company:

(i) The Company has made investment of Rs. 4267.39 Lacs in its wholly owned subsidiary Aerolloy Technologies Limited by subscription of 4,26,739 equity shares of Rs. 10/- each during the year under report, taking aggregate investment to Rs. 6454.35 lacs in its wholly owned subsidiary.

(ii) Aerolloy Technologies Limited has become a material subsidiary of PTC Industries Limited in terms of the provisions of the Regulation 16(1)(c) of the Listing Regulations.

(iii) The Company has made issue and allotment on August 23, 2022 of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 lakh on a rights basis to the eligible equity shareholders of our company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of our company on the record date, that is, on July 22, 2022.

(iv) In terms of the 'PTC-ESOS 2019', the Company has granted 10965 Stock Options to 454 eligible employees on September 15, 2021, 2255 Stock Options to 64 eligible employees and 12500 stock options to one eligible employee on August 30, 2022. Further, the pool of 1,57,170 stock options has been adjusted to 3,92,925 in view of the rights issue in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders and exercise price has also been adjusted to Rs. 402 per share as against Rs. 990/- per share.

(v) In terms of the approval of the Shareholders vide Extra-ordinary general meeting held on November 19, 2022, the Company has made preferential allotment of 2,84,600 Equity Shares of face value of Rs. 10/- each fully paid up for cash at an issue price of Rs. 2,349/- each, and 6,30,170 Fully Convertible Warrants ('Warrants') each carrying a right to subscribe to one Equity Share per Warrant, for cash at an issue price of Rs. 2,349/- each on December 07, 2022 to raise the paid-up share capital of the Company from Rs. 13,09,76,570/- divided into 1,30,97,657 Equity Shares of Rs. 10/- each to Rs. 13,38,22,570/- divided into 1,33,82,257 Equity Shares of Rs. 10/- each.

For **Amit Gupta & Associates**
Company Secretaries

Amit Gupta
Proprietor
Membership No. : F5478
C.P. No. 4682
UDIN - F005478E000432927

Date: May 30, 2023
Place: Lucknow

Note: This report should be read with the letter of even date by the Secretarial Auditors.

To,
The Members,
PTC Industries Limited,
(CIN - L271090P1963PLC002931)
Advance Manufacturing and Technology Centre, NH-25 A, Sarai Shahjadi,
Lucknow-227101, Uttar Pradesh, India

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, we 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, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Amit Gupta & Associates**
Company Secretaries

Amit Gupta
Proprietor
Membership No. : F5478
C. P. No. 4682
UDIN - F005478E000432927

Date: May 30, 2023
Place: Lucknow

ANNEXURE VIA

FORM NO. MR.3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,

Aerolloy Technologies Limited,
(CIN - U27200UP2020PLC127120)
NH-25 A, Sarai Shahjadi,
Lucknow-227101, Uttar Pradesh, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aerolloy Technologies Limited** (CIN - U27200UP2020PLC127120) (hereinafter referred as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,

We hereby report that in our opinion

i. 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

ii. The Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(Not Applicable to the Company during the Audit Period)**;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **(Not Applicable to the Company during the Audit Period)**;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not Applicable to the Company during the Audit Period as no FDI and ECB was taken and no ODI was made by the Company during the Audit Period)**;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **(Not applicable to the Company during the Audit Period)**:-

   a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**");

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**");

   c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**Takeover Regulations**");

   d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 ("**Buyback Regulations**");

   e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, Regulations 2021 ("**SBEB Regulations**");

   f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2021 ("**Non-convertible Securities Regulations**");

   g) The Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ("**Delisting Regulations**");

   h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies and dealing with client;

   j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 ("**DP Regulations**");

vi. The following other laws on account of the nature of industry are specifically applicable to the Company:

   (a) The Boilers Act, 1923;

   (b) The Explosives Act, 1884;

   (c) Acts and Rules prescribed under prevention and control of pollution;

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India; and

(ii) Listing Agreements entered into by the Company with the Stock Exchange(s), if applicable (Not applicable to the Company during the Audit Period).

During the period under review, the Company has complied with the provisions of the Act, and the Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive 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 convene the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- Majority decisions are carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that the systems and processes in the Company require further strengthening and improvements, considering the size and operations of the Company to enable better monitoring and ensuring of timely compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were following material event having bearing on the affairs of the Company:

(i) The Company continues as a wholly owned subsidiary of PTC Industries Limited and during the year under report has raised its paid-up share capital to Rs. 65,53,350 by issue of 4,26,739 equity shares of Rs. 10/- each at the premium of Rs. 990/- per share on rights basis during the year under report.

(ii) The Company has become a material subsidiary of PTC Industries Limited in terms of the provisions of the Regulation 16(1)(c) of the Listing Regulations.

For **Amit Gupta & Associates**
Company Secretaries

Amit Gupta
Proprietor
Membership No. : F5478
C. P. No. 4682
UDIN - F005478E000820193

Date: August 12, 2023
Place: Lucknow

Note: This report should be read with the letter of even date by the Secretarial Auditors.

To,
The Members,
Aerolloy Technologies Limited,
(CIN - U27200UP2020PLC127120)
NH-25 A, Sarai Shahjadi,
Lucknow-227101, Uttar Pradesh, India

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we 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, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Amit Gupta & Associates**
Company Secretaries

Amit Gupta
Proprietor
Membership No. : F5478
C.P. No. 4682
UDIN: F005478E000820193

Date: August 12, 2023
Place: Lucknow

Annual Secretarial Compliance Report of PTC Industries Limited

for the financial year ended at 31st March, 2023

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
PTC Industries Limited,
(CIN - L271090P1963PLC002931)
Advance Manufacturing and Technology Centre,
NH-25 A, Sarai Shahjadi,
Lucknow-227101, Uttar Pradesh, India

In terms of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we have been appointed vide the Resolution passed by the Board of Directors of PTC Industries Limited (hereinafter referred as "the listed entity"), having its Registered Office at Advance Manufacturing and Technology Centre, NH-25 A, Sarai Shahjadi, Lucknow-227101, Uttar Pradesh, India, in their meeting held on August 13, 2022, to make Secretarial Review and issue Annual Secretarial Compliance Report ("Report") for the the review period covering the financial year ended at March 31, 2023 ("Review Period").

A. BACKGROUND

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by PTC Industries Limited (hereinafter referred as "the listed entity"), having its Registered Office at Advance Manufacturing and Technology Centre, NH-25 A, Sarai Shahjadi, Lucknow-227101, Uttar Pradesh, India. The Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period, complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

B. VERIFICATION

I. We, have examined:

a) all the documents and records made available to us and explanation provided by the listed entity;

b) the filings/ submissions made by the listed entity to the stock exchanges;

c) website of the listed entity;

d) other documents, records, filings/submissions, made with other Regulators, to the extent considered relevant to make this certification;

for the 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, guidelines issued thereunder; and

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

II. 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 ("Listing Regulations");

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations");

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations");

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 ("Buyback Regulations") - (Not applicable to the listed entity during the review period);

e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, Regulations 2021 ("SBEB Regulations");

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2021 ("Non-convertible Securities Regulations") - (Not applicable to the listed entity during the review period);

g) The Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ("Delisting Regulations") - Not applicable as the listed entity has not made any delisting during the year under report;

h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies and dealing with client - Not applicable as the listed entity is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;

j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 ("DP Regulations");

C. REPORTING

Based on the above examination, we hereby report that, during the Review Period:

I. The status of compliance with the provisions of the Regulations, as indicated above in para (B) of this Report and circulars/ guidelines issued thereunder by listed entity is as per the Statement – I, attached herewith;

II. The status of the actions taken by the listed entity to comply with the observations, if any, made in previous reports, is as per the Statement – II, attached herewith;

III. The status of compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019, is as per the Statement – III, attached herewith;

IV. The status of other compliances on additional matters as per circular no. 20230316-14 dated March 16, 2023 read with circular no. 20230410-41 dated April 10, 2023 issued by BSE Limited and circular no. NSE/CML/2023/21 dated March 16, 2023 read with circular no. NSE/CML/2023/30 dated April 10, 2023 issued by National Stock Exchange Limited, is as per the Statement – IV, attached herewith.

D. ASSUMPTIONS & LIMITATION OF SCOPE AND REVIEW

I. Maintenance of the secretarial record is the responsibility of the management of the listed entity. Our responsibility is to present the status on these secretarial records based on our review.

II. We have followed the practices and processes as were considered appropriate to obtain reasonable assurance regarding compliance and correctness of the contents of the secretarial records. The verification was done on a reasonable basis to ensure that correct facts are reflected in the report. We believe that the processes and practices, we followed, provide a reasonable basis for our report.

III. Compliance with the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

IV. Our responsibility is to report based on our examination of relevant documents and information. This is neither an audit nor an expression of opinion.

V. We have not verified the correctness and appropriateness of the financial Records and Books of Accounts of the listed entity, except to the extent considered necessary for this report.

VI. Wherever required, we have obtained the management representation about the compliance of laws, rules, and regulations and the happening of events, etc.

VII. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **Amit Gupta & Associates**
Company Secretaries

Amit Gupta
Proprietor
Membership No. : F5478
C. P. No. 4682
UDIN - F005478E000432927

Date: May 30, 2023
Place: Lucknow

Status of compliance with the provisions of the Regulations indicated as indicated above in para (B) of this Report and circulars/ guidelines issued thereunder

The listed entity has complied with the provisions of the Regulations indicated as indicated above in para (B) of this Report and circulars/ guidelines issued thereunder, except in respect of matters specified below:

S. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action - Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1	Independent Women Director	Proviso to Regulation 17(1)(a)	Delay in appointment of Independent Women Director	BSE Limited	SOP fine	Delay in appointment of Independent Women Director	389400	We have noted a delay in appointment of Independent Women Director on falling in a list of top 1000 entities as per the Market capitalisation	The compliance became applicable in view of change in the market capitalization and identification and securing consent from suitable person, considering the size and operations, took some time. Moreover, the listed entity has now put necessary system in place for monitoring the market capitalization based compliance.	The listed entity has paid SOP fine on 22.11.2022

Detail of actions taken by listed entity on Non-compliance with the provisions of the Regulations as indicated above in para (B) of this Report and circulars/ guidelines issued thereunder, as mentioned in the Report of the previous year(s)

The details of actions taken by listed entity on Non-compliance with the provisions of the Regulations as indicated above in para (B) of this Report and circulars/ guidelines issued thereunder, as mentioned in the Report of the previous year(s) are as under:

S. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action - Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1	Filing of Audited Financial Results (both Standalone and Consolidated) for the quarter and financial year ended March 31, 2021	Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 read with Circular No. SEBI/HO/ CFD/CMD1/P/ CIR/2021/556 dated April 29, 2021	Delay of ten days	BSE Limited	SOP fine	Delay of ten days in submission of financial results for the quarter and year ended at March 31, 2021	50000	No observation made as the listed entity has already made necessary compliance and considering extraordinary circumstances BSE has waived the fine vide letter dated 25.10.2021.	The listed entity facing extra-ordinary challenges in view of COVID 19 pandemic, filed an application on June 19, 2021 under Regulation 102 of the SEBI (LODR) Regulations, 2015 for relaxation of strict enforcement of Regulation 33 & extension of time for filing Audited Financial Results (both Standalone and Consolidated) for the quarter and financial year ended March 31, 2021.	No action was required as listed entity has already submitted the financial results and considering extraordinary circumstances BSE has waived the fine vide letter dated 25.10.2021

Status of compliances related to resignation of statutory auditors from the listed entity and its material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019

The status of compliance of circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 by the listed entity and its material subsidiaries in respect of appointment/ re-appointment/ resignation of statutory auditor during the Review Period, is as under:

Sr. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observations/ Remarks by PCS*
1	**Compliances with the following conditions while appointing/re-appointing an auditor**		
	a) If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or b) If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or c) If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	No instance of appointment of Auditor in the listed entity and its material subsidiary noted during the Review Period.
2	**Other conditions relating to resignation of statutory auditor**		
	a) Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:	N/A	No instance of resignation of Auditor in the listed entity and its material subsidiary noted during the Review Period.
	i) In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non- cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. ii) In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable. iii) The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor. b) Disclaimer in case of non-receipt of information: i) The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	N/A	No instance of resignation of Auditor in the listed entity and its material subsidiary noted during the Review Period.
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure-A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18th October, 2019.	NA	No instance of resignation of Auditor in the listed entity and its material subsidiary noted during the Review Period.

*Observations/Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'

Status of other compliances on additional matters as per circular no. 20230316-14 dated March 16, 2023 read with circular no. 20230410-41 dated April 10, 2023 issued by BSE Limited and circular no. NSE/CML/2023/21 dated March 16, 2023 read with circular no. NSE/CML/2023/30 dated April 10, 2023 issued by National Stock Exchange Limited

The status of other compliances on additional matters as per circular no. 20230316-14 dated March 16, 2023 read with circular no. 20230410-41 dated April 10, 2023 issued by BSE Limited and circular no. NSE/CML/2023/21 dated March 16, 2023 read with circular no. NSE/CML/2023/30 dated April 10, 2023 issued by National Stock Exchange Limited, is as under:

S. No.	Particulars	Compliance Status Yes/No/NA	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 of India (ICSI).	Yes	No comments required
2	**Adoption and timely updation of the Policies:** a) All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities;	Yes	No comments required
	b) All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI.	Yes	No comments required
3	**Maintenance and disclosures on Website:** a) The Listed entity is maintaining a functional website;	Yes	No comments required
	b) Timely dissemination of the documents/ information under a separate section on the website;	Yes	No comments required
	c) 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	No comments required
4	**Disqualification of Director:** None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013, as confirmed by the listed entity.	Yes	No comments required
	Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies;	Yes	No comments required
	(b) Disclosure requirement of material as well as other subsidiaries.	Yes	No comments required
5	**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	No comments required
6	**Performance Evaluation** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	No comments required
7	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or	Yes	No comments required
	(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	No comments required
8	**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	No comments required
9	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	No comments required

S. No.	Particulars	Compliance Status Yes/No/NA	Observations/ Remarks by PCS*
11	**Actions taken by SEBI or Stock Exchange(s), if any:** No action(s) has been 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 except as provided in the Statement – I, attached with this report		
12	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.		

ANNEXURE VII

PARTICULARS OF Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken	- On-grid Solar Power Plant (750 Kwp) synchronized with DG (1500 kVA) for solar energy generation and fuel-saving during power failures. - Implementation of energy-efficient 200 KVA UPS to control maximum load. - Integration of power active filters in the overall plant to save energy losses and improve power quality. - Use of convenient, battery-operated forklifts with fume-free systems. - Installation of efficient CNC machines with 5 axes to reduce energy and time consumption. - Recycling of indirect waste materials like used ceramic to optimize resource utilization. - Conversion of heat treatment furnaces to electrical furnaces for enhanced productivity and energy conservation. - Optimum utilization and systematic maintenance of induction furnaces for increased energy efficiency. - Commissioning of a 700 kW Rooftop Solar Plant for renewable energy generation. - Pool system for transportation to reduce fuel consumption and air pollution. - Fixing transparent fiberglass sheets on shop floor roofs to utilize natural light and reduce electrical lighting load. - Replacement of energy-consuming lamps with energy-saving LED lights in shop floors and offices. - Implementation of comprehensive recycling and reuse systems to reduce solid waste generation. - Large-size Robotic System installation to improve coating efficiency. - Additional Automatic Power Factor Panels (APFC) at the Vendor Shade to reduce energy losses. - Utilization of Energy Logger instruments for energy trend observation and conservation. - Use of waste heat recovery systems in the new AMTC plant for efficient utilization of residual heat. - Integration of arc gouging machines with reduced energy losses through Capacitor and Reactor Bank. - Installation of high-rating induction motors with high efficiency (IE3 Standard). - Procurement of battery-operated forklifts and hydraulic pallets to reduce diesel consumption. - Installation of a 200 KVA new UPS for crystal furnace. - Water and energy waste control in vacuum pouring box and heat treatment furnace quenching tank cooling mechanisms. - High Rating Induction Motor Non VFD Control reduces energy losses through additional Capacitor bank connect. - Mercury Vapor Lamps 250W and Metal Halide 150W replacement with more energy-saving LED Lights in shop floors. - Geo-thermal heating and cooling systems to be set up to transfer heat from the ground and reduce energy cost for heating and cooling of shells and castings respectively. - Comprehensive recycling and reuse systems are being implemented for reuse of direct and indirect materials to reduce solid waste generation and make production more environments friendly.

(b) Additional investments and proposal, if any being implemented for reduction of energy consumption.	-	Additional active filter device has been installed with sophisticated machines.
	-	High frequency grinder to be planned to replace old one to increase production and energy conservation.
	-	Future Plan IE1 standard old induction motor to be replaced with IE2 & IE3 Standard Motor. Most Energy Saving motor.
	-	Sand plant water cooling mechanism try to improve heating losses.
	-	LED Light automatic on/off .control wastage of power
(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact of cost of production of goods.	-	**Reduced Energy Consumption:** Implementation of energy-saving technologies and optimized processes has led to a substantial reduction in overall energy usage.
	-	**Significant Reduction of Carbon Footprint:** By transitioning to renewable energy sources and adopting energy-efficient practices, PTC has considerably minimized its greenhouse gas emissions, contributing to environmental sustainability.
	-	**Stable Energy Costs:** Shifting towards renewable energy sources has acted as an energy hedge against potential rises in power costs, providing cost predictability for the company.
	-	**Cost Savings in Production:** Reduced energy consumption directly translates to lower production expenses, allowing PTC to redirect savings to critical business areas, enhancing competitiveness.
	-	**Environmental Responsibility:** The measures taken reflect PTC's commitment to environmental responsibility, showcasing the company's dedication to sustainable practices and reducing its environmental impact.
	-	**Enhanced Market Position:** By implementing energy conservation measures, PTC demonstrates forward-thinking and aligns with eco-conscious consumers, bolstering its market reputation.
	-	**Financial Resilience:** Stable energy costs and cost savings from reduced consumption contribute to the company's financial resilience, creating a more stable operating environment.
	-	**Supporting Sustainable Development Goals (SDGs):** PTC's focus on renewable energy and energy efficiency aligns with global efforts to achieve the United Nations' SDGs, contributing positively to social and environmental progress.
	-	**Positive Brand Image:** Energy conservation initiatives enhance PTC's brand image, attracting environmentally-conscious customers and investors.
	-	**Long-term Sustainability:** By investing in renewable energy and energy-efficient practices, PTC ensures its long-term sustainability and resilience to potential energy-related challenges.
	-	**Compliance with Regulations:** Meeting energy efficiency standards and utilizing renewable energy sources helps PTC comply with evolving environmental regulations.
B. TECHNOLOGY ABSORPTION		
I. RESEARCH & DEVELOPMENT (R&D)		
(a) Specific areas in which R&D carried out by the Company	-	**Technologies for manufacture of Aerospace Castings:** Ongoing research and development into technologies for manufacturing aerospace castings, catering to critical aerospace applications.
	-	**Technology for manufacture of Titanium and Nickel Super Alloy Materials:** Research and development efforts into technology for manufacturing and recycling of titanium and nickel super alloy materials, contributing to sustainable practices and resource optimization.
	-	**Pioneering Titanium Casting Capability:** Established the first-ever Titanium Casting manufacturing capability in India, using Ceramic Shelling, after significant research and technology development.
	-	**Innovative Casting Technology:** Commissioned an innovative project to develop new casting technology overcoming limitations of existing methods, catering to critical applications in Power, Oil & Gas, and Refining Sectors.
	-	**Government Recognition:** Company's project for development and commercialization of Titanium Casting Technology approved by the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises under their Technology Acquisition Fund Program (TAFP).

	- **Advanced Furnace Installation:** Installed a VAR furnace required for skull melting, enhancing casting technology capabilities. - **Large Castings Capabilities:** Developed capabilities to manufacture large-size castings up to 6,000 kilograms a piece using the RapidCast™ Process. - Printcast™ Technology: Successfully developed Printcast™ technology using 3D printed patterns for highly complex, high-integrity, and high-precision part manufacture in smaller weight ranges. - **Rapid Prototyping:** Utilize rapid prototyping techniques to reduce production cycle times and manufacture small volume parts with high integrity and reliability. - **Government-Recognized R&D Facilities:** Recognized by the Department of Scientific and Industrial Research (DSIR), under the Ministry of Science & Technology, Government of India, for in-house Research and Development facilities. - **Advanced Manufacturing Processes:** Employ solid modeling and simulation before production to optimize manufacturing processes and minimize defects. - **Automation and Process Control:** High level of automation and process control employed through path-breaking technologies.
(b) Benefits derived as a result of above R&D	- **First-of-its-kind Metal Component Manufacturing:** PTC has established capabilities for manufacturing a large number of metal components, including Titanium castings and highly critical parts for aerospace and space-exploration applications, which were previously unavailable in the country. This achievement has elevated India's aerospace manufacturing capabilities to international standards. - **Best-in-Class Manufacturing Processes:** The incorporation of the latest and best-in-class manufacturing processes, at par with global technology and standards, sets PTC apart as a technologically advanced player in the industry. This enables the company to produce high-quality products that meet stringent international requirements. - **Import Substitution and Export Potential:** PTC's state-of-the-art facilities offer import substitution, reducing the nation's reliance on foreign suppliers for critical components. Moreover, the company's world-class products have opened doors for viable export opportunities, contributing to India's economy. - **Integrity and Consistency:** PTC's focus on R&D has ensured high levels of integrity and consistency in the products manufactured. This reliability is essential for aerospace and defence applications, where precision and performance are paramount. - **Continuous Improvements:** Significant developments made by PTC to reduce casting weights and improve surface finish have enabled the manufacturing of parts for super-critical applications. This continuous improvement in manufacturing techniques enhances India's competitiveness in the global aerospace market. - **Resource Conservation and Environmental Benefits:** PTC's emphasis on resource optimization and sustainable practices promotes better environmental stewardship. By conserving scarce resources, the company actively contributes to environmental preservation. - **Zero Defect Quality and Reduced Cycle Times:** PTC's R&D efforts have led to zero-defect quality in Level 1 Radiography castings, even in exotic and difficult-to-make alloys. This achievement not only enhances product reliability but also reduces cycle times, increasing efficiency and productivity. - **Indigenisation of Critical Aerospace and Defence Components and Materials:** By developing indigenized critical components and strategic materials, PTC contributes to building self-reliance in India's aerospace and defence manufacturing ecosystem. This strategic move strengthens the nation's autonomy in critical sectors. - **Weight Reduction and Cost Savings:** PTC's innovations in weight reduction have resulted in reduced total cost of ownership for customers. This cost-saving aspect of their products benefits customers while maintaining uncompromised performance.

(c) Future plan of action	-	**Integrated Material Manufacturing Capability:** The strategic acquisition of Vacuum Arc Remelter (VAR) and Electron Beam Cold Hearth Remelting (EBCHR) furnace, with a total capacity of 1,500 tonnes per annum, under its subsidiary Aerolloy Technologies Limited. This state-of-the-art facility will enable in-house manufacturing of exotic materials, including Titanium ingots, Cobalt, and Nickel Superalloys, providing a fully integrated material manufacturing capability.
	-	**World-Class Titanium Recycling Facility:** With the installation of the EBCHR furnace, PTC Industries is set to establish the world's largest single-site Titanium recycling facility in India. The facility's capacity of 5,000 tonnes per annum will allow the remelting and recycling of Titanium scrap, leading to the production of aviation-grade Titanium alloy ingots indigenously.
	-	**Additive Manufacturing Advancements:** PTC Industries is actively focusing on research and development in additive manufacturing, including 3D printing of complex metal parts and metal powders. These capabilities will enable the company to manufacture intricate components and sub-systems with high precision and efficiency.
	-	**Indigenous Capability Development:** The company is committed to developing and absorbing technologies related to manufacturing components and sub-systems in Titanium and other exotic alloys. This investment in technology will lead to an indigenous capability for manufacturing critical parts for domestic use and export.
	-	**Export Growth and Foreign Exchange Earnings:** Targeting an increase in export turnover, contributing to higher foreign exchange earnings for the country.
	-	Import Substitution and Self-Reliance: Emphasizing import substitution for critical components, fostering self-reliance in aerospace, space-exploration, medical impants and other industries' manufacturing.

(d) Expenditure on R&D	**2022-23 (Rupees in lakhs)**	**2021-22 (Rupees in lakhs)**
i. Capital	-	-
ii. Revenue	34.56	181.94
iii. Total	34.56	181.94
iv. % of total turnover	0.16	1.01

II. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

(a) Efforts in brief, made towards technology during selection, absorption and innovation	-	**Indigenous Capability for Strategic Components:** PTC's dedicated efforts in developing indigenous manufacturing capabilities for critical components and strategic materials are paving the way for self-reliance in aerospace, space exploration, and other industries. This focus on indigenization contributes to building a robust aerospace and defence manufacturing ecosystem in India.
	-	**Advanced Material Manufacturing Facilities:** The strategic acquisition of Vacuum Arc Remelter (VAR) and Electron Beam Cold Hearth Remelting (EBCHR) furnaces by PTC's wholly owned subsidiary, Aerolloy Technologies Limited, highlights the company's commitment to establishing fully integrated material manufacturing capabilities for exotic materials, including Titanium ingots and recycling facilities. These state-of-the-art facilities position PTC as a frontrunner in advanced material manufacturing within the country.
	-	**forgeCAST™ Technology:** PTC's pursuit of forgeCAST™ technology is of utmost importance as it aims to enhance the mechanical and metallurgical properties of castings, making them equivalent to or even surpassing forged parts in strength, reliability, and quality. Through intensive research and extensive trials on imported equipment, the company has developed a revolutionary process that leads to densification of parts and creates a smaller grain or microstructure similar to that of forgings.
	-	**Wide Range of Molding Processes:** PTC's diverse range of molding processes, including Replicast®, RapidCast™, and advanced machining facilities, sets it apart from other foundries worldwide. This versatility gives the company a competitive edge, allowing it to offer a vast range of products for a wide variety of applications, making it a preferred supplier in both domestic and export markets.

	- **Department of Scientific and Industrial Research Approval:** The fact that PTC's RapidCast™ process has been completed and approved by the prestigious Department of Scientific and Industrial Research of the Government of India highlights the company's commitment to research and innovation. - **RapidCast™ Process:** The development of the RapidCast™ process has been a game-changer for PTC Industries, allowing the company to produce large-sized castings without the need for traditional manufacturing tooling. This breakthrough innovation has opened up new avenues for the efficient production of complex castings and significantly reduced production times for critical and super-critical applications. - **Breaking Weight Barrier:** The efforts towards developing the RapidCast™ process to break the weight barrier limitation of castings, enabling the production of castings up to 6 tons per piece, acting as a great impetus for the company's growth and expansion. This also showcased PTC's capabilities in manufacturing large and complex components, meeting the demands of critical industries. - **Boosting Exports:** PTC's dedication to offering better-quality products at competitive prices has resulted in an increase in export turnover. By expanding its reach in international markets, the company is contributing to the growth of India's manufacturing sector. - **Replicast® Process:** The successful absorption of the Replicast® process has significantly improved the quality of castings produced by PTC, demonstrating the company's commitment to continuous improvement and adopting advanced technologies. - **Intensive Research on Additive Manufacturing:** PTC is actively engaged in extensive research and development of additive manufacturing technologies, including 3D printing with metal powders. This focus on innovative manufacturing processes aims to reduce waste generation and toxic emissions, promoting a sustainable approach to production.
(b) In case of imported technology, (imported during the last five years), reckoned from the beginning of the financial year.	- **Materials Manufacturing Technologies:** PTC is already making significant strides in importing and integrating advanced materials manufacturing technologies through its wholly owned subsidiary Aerolloy Technologies. Key examples include the acquisition of Electron Beam Cold Hearth Remelting (EBCHR), Vacuum Arc Remelter (VAR), and Plasma Arc Melting technologies which are being acquired from USA, UK, and Germany. These capabilities shall enable the company to produce high-quality integrated materials in Titanium and super alloys primarily for defence and aerospace applications both in the country and internationally. - **Titanium Casting Technology:** PTC's successful acquisition of the Titanium Casting technology marks a major milestone for the country. This technology allows the company to manufacture high-integrity cast components in Titanium and other exotic alloys, fulfilling the demand for critical parts in industries like aerospace, defence, and more. The indigenization of this technology contributes significantly to India's self-reliance in manufacturing critical components. - **Controlled Microstructure Castings:** PTC's efforts in adopting and integrating Controlled Microstructure castings manufacturing technology have bolstered its capabilities in the aerospace industry. This cutting-edge technology enables the production of advanced turbine blades with exceptional mechanical properties, improving efficiency and performance in aero engines. - **Bringing Best-in-Class Manufacturing:** Through strategic partnerships and technology acquisitions, PTC has introduced unique technologies like Vacuum Melt, Hot Isostatic Pressing (HIP), Powder Metallurgy, and more from different countries. By incorporating these best-in-class manufacturing processes, the company has elevated the standards of cast metal component manufacturing in the country.
(c) Technology imported and Year of Import	- Controlled Microstructure Castings technology - under process - Electron Beam Cold Hearth Remelting technology - under process - Vacuum Arc Remelting technology - under process - Plasma Arc Remelting technology - under process - Hot Isostatic Press technology in year { ......] - Titanium casting technology using ceramic shelling in 2015-16. - Replicast® technology in 2007-2008.

(d) Has technology been fully absorbed?	**Fully absorbed technologies:** Replicast® Castings technology Titanium casting technology Hot Isostatic Pressing technology The other technologies are under process
III. FOREIGN EXCHANGE EARNINGS AND OUTGO	
(a) Activities relating to exports, initiatives taken, increase exports, development of new export market for products and services and export plans	- **Exports Expansion Strategy:** PTC Industries has developed a comprehensive exports expansion strategy to tap into new international markets and increase its global footprint. This includes identifying potential markets, conducting market research, and building partnerships with overseas distributors and clients. - **Technology Adoption for Export-Grade Products:** The company has made strategic investments in advanced technologies, such as Vacuum Arc Remelter (VAR), Electron Beam Cold Hearth Remelting (EBCHR), and Plasma Arc Melting, to enhance its capabilities to manufacture strategic materials which have a huge potential for export especially in the current geo-politocal situation. These technologies ensure that PTC's offerings meet international standards and cater to the stringent requirements of global customers. - **Focus on Aerospace Exports:** With the successful establishment of a Titanium Casting facility and the integration of Controlled Microstructure Castings manufacturing technology, PTC is positioning itself as a major player in the aerospace export market. The company aims to export critical aerospace components to leading aviation companies worldwide. - **Market Development for Exotic Alloys:** PTC has embarked on a market development initiative to promote the export of cast components made from exotic alloys, such as Titanium, Zirconium, and other high-performance materials. The company is targeting industries such as aerospace, defence, and medical implants manufacturing, where these alloys find diverse applications. - **Strategic Alliances and Partnerships:** PTC is actively exploring collaborations with international partners to expand its exports network. The company is fostering strategic alliances with global industry leaders to jointly explore new export opportunities and leverage each other's strengths. - **ISO Certification for Export Compliance:** PTC Industries has obtained relevant ISO certifications, such as ISO 9001:2015, to ensure compliance with international quality standards for its export products. These certifications enhance the company's credibility in the global market and instil confidence in its customers. - **Trade Promotion Initiatives:** PTC participates in international trade shows, exhibitions, and industry conferences to showcase its advanced technologies and capabilities. These platforms provide valuable opportunities to connect with potential international clients and establish business relationships. - **Customized Export Solutions:** The company offers customized export solutions to cater to the specific needs and requirements of overseas clients. Whether it's casting components for aerospace or critical parts for industrial applications, PTC tailors its products and services to meet the diverse demands of global customers. - **Export Compliance and Documentation:** PTC places strong emphasis on export compliance and adheres to all international trade regulations and documentation requirements. The company ensures seamless export processes to facilitate timely deliveries to international clients. - **International Marketing and Branding:** PTC is actively engaged in international marketing and branding initiatives to promote its products and services in the global market. The company is investing in digital marketing strategies and building a strong online presence to attract potential customers worldwide

(b) Total Foreign Exchange used and earned	2022-23 (Rupees in lakhs)	2021-22 (Rupees in lakhs)
Expenditure	1,205.82	842.49
Earnings	19,743.92	14,282.49
Net foreign exchange earning	18,538.10	13,440
Net foreign exchange/earning %	93.89	94.10

For and on behalf of **Board of Directors** of **PTC Industries Limited**

Place: Lucknow
Date: August 12, 2023

Sachin Agarwal
Chairman & Managing Director

Alok Agarwal
Director - Quality & Technical

Management Discussion and Analysis Report

PTC Industries Limited is one of the world's leading suppliers of high-precision metal components for critical and super-critical operations across a wide range of segments including Aerospace, Defence, and Industrial. The Company has invested in well-integrated manufacturing units having manufacturing facilities in Uttar Pradesh and Gujarat. In addition, an expansion is underway at the recently acquired 50 acres of land by its subsidiary Aerolloy Technologies Limited (ATL) located in the Lucknow node of the Uttar Pradesh Defence Industrial Corridor next to the Brahmos facility. At this facility, the Company aims to achieve its strategic objective of establishing fully integrated material manufacturing capabilities for a wide range of exotic materials, such as Titanium, Cobalt, and Nickel Superalloys. The Company's commitment to unmatched quality has helped it to emerge as a preferred partner to its customers across the world.

The management discussion and analysis report has been included in adherence to the requirement under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The management herewith presents the Forward-looking statements, economic overview, industry structure and developments, highlights and key events, opportunities and threats, outlook, risks and concerns, internal control systems and their adequacy, financial performance with respect to operational performance, segment-wise performance, material developments in human resources and industrial relations. The outlook is based on an assessment of the current business environment and it may vary due to future economic and other developments, both in India and abroad.

FORWARD LOOKING STATEMENTS

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, including but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that they are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements based on subsequent developments, information or events.

ECONOMIC OVERVIEW AND OUTLOOK

Global economic overview

The global economy has undergone significant changes and challenges since the onset of the COVID-19 pandemic. Governments, businesses, and societies have been grappling with the impacts of the crisis while striving to navigate towards a sustainable recovery. As of 2023, several key trends and developments are shaping the global economic landscape which include Europe's food and energy crises, geopolitical conflicts, including the ongoing war in Ukraine, and continued supply chain disruptions due to transportation bottlenecks, semiconductor shortages, and other logistical issues. These factors have the potential to trigger additional disruptions.

According to the IMF's World Economic Outlook in July 2023, global growth is forecasted to decelerate from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. Although the projection for 2023 is slightly higher than previously predicted in the April 2023 WEO, the overall economic outlook remains subdued compared to historical standards. The ongoing efforts by central banks to combat inflation by raising policy rates continue to exert pressure on economic activity.

Headline inflation at the global level is expected to decline from 8.7 percent in 2022 to 6.8 percent in 2023 and further to 5.2 percent in 2024. However, it's important to note that underlying (core) inflation is anticipated to decrease at a slower pace, and the inflation forecasts for 2024 have been revised upward, indicating lingering inflationary pressures.

Overall, the global economy is facing a challenging period with growth rates expected to moderate, and inflation rates, while showing some improvement, remain elevated. The persistence of inflationary concerns and the impact of central bank policies on economic activity will be critical factors to monitor in the coming years.

One of the notable concerns in the recent economic climate has been rising inflation. Supply chain disruptions, increased demand, and labour shortages have led to higher input costs for businesses, which have been passed on to consumers. Central banks are closely monitoring these inflationary pressures and adopting a range of policy responses to maintain price stability. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the war in Ukraine and extreme weather-related events, triggering more restrictive monetary policy. Financial sector turbulence could resume as markets adjust to further policy tightening by central banks. [Source: IMF World Economic Outlook, July 2023].

The downturn, however, is concentrated in advanced economies, particularly the Eurozone and the United Kingdom. The Central banks' monetary policies are projected to bear fruit, resulting in a decline in worldwide inflation. In many cases, emerging markets and developing economies such as India are gaining ground, with growth rates predicted to accelerate significantly this year.

Global Outlook

As of May 2023, the World Health Organization (WHO) has announced that COVID-19 is no longer considered a "global health emergency." Subsequently, supply chains have largely recovered, and shipping costs and delivery times for suppliers have returned to pre-pandemic levels. China's manufacturing activity and consumption of services experienced a rebound at the beginning of the year after the country lifted strict lockdown policies. This recovery in manufacturing has been supported by normalized supply chains and prompt action by firms to fulfil backlogged orders, with net exports contributing significantly to sequential growth in February and March.

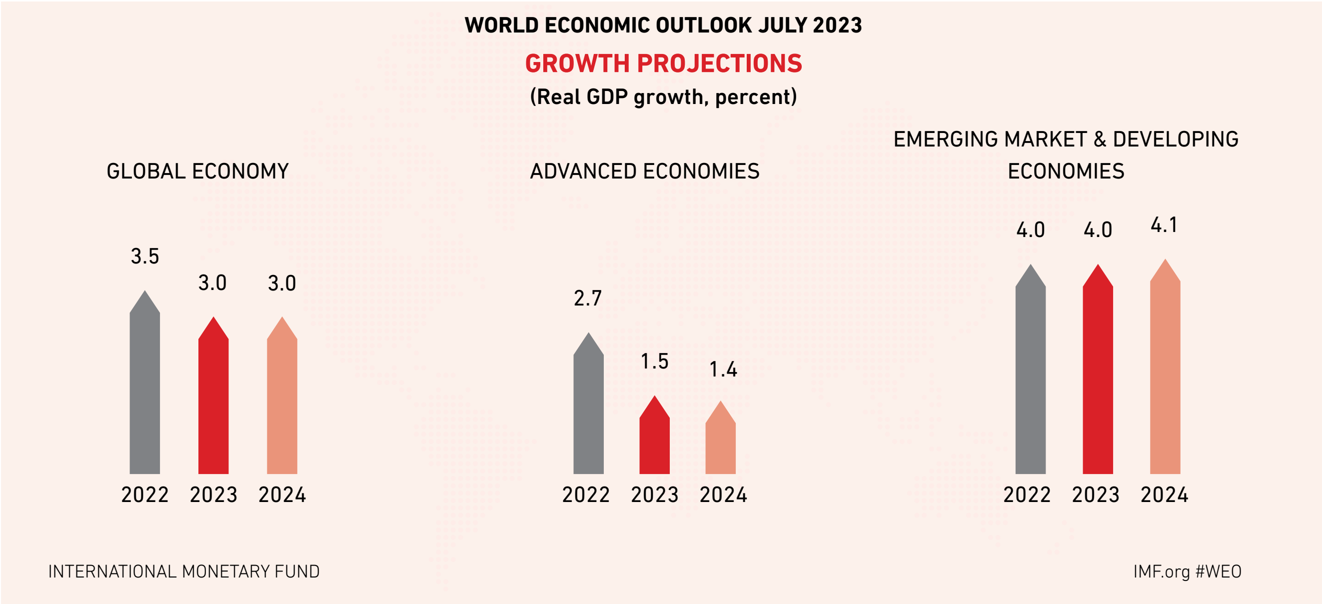
However, the real estate sector in China continues to exhibit weakness, which is impacting investment. Additionally, foreign demand remains subdued, and elevated youth unemployment, reaching 20.8 percent in May 2023, highlights labour market vulnerabilities.

In advanced economies, the decline in growth from 2022 to 2023 is driven by weaker manufacturing and other idiosyncratic factors, offsetting stronger services activity. The projected growth slowdown for 2023 remains substantial, with a decrease from 2.7 percent in 2022 to 1.5 percent in 2023. There has been a slight upward revision of 0.2 percentage points from the April 2023 IMF World Economic Outlook (WEO). Approximately 93 percent of advanced economies are expected to experience lower growth in 2023, and growth for this group of economies in 2024 is projected to remain at 1.4 percent.

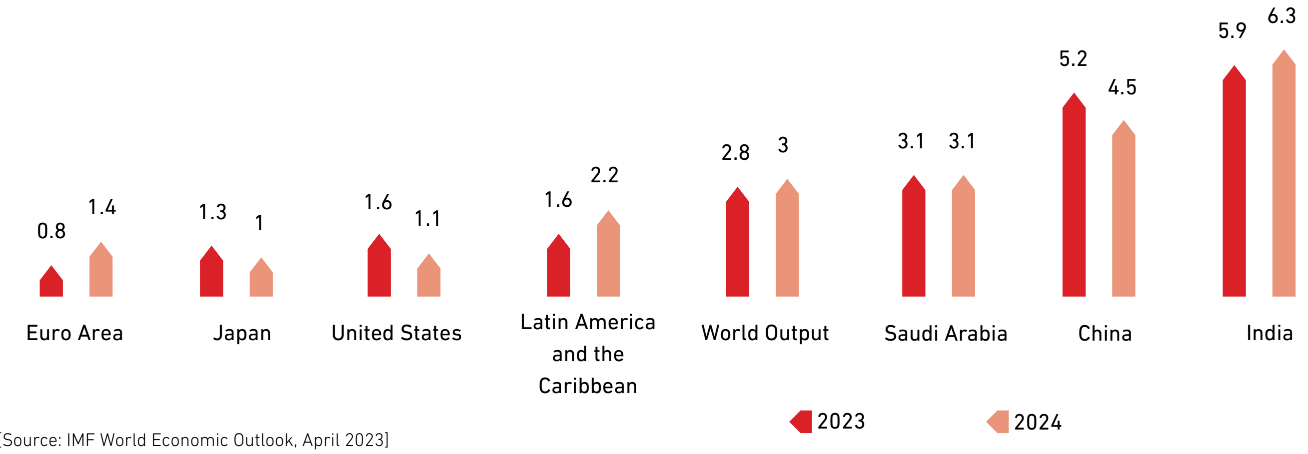
In emerging market and developing economies, the growth outlook is relatively stable at 4.0 percent for 2023 and 4.1 percent for 2024, with minor revisions of 0.1 percentage point for 2023 and -0.1 percentage point for 2024. However, within this group, there are divergences, with about 61 percent of economies projected to grow faster in 2023 while the rest experience slower growth.

China's growth forecast remains unchanged at 5.2 percent for 2023 and 4.5 percent for 2024, but there has been a shift in its composition. India's growth projection for 2023 stands at 6.1 percent, reflecting a 0.2 percentage point upward revision from the April forecast. This upward revision is attributed to stronger-than-expected growth in domestic investment during the fourth quarter of 2022.

Overall, the global economy is experiencing a mix of recovery and challenges, with advanced economies facing significant growth slowdowns while emerging market and developing economies demonstrate a more stable outlook with some variations among individual economies. The projections highlight the need for continued vigilance and targeted policies to sustain and strengthen economic recovery in various regions.



Growth rates (world and major countries)



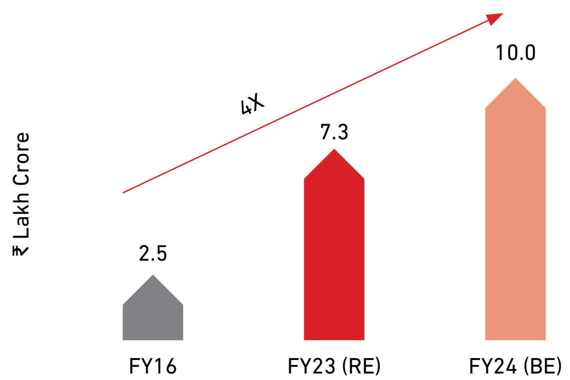
[Source: IMF World Economic Outlook, April 2023]

Indian economic overview

Despite the bleak global outlook, the Indian economy remained largely immune to global challenges in FY23, maintaining its status as one of the fastest-growing major economies. According to the second advance estimates from the NSO, Indian economy clocked a growth of 7%[1] in FY23. The corporate sector is seeing rapid expansion, as seen by decreasing unemployment and an increase in net payroll additions under EPFO. The economy's corporate sector credit-to-GDP ratio remains below its historical trend, indicating that the corporate sector has plenty of room to increase its debt burden. The corporate sector's solid debt profile has also proven critical in driving macroeconomic stability[2].

The growth has been driven by sustained domestic demand, particularly in private final consumption expenditure, rising gross fixed capital formation and the Government's increased focus on capital expenditure. The Union Budget 2023 announced a 33.4% increase in capital investment outlays to a historic budget estimate (BE) of INR 10 lakh crore for FY24[3]. The government's capital investments are set to have a multiplying effect on the economy's manufacturing sector and lend Indian goods a competitive edge in the global market.

Increasing Capital Expenditure of Union Government



Source: Union Budget 2023

[1]https://mospi.gov.in/sites/default/files/press_release/PressNoteNAD_28feb23final.pdf

[2]https://dea.gov.in/sites/default/files/Monthly%20Economic%20Review_Feb%202023.pdf

[3]https://www.indiabudget.gov.in/doc/bh1.pdf

Indian Economic Outlook

High-frequency indicators such as GST collections, railway and air traffic, electronic toll collections and the volume of E-way bills generated indicate a robust economic recovery. The country's sustained growth momentum is poised to make it an attractive destination for substantial investments.

India is expected to remain the fastest-growing nation among the G-20 nations in the coming years. Also, India's presidency of the G20 Summit in 2023 has significantly bolstered its international standing.

With reduced uncertainties at the beginning of FY24, businesses are expected to focus on the growth potential. The RBI is anticipated to keep inflation under control, tackle a depreciating currency and reduce the immediate impact of a fiscal deficit on the Indian economy. Along with a favourable policy environment and an improvement in downside risks, consumer sentiment is expected to further improve, offering some modest relief to the Indian economy.

The current account deficit is also expected to shrink from year-beginning predictions as India boosts its market share in both IT and non-IT services, which have witnessed rising demand as an outcome of the pandemic. Additionally, initiatives like Aatmanirbhar Bharat and the production-linked incentive (PLI) scheme would further aid this economic growth by boosting domestic production and increasing the competitiveness of Indian industries globally. Strong macroeconomic fundamentals and the stated initiatives would contribute to the long-term growth of the economy.

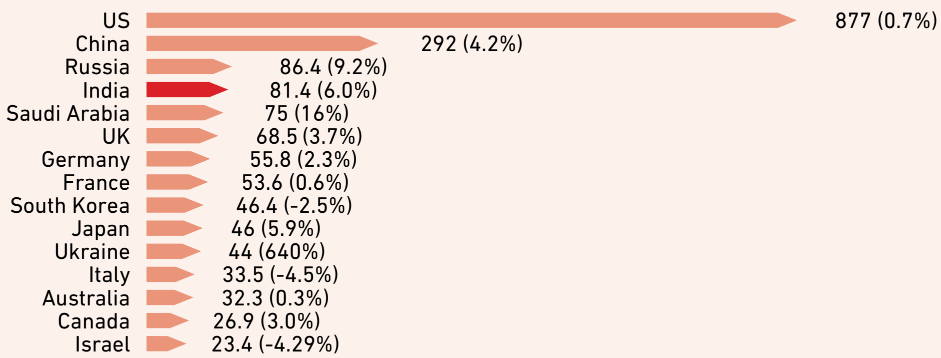
INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Defence Industry

The Global defence market rose at a 7.9% CAGR from USD 534.79 billion in 2022 to USD 577.19 billion in 2023. Asia-Pacific was the largest region-wise market for defence in 2022, with Western Europe expected to expand the fastest throughout the projected period (2023-2027). The acceptance of unmanned combat vehicles, the popularity of corner shot weaponry, the development of autonomous fighter jets, and the impact of the Russia-Ukraine war are all trends in the defence sector. The Russia-Ukraine conflict has resulted in economic sanctions, commodity price increases, and supply chain disruptions, raising already high inflation and hurting numerous markets abroad. The market is expected to witness expansion, growing from USD 577.19 billion in 2023 to USD 718.12 billion in 2027 at a CAGR of 5.6%[4].

The 15 countries with the highest military expenditure in 2022

In billions of dollars and change (%) from 2021



Source: SIPRI

[4]https://www.thebusinessresearchcompany.com/report/defence-global-market-report

Global Aerospace and Defence Industry

The global aerospace and defence industry is a multifaceted and strategically vital sector encompassing various activities related to aviation, space exploration, and national security. On one hand, the aerospace segment focuses on the design, manufacturing, and maintenance of aircraft, spacecraft, satellites, and related components for both civilian and military applications. This part of the industry caters to the growing demand for commercial air travel, cargo transportation, and space exploration missions. On the other hand, the defence segment is dedicated to developing and producing advanced military hardware, including fighter jets, naval vessels, missiles, and defence systems, to ensure national security and protect against evolving threats.

Characterized by continuous technological advancements, the aerospace and defence industry operates on a global scale, with major players spread across different regions worldwide. The sector's innovations often drive broader technological progress, pushing the boundaries of engineering, materials science, and computer technology. Additionally, the industry's complex supply chain involves a network of suppliers, subcontractors, and international partnerships, necessitating meticulous coordination and efficiency to meet rigorous quality standards and delivery timelines.

Geopolitical factors and international relations significantly influence the industry, impacting procurement decisions and market dynamics. As the sector faces the challenges of cost management, cybersecurity threats, and sustainability concerns, it also presents opportunities for growth through investment in emerging technologies, eco-friendly practices, and strategic collaborations. Overall, the global aerospace and defence industry plays a pivotal role in shaping the future of transportation, security, and space exploration. The aerospace and defence sector (A&D) includes spacecraft, commercial and military aircraft, tanks, missiles, and other weaponry-related equipment. It also involves the manufacture of landing gear, propellers and rotors, engines, and engine parts. Firearms and accessories account for roughly 60% of total income in the aerospace and military business, with ammunition sales accounting for the remaining 40%.

Global Industry Outlook and Key Trends

Global defence spending has been on a clear upswing for almost a decade and is at a historic high now, having breached the $2 trillion threshold in 2021, led by the whittling down of traditional, rule-based world order and the return of great power competition among leading geopolitical powers marked by sustained geopolitical instability, rising political tensions, and conflict.

The Russia-Ukraine war has been a watershed moment geopolitically, having brought back the spectre of war over Europe back to life after almost 3 decades following Russia's military resurgence and is showing no signs of abating even after heading into its second year. The U.S.-China faceoff further escalates, with the U.S. considering China as its strongest and most serious long-term rival and threat.

The continuous military assistance from the West to Ukraine and the emphasis on maintaining traditional superiority over adversaries have accelerated the replacement of aging defence equipment with next-generation systems and technologies. This has been facilitated through the initiation and award of new large-scale defence contracts of strategic significance, covering extensive scopes and long-term horizons.

Globally, the defence industrial base is gearing up to increase production rates in the near term to replenish depleting stockpiles of munitions, missiles, and weapons due to their rapid usage in Ukraine and to meet the rising international demands. As a result, global defence spending is projected to reach a record £2.5 trillion by 2027, with the industry preparing to ramp up production rates to unprecedented levels in the near to medium term. These efforts are aimed at meeting the significant global demand, restoring depleted inventory levels, and advancing next-generation capabilities, with substantial investments underway in research and development.

Commercial aviation, on the other side, has been experiencing a resounding comeback from the pandemic, with robust passenger demand levels. This strong rebound is attributed to sustained and pent-up travel demand, as well as consistent growth in air cargo traffic across most key markets and regions. The global airline passenger traffic is now reaching pre-pandemic levels, further bolstered by the optimistic expectations of a significant surge in civilian travel.

The ongoing recovery in demand and activity levels among airlines worldwide has been both steady and encouraging. Projections indicate that global air passenger demand is expected to grow by almost 3% from pre-pandemic levels by the end of 2023. This positive uptrend in commercial aviation signals a promising return to normalcy for the industry as it bounces back from the challenges posed by the pandemic.

The near-term outlook for the aerospace and defence industry is expected to be mainly driven by supply-side issues. The industry is facing difficulties due to disruptions in the supply chain, bottlenecks, constraints, and labour shortages. While the situation is gradually improving, these factors are likely to impede the industry's plans to increase production rates in the near term. The industry OEMs are grappling with the complexities of managing these supply-side hurdles, which may affect their ability to meet growing demands. This presents a significant opportunity for supply chain growth.

The recent mega-orders for more than 900 passenger jets placed by IndiGo and Air India demonstrate an unprecedented growth potential which could help fast track the growth of the India's aviation ecosystem while providing a much-needed boost to the industry globally.

Indian Defence manufacturing sector

The defence sector is an important part of the Indian economy. The diversified geology and geography of India, particularly its 6,811-kilometer-long border with China and Pakistan, present significant challenges for the country's defence. As a result, the Indian defence and aerospace industry is one of the priority sectors of the government's 'Aatmanirbhar Bharat' initiative. The domestic Defence sector is poised for a massive transformation. To promote the growth of this industry, the Government aims to establish an indigenous manufacturing infrastructure and develop a strong research and development ecosystem. By 2025, the Government aims to achieve a turnover of USD 25 billion, including exports worth USD 5 billion in aerospace and defence goods and services[5].

With the Government providing an enhanced impetus to strengthen defence capabilities and reduce reliance on imports, India's defence sector has seen significant reforms in recent years. The Ministry of Defence is stepping up with initiatives to encourage indigenisation, such as prohibiting the import of several components over time. To aid the domestic defence industry, the Government is striving to create a robust ecosystem and introducing favourable policies that encourage transparency, predictability, and ease of doing business. The Government has implemented de-licensing, de-regulation, export promotion and foreign investment liberalisation measures. Also, the Ministry of Defence has released three 'Positive Indigenisation Lists,' which comprise 310 pieces of defence equipment that will be manufactured locally. To scale up exports and foreign investment, FDI in the Defence sector has been increased to 74% through the automatic route and 100% through the government route.

The Government has also announced two dedicated Defence Industrial Corridors in Tamil Nadu and Uttar Pradesh, which will act as clusters of defence manufacturing, leveraging existing infrastructure and human capital. Additionally, the Government has rolled out supportive schemes such as iDEX (Innovations for Defence Excellence) and DTIS (Defence Testing Infrastructure Scheme) to promote innovation within the Defence and Aerospace sectors.

The domestic defence sector is witnessing a surge in order books and expanding revenue streams, driven by the Government's emphasis on localisation. The Defence sector is in a sweet spot to witness significant growth over several years, given its significant market size, both domestically and internationally. The pressing need to increase capex and localise production, fuelled by recent conflicts closer to India, Europe, and other parts of the world, further strengthen the sector's potential for growth.

India's defence budget

India is currently the world's fourth-largest military spender, with a defence budget that accounts for nearly 2.15% of the country's total GDP. The defence industry was allocated INR 5.94 lakh crore in the Union Budget 2023-24 which is 13.18% of the total budget and a 13% increase from the previous year.

Defence Budget 2023-2024

₹5.94 Lakh Crores
Allocated to Ministry of Defence

13.18%
of the total GoI Budget

An enhancement of
₹68,371.49 crore (13%)
over the Budget of 2022-23

India's Defence Exports

In FY23, India's defence sector reached a new high in terms of defence exports, demonstrating the country's improved military manufacturing capacity to design and build world-class goods. India has exported a variety of platforms, including the Dornier-228, Brahmos missiles, PINAKA rockets and launchers, Line Replaceable Units, and Avionics and Small Arms parts and components. Over the previous few years, the government has implemented several policy efforts aimed at simplifying export procedures and instituting changes, including the notification of three Open General Export Licences (OGEL). Export leads received from various countries are disseminated to the registered Indian Defence Exporters in real-time, enabling them to respond to export opportunities promptly[6].

[5]https://www.investindia.gov.in/sector/defence-manufacturing

[6]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1912885

Defence exports for FY23 were around INR 15,920 crore, up almost INR 3,000 crore from the previous year. The country is now exporting to over 85 countries, with 100 firms exporting defence products.

Titanium Opportunities

Titanium offers a plethora of opportunities across various industries, thanks to its exceptional properties and versatility. As a lightweight and strong metal with excellent corrosion resistance, titanium has become a sought-after material in aerospace and defence applications, where weight reduction is crucial for fuel efficiency and enhanced performance. Its biocompatibility makes it ideal for medical implants and prosthetics, offering patients durable and long-lasting solutions. Moreover, titanium's resistance to extreme temperatures and harsh environments makes it suitable for use in the marine industry, power generation, and chemical processing. As technology advances, titanium continues to find new applications, and its unique properties unlock exciting opportunities for innovation and advancement in multiple sectors.

Aerospace Industry

Titanium plays a vital role in the aerospace industry, offering a multitude of advantages for aircraft and spacecraft applications. Its lightweight yet strong nature makes it an ideal choice for critical components, helping to reduce overall aircraft weight and enhance fuel efficiency. With its exceptional corrosion resistance, titanium withstands the harsh environmental conditions faced by aircraft during flight, ensuring structural integrity and longevity. It is commonly used in engine components, landing gear, aircraft frames, and fasteners.

Titanium's high strength-to-weight ratio allows it to be used in fan blades and compressor components, which are critical to the efficient functioning of aircraft engines. The use of titanium in these parts helps reduce the overall weight of the engine, leading to improved fuel efficiency and reduced emissions. Titanium is also widely used in the hot section of aircraft engines, particularly in the turbine components that operate at high temperatures. Its exceptional heat resistance enables the turbine blades and vanes to withstand the intense heat generated during engine operation without losing structural integrity.

The use of titanium in aircraft engines enables manufacturers to design more efficient, high-performance engines with reduced weight and enhanced durability. Its contributions to improved fuel efficiency, increased engine life, and enhanced safety have solidified titanium's position as a critical material in modern aerospace engineering.

Defence Industry

Titanium is a highly valued material in the defence industry due to its exceptional properties that enhance the performance and capabilities of military equipment and systems. Its strength-to-weight ratio and resistance to corrosion make it a preferred choice for various defence applications.

In military aircraft, titanium is extensively used for structural components, such as airframes, wings, and landing gear. Its lightweight nature allows for increased payload capacity and longer flight ranges, while its robustness ensures durability and survivability during demanding missions. Titanium's ability to withstand harsh environmental conditions, including exposure to saltwater and extreme temperatures, makes it ideal for naval vessels and submarines. Titanium is used in the construction of hulls, propellers, and other critical components, providing strength and corrosion resistance necessary for maritime operations.

Additionally, titanium is integral to the development of advanced weaponry and defence systems. It is used in missiles, rockets, and ammunition due to its ability to withstand high temperatures and pressures during launch and flight. The material's strength and resilience ensure the reliability and precision required for accurate and effective military operations.

The increasing demand for commercially pure titanium and titanium alloys in the aviation industry is due to their lightweight, high strength and excellent corrosion resistance. The growing use of CFRP in airframes and engine parts has led to an increase in demand for titanium, as it has excellent compatibility with CFRP.

Recent changes in market dynamics and the intensifying Russia-Ukraine conflict disrupted the supply chains for several essential components, including titanium. Consequently, finding titanium sponge and other materials may become challenging and expensive. Additionally, as air travel grows and there is an increase in aircraft manufacturing and acquisition, many commercial aircraft units are annually retired or scrapped due to age, producing mountains of waste. These enormous waste loads contain significant quantities of carbon fibre, alloys, aluminium, and other scrap metals.

The outlook for commercially pure titanium and titanium alloys is promising, particularly in the aerospace industry. With higher demand for low-fuel consumption aircraft, which can use more than twice the amount of titanium compared to conventional aircraft, there is a growing need for lightweight and strong materials such as titanium. Additionally, as innovative technologies emerge that require materials with high strength-to-weight ratios and corrosion resistance, including electric vehicles and renewable energy systems, it is likely that there will be greater demand for titanium[7].

[7]https://www.refractorymetal.org/uses-of-titanium/

Metal casting industry

The global metal casting market reached USD 151.6 billion in 2022. Looking forward, the International Market Analysis Research and Consulting Group (IMARC Group) expects the market to reach USD 236.7 billion by 2028, exhibiting a compound annual growth rate (CAGR) of 7.4% during 2023-2028. The industrial sector's rising need for metal castings primarily fuels the global market. The increasing process utilisation in the oil & gas, marine, energy, automotive, aerospace, building and medical industries can be used to assist this. Along with this, the industry is also being significantly supported using metal castings to produce uniform products in mining and oilfield equipment, railroads, pipelines and fittings, farm equipment and internal combustion engines. Global demand is growing because of the metal casting process's increased energy efficiency, greater environmental quality and lower production costs[8].

The Indian metal casting market is poised for substantial growth, with a projected Compound Annual Growth Rate (CAGR) of 6.7% during the period from 2023 to 2028. This growth is primarily driven by continuous advancements in the foundry industry. As India experiences rapid industrialization and urbanization, the demand for metal casting processes has significantly increased across the country. Moreover, the surge in infrastructural development projects has further fuelled the need for cast products, contributing to the positive trajectory of the market. Key players in the industry are playing a crucial role by continually improving metal casting processes through technological innovations and extensive research and development (R&D) efforts, further bolstering the market's prospects in India.

OPERATIONAL HIGHLIGHTS AND KEY TRENDS

PTC Industries remains steadfast in its commitment to achieving 'Parity' in manufacturing materials, components, and sub-systems for critical and super-critical applications across diverse industries. In line with this philosophy, PTC established a wholly owned subsidiary called Aerolloy Technologies Limited (ATL) in FY2021, with a focus on producing high-quality materials and parts for the defence and aerospace sectors. ATL is establishing a fully Integrated Material Manufacturing plant for producing titanium and nickel superalloys along with an Aerospace Castings manufacturing facility, to reduce India's reliance on imports and promote an Aatmanirbhar Bharat. The company has made strategic investments in cutting-edge core manufacturing technologies, giving it a competitive edge in the aerospace and defence sectors.

To further bolster its position, PTC Industries has acquired Vacuum Arc Remelting (VAR), Plasma Arc Melting (PAM), and Electron Beam Cold Hearth Remelting (EBCHR) furnaces, which are crucial for its aerospace and defence endeavours. MoUs with esteemed organizations like BAE Systems, Safran AE, Bharat Dynamics, Mishra Dhatu Nigam, among others, have enabled PTC to secure development orders and supply essential cast metal components. This strategic approach positions PTC Industries as a key player in enhancing India's indigenous capabilities and contributing to the growth of the aerospace and defence industries.

Some significant developments during the year:

- PTC's wholly owned subsidiary Aerolloy Technologies Limited was allotted 20 Hectares (50 Acres) of land (next to Brahmos facility) in Lucknow node of the UP Defence Industrial Corridor. This acquisition will bring added impetus to the development, indigenization, and establishment of latest cutting-edge manufacturing capabilities for producing strategic materials, components, and sub systems for various Defence and Aerospace applications which will be the growth engine for the company in future.
- PTC Industries successfully completed the acquisition of the Electron Beam Cold Hearth Remelting (EBCHR) furnace with a capacity of 5,000 tonnes per annum, through its wholly owned subsidiary "Aerolloy Technologies Limited (ATL) during the year. This acquisition will pave the way for manufacturing of Strategic and Critical materials for Defence, Aerospace, Medical and Industrial applications indigenously.
- Aerolloy also completed the acquisition of Vacuum Arc Remelter (VAR) furnace for manufacturing Titanium ingots with a capacity of 1,500 tonnes per annum.
- During the year, Aerolloy Technologies was approved by Safran Aircraft Engines ("SAE"), a top global aircraft engine manufacturer, for development and supply of cast components for Aero Engines. Safran Aircraft Engines approved ATL for the development and supply of Titanium and Super Alloy castings for Aero Engines. This is the first time that such critical cast components for Aircraft Engines, in Titanium and Super Alloys, are being sourced by SAE from India.

[8] https://www.imarcgroup.com/metal-casting-market

- Further, Aerolloy and Safran AE signed an MoU to explore opportunities for strategic business cooperation to leverage the complementary talents, technologies and capabilities of both Parties and support development of a robust domestic Defence and Civil Aerospace ecosystem and supply chain in India, consistent with the goals of the Government of India's 'Make in India' initiative.

- During the year, PTC also signed an agreement with BAE Systems, a British arms, security, and aerospace company, to manufacture titanium castings in India for the Indian 155mm M777 Ultra-Lightweight Howitzer (ULH). Both companies have a plan to progress to manufacture of all three of the major structures (Saddle, Cradle, and Lower Carriage) that form the basis of the gun in India. As a result of its participation in the M777 programme, PTC will also be able to support the global supply chain of BAE Systems.

- Aerolloy Technologies signed an MoU with Dassault Aviation, a French Aerospace company, for prospective supply of Titanium Cast Parts and materials to Dassault. Through this MOU, the two organisations will evaluate the possibility of Dassault Aviation purchasing Titanium and Super Alloy material, components, and castings for Aerospace applications from Aerolloy. These titanium castings and components shall be used for Rafale multirole fighters and other Dassault manufactured aircraft.

- Further Aerolloy Technologies Limited (wholly owned subsidiary of PTC Industries Limited, has been approved by Israel Aerospace Industries (IAI), for supply of cast components for Aerospace applications.

- PTC Industries Limited and Hindustan Aeronautics Limited – SED, Koraput signed an MoU to explore mutual co-operation and development for indigenisation of aviation grade Raw Materials, Components, Sub-systems, and Systems of Russian origin aircraft.

- PTC took up a developmental contract for critical components for DRDO – GTRE's Combat Aircraft Engine development program. Considering the Government of India's directives on 'Aatmanirbhar Bharat' and prevailing geo-political situation, the Ministry of Defence's initiative to design, develop and manufacture its own fighter aircraft platforms will result in a greater potential for indigenously developed engines to be used in these platforms.

- PTC also signed an MOU with Bharat Dynamics Limited (BDL), a Defence PSU to explore mutual co-operation and business development for design, development and manufacture of Aero Engines for Missiles, UAVs, Loitering Munitions or any such other fields where small Turbo Engines would be required other than fighter aircraft. The MOU also envisions the formation of an SPV as partners with other Government / Semi-Government or Private entities, as agreed to, for the creation of Defence Testing infrastructure in the field of Mechanical & Materials under the Ministry of Defence DTIS Scheme implemented by UPEIDA.

- PTC signed an MOU with Defence PSU Mishra Dhatu Nigam Limited (MIDHANI), a manufacturer of strategic materials for a technical collaboration between both companies for manufacture of titanium alloy pipes, tubes, plates, sheets, and fabrication of various crucial parts and LRUs for defence and aerospace industries.

- PTC received the Clearance Certificate for critical On-Line Fittings (OLFs) for Defence applications in Titanium alloys. Till now, these critical 'OLFs' were being imported but this partnership will now help to reduce imports and build self-reliance.

- This year, PTC also successfully completed the Cyber Essentials certification for BAE Systems - UK and now complies with IASME standards for cyber security.

OPPORTUNITIES AND THREATS

In the dynamic landscape of the aerospace, defence, industrial sectors, PTC Industries has been steadfast in its commitment to achieving 'Parity' in manufacturing critical materials, components, and sub-systems. As a key player in India's industrial landscape, PTC has embraced numerous opportunities in the last financial year and anticipates further potential for growth and innovation in the future. With a focus on self-reliance and strategic alliances, PTC has carved a niche for itself in the aerospace, defence, and industrial sectors. However, amidst the opportunities lie challenges, ranging from global competition and economic uncertainties to regulatory complexities and supply chain disruptions.

PTC Industries' dedication to advancements in core manufacturing technologies and partnerships with renowned organizations positions the company to navigate these challenges effectively while capitalizing on the emerging prospects in the aerospace and defence domains.

Major opportunities that have presented themselves in the last year or are anticipated in the future are:

Growing Demand in Aerospace and Defence: The increasing demand for aerospace and defence components, particularly in India's domestic market, presents a significant opportunity for PTC. With the government's focus on self-reliance, PTC's capabilities in producing high-quality materials and parts can align well with the country's objectives to reduce import dependence.

Global Trends and Environment: Amidst the geopolitical conflicts resulting from the Russia-Ukraine war and the "China Plus One" strategy, PTC Industries finds a unique opportunity to play a pivotal role in supporting India's efforts towards self-reliance and bolstering its domestic defence and aerospace capabilities. With rising geopolitical tensions and uncertainties, countries are increasingly prioritizing indigenous manufacturing of critical materials and components for their security interests. PTC, through its subsidiary Aerolloy Technologies Limited (ATL) and strategic alliances, is well-positioned to capitalize on this shift in global dynamics.

By offering high-quality materials and parts for the defence and aerospace sectors, PTC can assist India in reducing its dependence on imports and building an Aatmanirbhar Bharat. The company's commitment to advanced manufacturing technologies, including Vacuum Arc Remelting (VAR), Plasma Arc Melting (PAM), and Electron Beam Cold Hearth Remelting (EBCHR) furnaces, positions PTC as a reliable and capable domestic supplier. As geopolitical conflicts prompt nations to reevaluate their sourcing strategies, PTC Industries can emerge as a strategic partner for countries seeking to enhance their domestic defence and aerospace manufacturing capabilities, further solidifying its reputation as a key player in the global aerospace and defence industries.

Strategic Alliances: PTC's collaborations with esteemed organizations provide access to valuable expertise, technologies, and potential joint ventures. These partnerships offer avenues for PTC to expand its market reach, explore new opportunities, and secure development orders.

Advancements in Core Manufacturing Technologies: PTC's investments in cutting-edge core manufacturing technologies give the company a competitive advantage in the aerospace and defence sectors. The acquisition of furnaces like VAR, PAM, and EBCHR enhances PTC's capabilities in producing exotic materials, thereby positioning the company as a preferred supplier for critical applications.

The major threats anticipated for the Company in the future are:

Human Resource Management and Skilling: Human resource management and skilling pose significant challenges for companies in today's rapidly evolving business landscape. As technology advances and industries undergo digital transformations, the demand for specialized skills is continuously changing. Companies, including PTC Industries, face the threat of skill gaps and talent shortages that can impede growth and hinder innovation. To address this challenge, PTC prioritises skilling and upskilling initiatives to equip its workforce with the necessary knowledge and expertise. Implementing comprehensive training programs and fostering a culture of continuous learning is helping it bridge skill gaps and enable employees to adapt to emerging technologies and industry trends. PTC has also undertaken a complete HR Transformation project driven by PriceWaterhouseCoopers in order to develop a robust and capable workforce.

Additionally, to attract and retain top talent in a competitive market, PTC to offer exciting career development opportunities, a supportive work environment and attractive employment terms. By proactively addressing human resource management and skilling challenges, PTC is building a highly skilled and engaged workforce that drives the company's success and sustains its position as a key player in the aerospace and defence industries.

Global Market Competition: The aerospace and defence industries are highly competitive on a global scale. PTC may face competition from established international players with well-established market presence, technological expertise, and established customer relationships. PTC proactively addresses global competition by continually enhancing its offerings, streamlining operations, and fostering innovation. PTC's investment in research and development helps it to stay ahead of technological advancements and take advantage of cost efficiencies and remain competitive.

Economic Uncertainty: Economic fluctuations and uncertainties, such as the impact of the COVID-19 pandemic, can affect the demand for aerospace and defence products. PTC needs to be prepared to navigate through market fluctuations and potential disruptions. To mitigate the impact of economic fluctuations, PTC adopts flexible business strategies and keeps its customer base diversified. Building long-term relationships with key clients and focusing on value-added services can help buffer the Company against economic uncertainties.

Regulatory Challenges: The aerospace and defence sectors are subject to stringent regulatory requirements and standards. Compliance with these regulations may pose challenges, especially in international markets where PTC aims to expand its presence. PTC maintains a robust compliance framework, staying abreast of evolving regulations, and investing in training and certifications to ensure adherence to quality standards and mitigate this threat.

Supply Chain Disruptions: PTC may face potential supply chain disruptions due to factors such as raw material shortages, logistics issues, or geopolitical tensions. Ensuring a robust and resilient supply chain is crucial to mitigate these risks. PTC has established alternative sourcing options and fosters strong relationships with reliable suppliers. Developing contingency plans and monitoring the supply chain closely has helped the Company mitigate the risks associated with raw material shortages or logistical challenges.

Despite the challenges posed by global competition, economic uncertainties, regulatory complexities, supply chain disruptions, and the ever-changing landscape of human resource management and skilling, PTC Industries stands strong with a positive outlook. The numerous opportunities in the aerospace and defence sectors, combined with strategic alliances and investments in cutting-edge technologies, position PTC for continued growth and success.

With a commitment to achieving 'Parity' in critical manufacturing and a focus on self-reliance, PTC is well-prepared to navigate these challenges adeptly. By implementing proactive mitigation measures and fostering a culture of innovation and learning, PTC is confident in its ability to address these threats capably and emerge as a trailblazer in the industry. As the company continues to seize opportunities and overcome obstacles, it remains poised to shape a resilient future and contribute significantly to India's quest for self-sufficiency, especially in the aerospace and defence domains.

RISKS AND CONCERNS

PTC adopts a prudent and cautious approach towards identifying, analysing, and monitoring business-related risks. The company has institutionalized a robust risk management process that focuses on risk identification, reduction, and mitigation. With well-defined risk management procedures in place, PTC can promptly respond to potential hazards and limit their impact. The management's primary objective is to provide stakeholders with the assurance that the company comprehensively understands and effectively manages its risks. As part of this process, PTC has identified the following major risks that need careful attention and proactive management.

Strategic risks

PTC Industries faces a range of strategic risks that require careful consideration and proactive measures. Market risks, including uncertainties in the global economy and fluctuations in demand within domestic industries like infrastructure and power, pose significant challenges. Projects may be delayed or abandoned during prolonged periods of poor market conditions. To address these risks, PTC has strategically diversified its portfolio, allowing the company to focus on different markets, clients, and industries. This diversification has proven crucial in sustaining performance, as the company's varied geographic footprint and product portfolio mitigate the impact of falling market categories. By aligning its operations with multiple sectors, PTC can better withstand market fluctuations and capitalize on emerging opportunities across diverse industries. The company's strategic risk management framework enables it to navigate uncertainties, capitalize on its diversified strengths, and remain resilient in the face of ever-changing market dynamics.

Operational risks

PTC Industries encounters various operational risks that can impact its day-to-day activities and overall business performance. These risks include supply chain disruptions, production challenges, quality control issues, and workforce-related concerns. To address these risks effectively, PTC adopts a comprehensive approach encompassing several key measures:

- **Supply Chain Resilience:** PTC acknowledges the importance of a robust and resilient supply chain. The company works closely with suppliers to establish long-term partnerships and diversify sourcing options. By maintaining multiple sources for critical materials and components, PTC mitigates the impact of disruptions in the supply chain, ensuring uninterrupted production.

- **Advanced Manufacturing Technologies:** PTC continuously invests in cutting-edge manufacturing technologies and processes. This focus on innovation enables the company to enhance production efficiency, reduce operational risks, and deliver high-quality products to customers. By staying at the forefront of technological advancements, PTC adapts to changing market demands and improve overall operational performance.

- **Quality Control and Compliance:** Ensuring product quality and compliance with industry standards is a top priority for PTC. The company has stringent quality control procedures in place, conducting rigorous testing and inspections at every stage of the manufacturing process. Compliance with regulatory requirements and adherence to international standards further demonstrate PTC's commitment to delivering reliable and safe products.

- **Workforce Development and Training:** PTC recognizes the importance of a skilled and motivated workforce. The company invests in employee training and development programs to equip its staff with the necessary skills and knowledge. By nurturing a culture of continuous learning, PTC ensures its workforce remains adaptable and capable of meeting evolving operational challenges.

- **Contingency Planning:** PTC actively engages in contingency planning to address potential operational disruptions. By identifying potential risks and developing contingency plans, the company responds promptly to unforeseen events and minimize their impact on business operations.

- **Operational Efficiency:** PTC places a strong emphasis on operational efficiency and process optimization. Through continuous improvement initiatives, the company identifies areas for enhancement and streamlines its operations to achieve greater productivity and cost-effectiveness.

- **Health and Safety Measures:** PTC prioritizes the health and safety of its employees and stakeholders. Stringent health and safety protocols are implemented across its facilities to create a safe working environment, reducing the likelihood of accidents and operational disruptions.

Financial risks

PTC Industries encounters various financial risks that can impact its financial stability, liquidity, and profitability. These risks include currency fluctuations, credit risk, interest rate risk, and cash flow uncertainties. To address these risks effectively, PTC implements a comprehensive financial risk management approach, encompassing several key measures:

- **Currency Hedging:** PTC follows a prudent and non-speculative approach in formulating its foreign currency management and hedging strategies to mitigate the impact of foreign exchange rate fluctuations. By carefully hedging against currency risks, the company ensure that its cash flows are stable and protects its financial performance when dealing with international transactions.

- **Credit Risk Assessment:** PTC conducts thorough credit risk assessments for its customers and suppliers. By evaluating creditworthiness and working with large OEMs and reputed customers and suppliers, the company keeps the risk of non-payment and potential losses from bad debts to a minimum.

- **Debt Management:** PTC maintains a prudent approach to debt management, ensuring a manageable level of debt and efficient use of capital. The company considers the cost of debt and its impact on financial flexibility while making financial decisions. The Company has also significantly reduced its debt through equity infusion during the year which will support the company's expansion and capital expenditure plans.

- **Cash Flow Forecasting:** PTC emphasizes accurate and regular cash flow forecasting. By anticipating future cash inflows and outflows, the company identifies potential cash flow gaps and proactively takes measures to ensure sufficient liquidity.

- **Financial Contingency Planning:** PTC engages in financial contingency planning to prepare for unexpected financial challenges. By identifying potential risks and developing contingency plans, the company ensure that it can respond promptly to adverse events and safeguard its financial position.

- **Transparency and Reporting:** PTC maintains a high level of transparency in its financial reporting and adheres to international accounting standards. Transparent financial reporting builds trust with stakeholders and facilitates better risk assessment and management.

Compliance risks

PTC Industries encounters various compliance risks, given the stringent regulatory environment governing the sectors and geographies that it operates in. These risks encompass the complexities of adhering to international standards, export controls, data protection, responsible reporting, adequate governance, transparency, and ethical business practices. To address these compliance risks effectively, PTC adopts a comprehensive approach to ensure full compliance with applicable laws and regulations.

Firstly, PTC implements a robust compliance framework, with clear policies and procedures that outline the company's commitment to ethical conduct and regulatory adherence. These policies are communicated to employees at all levels, fostering a culture of compliance and ethical behaviour throughout the organization.

Secondly, the company invests in training and development programs to educate its employees about the specific compliance requirements relevant to their roles. By promoting awareness and understanding of compliance obligations, PTC ensures that employees are equipped to make informed decisions while conducting business operations.

Thirdly, PTC maintains a dedicated compliance team responsible for monitoring and evaluating the company's adherence to relevant regulations. This team conducts regular risk assessments, audits, and compliance reviews to identify potential gaps and areas for improvement.

Furthermore, PTC engages in periodic third-party compliance audits to ensure independent validation of its compliance efforts. These audits help identify any potential non-compliance issues and provide recommendations for enhancing compliance measures.

The company also collaborates with legal advisors and industry experts to stay updated on evolving compliance regulations and best practices. By actively engaging with external experts, PTC proactively addresses emerging compliance challenges and ensures alignment with the latest standards. The risk mitigation plans are reviewed regularly by the Audit Committee of the Company. The Company's contingent liabilities are disclosed in Note 41(ii) Contingent Liabilities of Notes to Accounts.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

PTC Industries places a strong emphasis on maintaining robust internal control systems to safeguard its operations, assets, and stakeholders' interests. The company's internal control framework is designed to ensure adherence to policies, compliance with regulations, and the achievement of operational efficiency. PTC's internal control systems cover various aspects of the organization's operations and are continuously reviewed and updated to address emerging risks and challenges.

The adequacy of PTC's internal control systems is evidenced by several key factors.

- The company has established clear and well-documented policies and procedures that govern its business processes. These policies outline the roles and responsibilities of employees, ensuring accountability and transparency at all levels of the organization.

- PTC maintains a dedicated internal audit function that conducts regular assessments of the effectiveness of the internal control systems. These internal audits help identify any weaknesses or gaps in controls, allowing prompt corrective action to be taken.

- The company's management actively monitors the implementation of internal controls and engages in regular risk assessments. By identifying and addressing potential risks proactively, PTC demonstrates its commitment to maintaining a strong control environment.

The company's commitment to internal controls is further reinforced by its adherence to international accounting standards and best practices. PTC continuously seeks to align its internal control systems with global benchmarks, ensuring its operations meet the highest standards of corporate governance. Effectiveness and efficiency are prioritized through streamlined processes, automation, and continuous improvement initiatives. PTC regularly assesses the efficiency of its operations, identifying opportunities for optimization and cost-effectiveness. By fostering a culture of continuous improvement, the company strives to enhance its operational efficiency and deliver value to its customers.

Safeguarding of assets is a critical component of PTC's internal control framework. The company implements robust asset management policies, including physical security measures and inventory controls, to protect its assets from theft, damage, or misuse. Regular audits and assessments ensure that asset safeguards are adequate and effective.

To ensure compliance with applicable laws and regulations, PTC has a dedicated compliance team that monitors and evaluates the company's adherence to relevant requirements. Compliance reviews, audits, and risk assessments are conducted regularly to identify areas for improvement and promptly address any compliance issues.

PTC takes proactive steps to review and improve its internal controls regularly. The company conducts periodic internal audits and engages external auditors to provide independent assessments of its internal control systems. The findings and recommendations from these audits are carefully reviewed by management, and corrective actions are implemented as needed.

The Audit Committee of the Board oversees the adequacy of internal control through regular reviews of the audit findings and monitoring the implementation of internal audit recommendations. PTC's internal control systems undergo continuous monitoring and evaluation to adapt to changing business environments and emerging risks. Management engages in risk assessments to identify potential threats, and risk mitigation strategies are devised and implemented accordingly.

The Company's internal financial controls were also tested and reviewed by the Management and the statutory auditors during the year in accordance with the Companies Act, 2013. They were found effective and adequate for the size and operations of the Company.

FINANCIAL PERFORMANCE

Total Income

₹ in Crore

Particulars	FY 23	FY 22	% Change
Revenue from sale of products	215.02	176.35	21.93
Other Operating Income	4.24	2.60	63.04
	219.26	**178.95**	**84.96**
Other Income	7.47	6.28	18.99
Total Income	**226.73**	**185.23**	**22.40**

Employee benefits expense

₹ in Crore

Particulars	FY 23	FY 22	% Change
Payments to and provisions for employees	25.87	20.85	24.08

Payments and provisions for employees saw an increase of 24%.

Other expenses

₹ in Crore

Particulars	FY 23	FY 22	% Change
Manufacturing expenses	60.45	58.81	2.8
Administrative and selling expenses	19.57	12.30	59.2
Total	**80.02**	**71.11**	**12.5**

Manufacturing expenses increased by 2.8% while Administrative and Selling expenses increased by 59.20%

Finance costs

₹ in Crore

Particulars	FY 23	FY 22	% Change
Finance costs	15.78	15.17	4.0

Finance costs rose by 4% during the previous year.

Fixed assets

₹ in Crore

Particulars	FY 23	FY 22	% Change
Tangible and intangible assets	228.24	236.95	-3.68
Capital work in progress	66.64	22.55	195.50
Total	**294.88**	**259.50**	**13.63**

Fixed assets increased by 13.63%.

Inventories

₹ in Crore

Particulars	FY 23	FY 22	% Change
Raw material	24.89	15.41	61.45
Work-in-progress	41.09	40.73	0.89
Finished goods	0.45	0.45	0.01
Stores and spares	9.91	6.96	42.28
Loose tools	1.39	1.25	10.92
Total	**77.72**	**64.81**	**19.93**

The overall increase in inventory of 20% is due to the increase in operations and is also partially influenced by rising metal prices.

Sundry debtors

₹ in Crore

Particulars	FY 23	FY 22	% Change
Gross Debtors	65.91	61.72	6.79
Less: provisions	0.23	0.23	0.00
Total	**65.69**	**61.50**	**6.81**

Sundry debtors increased by 6.81%.

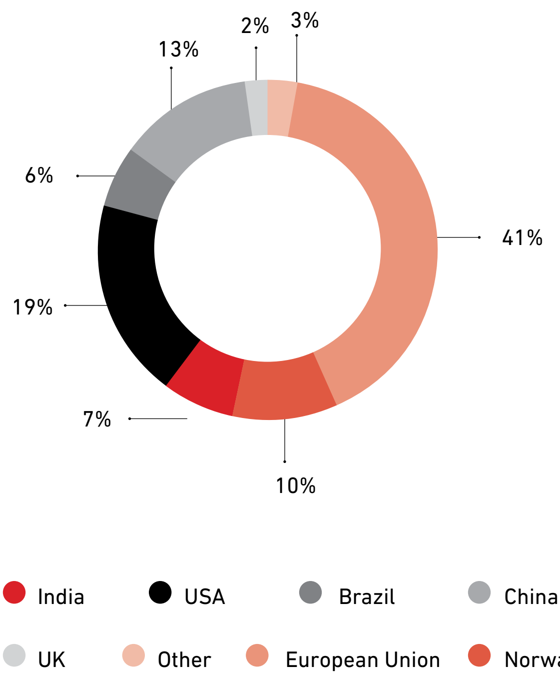
Loans and Advances

Particulars	FY 23	F Y 22	% change
Loans and Advances	0.60	0.69	-12.69

GEOGRAPHICAL SALES

Country Wise	2022-23	2021-22
European Union	871,737,884	609,621,474
Norway	221,488,335	239,642,877.14
India	140,758,853	334,861,697.30
USA	406,352,560	302,996,106.12
U K	41,891,096	29,671,441.63
Brazil	124,722,158	37,000,129.62
China	279,206,252	198,236,686.60
Others	64,019,319	11,483,169.01
Sub Total	**2,150,176,455.74**	**1,763,513,580.92**
Other operating revenues	**42,444,611.11**	**26,034,030.00**
Total	**2,192,621,066.85**	**1,789,547,610.92**

Sales (Geographical Mix)



HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

Human resource development is a cornerstone of PTC Industries' business strategy, recognizing the significance of its skilled and motivated workforce as key drivers of future growth. At the heart of PTC's Human Resource Management (HRM) policy lies the belief that its people are central to the company's success. As such, PTC is committed to providing its employees with ample opportunities for growth, personal development, and a high quality of life, thereby maximizing their potential and productivity. The company fosters a workplace culture that values openness, fairness, and respect, encouraging collaboration and teamwork among employees.

To encourage continuous improvement and increased productivity, PTC adheres to best practices and employs an efficient motivation system, empowering employees to perform at their best. To further strengthen its human resource capabilities, PTC has made significant efforts to amplify its senior and middle management levels, hiring accomplished professionals with substantial expertise in their respective fields. The company places great importance on raising the personal interest of each employee in achieving optimal results and has undertaken a CSR project on Technical Skilling for a wide range of operational and non-operational skills. Under this initiative, PTC is building a repository of skilling courses to develop competent workforce in its community for advanced manufacturing practices, benefiting from industry experts who conduct periodic trainings and enhance the capabilities of a larger population.

PTC believes that the success of its business relies on effectively utilizing the talents of its employees. Efforts to build the capability of employees at all levels is continued with improved organisational capability in technical, functional, and operational areas. The workforce is continuously trained on advanced mechanisation and world-class manufacturing techniques and processes. In its role as a global knowledge-based Company, PTC has always been of the firm belief that its business cannot grow without unlocking the full potential of its employees effectively.

To achieve operational excellence, PTC's HRD plan encompasses various parameters, such as creating a sense of belonging and maximizing each employee's contribution while preparing them to overcome business challenges. The company encourages a culture of continuous learning and improvement, providing employees with the freedom to enhance their proficiency.

During the year, PTC has undertaken an HR Transformation Project in collaboration with PriceWaterhouseCoopers. Through this project, PTC is working to elevate its human resource and its capabilities. The Company is redesigning its organizational structure to align with its strategic goals, automate and map its processes for a large number of operational and non-operational functions, and conduct competency assessments to identify skills gaps and development needs among its employees. The Company's performance monitoring and evaluation framework will also be enhanced to enable data-driven decision-making and align individual performance with overall organizational objectives.

By undertaking this comprehensive **HR transformation project,** PTC Industries envisions a more agile, efficient, and talent-driven HR function, capable of supporting the company's long-term growth and sustainability. The project's emphasis on organization design, process optimization, competency development, and performance evaluation will empower PTC's HR team to drive meaningful change, nurture talent, and position the company as an employer of choice in the industry. This transformational initiative will play a vital role in propelling PTC towards a future marked by excellence, innovation, and success.

PTC Industries holds safety as a paramount priority, with a resolute goal of achieving zero injuries and incidents. The company takes a responsible approach to its operations, placing great importance on the safety and well-being of its people, suppliers, vendors, and the communities where it operates. To ensure a safe working environment, PTC has established a fully equipped and well-qualified Environment, Health, and Safety (EHS) structure. This EHS framework provides the necessary governance, documentation, and assurance to uphold rigorous safety standards across the organization.

Over the course of six decades, PTC has maintained a harmonious relationship with its workforce, exemplifying a strong industrial harmony. This dedication to people practices has cultivated cordial industrial relations throughout the organization. The company's commitment to nurturing a cohesive and supportive work environment is further enhanced by the collaboration and assistance from its well-trained and experienced personnel across all levels of the hierarchy.

PTC attributes its position as a frontrunner to the unwavering commitment, innovation, engagement, and desire for excellence displayed by its people. The workforce's keen sense of belongingness to the organization fosters a culture of dedication and ownership, driving the company's success.

The total strength of employees on the roll in the Company at the end of the year was 519.

STATUTORY COMPLIANCE

The Directors make a declaration regarding the Company's compliance with the provisions of various statutes after obtaining confirmation from all the units of the Company. The Company Secretary ensures compliance with SEBI regulations and the provisions of the Listing Regulations. The Company Secretary is appointed as the Compliance Officer.

CEO & CFO Certification in terms of the SEBI Listing Regulations, 2015

The Managing Director and Chief Financial Officer of the company give annual certification on financial reporting and internal controls to the board in terms of Regulation 17(8) and Schedule II Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Managing Director and Chief Financial Officer also give quarterly certifications on financial results while placing the financial results before the Board in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CEO & CFO Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
PTC Industries Limited

1. We have reviewed financial statements and the cash flow statement of PTC Industries Limited (hereinafter referred to as the 'Company') for the year ended at March 31, 2023 (hereinafter referred to as the 'year') and to the best of our knowledge and belief:

I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

II. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

3. We, along with other certifying officers, accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, that there are no deficiencies in the design or operation of such internal controls of which we are aware.

4. We have indicated to the auditors and the Audit committee:

   I. That there are no significant changes in internal control over financial reporting during the year;

   II. That there no significant changes in accounting policies during the year;

   III. That there are no instances of significant fraud of which we have become aware.

5. We confirm that all Directors and Members of the Senior Management have affirmed compliance with PTC's Code of Business Conduct & Ethics.

Place: Lucknow	**Smita Agarwal**	**Sachin Agarwal**
Date: May 30, 2023	Chief Financial Officer (CFO)	Chairman & Managing Director (CEO)

Report on Corporate Governance

Corporate governance is about enabling organisations to achieve their goals, control risks, and assuring compliance. Good corporate governance incorporates a set of rules that define the relationship between stakeholders, management, and the board of directors of a company and influence how the company is operating. To succeed in the long term, companies need to build the necessary framework for organizations to achieve their objectives, manage risks, and ensure compliance. Thus, good corporate governance entails defining a robust set of rules that support the interactions among stakeholders, management, and the board of directors, shaping the company's operations. Building and sustaining fruitful relationships with various stakeholders is crucial for long-term success, and these relationships thrive when they are built on respect, trust, and mutual benefits. Therefore, a company's culture should prioritize integrity, openness, value diversity, and be receptive to the perspectives of shareholders and broader stakeholders.

PTC's corporate governance practices are deeply rooted in our ideals and the spirit of our company. Alongside external regulations, our policies and guidelines establish a clear framework for how we conduct ourselves in relation to the world around us. Fundamentally, our corporate culture is characterized by simplicity, pragmatism, cost-consciousness, and an entrepreneurial mindset that emphasizes teamwork, belief in people, and continuous improvement. Sustainability is seamlessly integrated into every aspect of our business, becoming an integral part of our employees' daily lives.

The foundation of our Corporate Governance philosophy rests on four pillars: corporate fairness, fiscal accountability, disclosure, and complete transparency.

The board of directors recognizes that good governance cannot be imposed; it must arise organically from the organizational culture, with top management setting the tone. One of the board's foremost priorities is establishing the corporate culture and values that guide the conduct of executives throughout the company. This commitment permeates every relationship the company maintains, whether it's with investors, employees, customers, suppliers, regulators, local communities, or other stakeholders.

To fulfil its responsibilities and discharge its duties, the Board of Directors adheres to the procedures and standards outlined in the Corporate Governance Code. The company continuously reviews its governance practices and benchmarks them against internationally recognized standards employed by well-governed companies.

Board of Directors

Size and composition of the board

PTC has an effective mix of Executive Directors, Non-Executive Directors, and Independent Directors to maintain the Board's independence and separate the functions of governance from the day-to-day management activities. The board of directors of the Company consists of ten (11) directors out of which five (7) are non-Rotational directors (including Independent directors and a Managing Director) and four (4) are Rotational directors. The composition of the board is in compliance with Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The board periodically evaluates the need for change in its composition and size.

The Company has issued formal appointment letters to the Independent Directors as required by Regulation 46 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Composition of the board, and directorships held on March 31, 2023

Name of Director	Age	Other directorships held	Number of Committee Membership in domestic public companies (including this company)	
			As Chairman	As Member
Executive Directors, Non-Independent				
Sachin Agarwal	51	7	3	1
Priya Ranjan Agarwal	64	2	-	1
Alok Agarwal	61	2	-	4
Ashok Kumar Shukla	55	-	-	-
Smita Agarwal	47	6	-	1
Non-Executive Directors, Independent				
Dr. Rakesh Chandra Katiyar	67	4	3	2
Ajay Kashyap	74	3	-	2
Krishna Das Gupta	80	-	4	6
Brij Lal Gupta	71	-	-	4
Vishal Mehrotra	51	-	-	-
Prashuka Jain	35	1	1	2

Note:

1) Directorship of directors in other companies also includes directorship in Private Limited Companies.

2) Non-Executive Directors of the Company do not hold any securities of the Company.

3) Familiarization program imparted to Independent Directors of the Company can be found at www.ptcil.com

4) During the Financial year 2022-23, Prashuka Jain was appointed as an Independent Director of the Company w.e.f. September 05, 2022.

A brief profile of the directors is given below:

Sachin Agarwal

Sachin Agarwal is an accomplished professional with a Master's in Business Administration from the University of Tulsa, Oklahoma, and an M.Sc. in Finance from Boston College, Massachusetts. Alongside being a co-founder of e.Soft Technologies Limited, a software company with offices in Lucknow, Mumbai, and New York, he is a remarkable leader who has propelled PTC Industries to become a globally recognized manufacturer of aerospace materials and components, positioning the company with immense potential and promise.

Sachin's unwavering dedication and hard work have been instrumental in transforming PTC Industries into a world leader in critical and super-critical components for Aerospace, Defence, and Industrial applications. His relentless pursuit of excellence has driven the identification, absorption, development, and commercialization of new technologies and metallurgies for producing crucial metal components that find diverse applications. Sachin's unwavering passion for the business and commitment to the country has created a unique capability within India for manufacturing components that were previously sourced elsewhere or not produced domestically. Under his leadership, PTC has undertaken numerous groundbreaking initiatives, such as acquiring cutting-edge technologies like Replicast®, spearheading the development of path-breaking technologies like forgeCAST™, RapidCast™, and PowderForge, and establishing manufacturing capabilities that rival the best globally.

Recognizing his exceptional contributions, Sachin has been honored with various accolades. His explorations with new technologies have led to PTC receiving the 'National Award for R&D Efforts in Industry' from the Department of Science & Technology, Government of India. He was recognized for his achievements in the publication 'Small Big Bang' by the Indian Institute of Management (IIM) for his significant contribution to the industry and his leadership qualities. He was also featured in Forbes India as leading one of the "16 Hidden Gems" of the country and has received the Special Jury Award at the prestigious 2017 TIME India Awards. Under his leadership, PTC has been bestowed with the Total Cost Leadership Award by Rolls Royce – Marine, one of its most esteemed customers, and recently won the prestigious CII Industrial Innovation Awards 2018 becoming the most innovative manufacturing company in the medium segment in the country. PTC has also been awarded the Raksha Mantri Award for Excellence in 2022.

Beyond his role at PTC, Sachin actively contributes to the industry and society. As Chairman of the Society for Indian Defence Manufacturers in Uttar Pradesh, he leads efforts to align industry and government initiatives, fostering a robust ecosystem for defence manufacturing in the state. He has also played a significant role in shaping industry discourse as the Chairman of the CII Northern Region MSME Committee. Sachin's commitment to the welfare of his employees is demonstrated by establishing various funds aimed at supporting their education and medical needs, ensuring a better quality of life and a safe work environment.

Priya Ranjan Agarwal

Priya Ranjan Agarwal has been an integral part of the company for the past 31 years, dedicating his expertise and working closely under the guidance of our Founder, Sateesh Agarwal. Currently serving as a Whole-time Director on the Board of the Company, Mr. Agarwal holds a Bachelor's degree in Engineering (Mechanical).

Throughout his tenure, Mr. Agarwal has made significant contributions to the growth and success of PTC by actively cultivating a broad base of domestic defence customers. His relentless efforts have focused on developing business opportunities within the key defence, aerospace, and infrastructure projects in the country. In this crucial role, he has tirelessly worked to establish the PTC brand as a well-known and respected entity in India. Through his strategic marketing initiatives and collaborative engagements with government and non-government organizations, Mr. Agarwal has played a vital role in expanding PTC's presence in the defence and aerospace sectors.

One of Mr. Agarwal's primary responsibilities is to spearhead business development efforts, particularly in the defence and aerospace domains, fostering strong relationships with customers and stakeholders. His unwavering commitment and dedication have been instrumental in securing and successfully executing several large-scale projects for domestic customers and the Indian government. Mr. Agarwal's comprehensive understanding of the industry landscape, coupled with his extensive experience, enables him to identify and capitalize on emerging opportunities, thus strengthening PTC's foothold in these sectors.

Alok Agarwal

Alok Agarwal has been an important part of PTC Industries for nearly 29 years, currently serving as a Whole-time Director on the Board of the Company. He holds a Bachelor's degree in Technology from the prestigious Indian Institute of Technology (IIT), Kanpur.

With a wealth of experience and expertise, Alok has held various senior positions within the company, overseeing Production, Quality, Technical, and coordination functions. His strong affinity for analytical work and proficiency in advanced technologies make him an invaluable asset in managing the day-to-day operational aspects of the business. Through his meticulous attention to detail and commitment to excellence, Alok has played a significant role in maintaining sustained and efficient performance across various operational and quality-related functions.

Under his leadership, the company has successfully obtained several ISO and other quality certifications, including critical aerospace approvals for its subsidiary. In addition to his operational responsibilities, Mr. Agarwal also oversees Environment, Health, and Safety compliances within the company. His commitment to maintaining a safe and sustainable work environment further underscores his dedication to upholding industry-leading standards.

With his extensive experience, deep technical knowledge, and unwavering commitment to operational excellence and quality, Alok Agarwal continues to play a pivotal role in driving PTC Industries' day-to-day operations. His leadership and expertise have been instrumental in obtaining essential quality and customer approvals, cementing PTC's reputation as a trusted and reliable partner in these sectors.

Smita Agarwal

Smita Agarwal, Director and Chief Financial Officer of PTC Industries Limited, brings a wealth of expertise and experience to her role. As a qualified Chartered Accountant and with her background at Price Waterhouse Coopers, she possesses a deep understanding of financial management and strategic planning. Additionally, her completion of a Diploma in Information Systems Audit from ICAI further strengthens her capabilities in IT-related domains.

Throughout her tenure at PTC, Smita has been instrumental in driving the accounting and finance functions within the company. She has spearheaded many key initiatives, including the recent listing of PTC on the National Stock Exchange (NSE). Her expertise in financial reporting, cash flow management, and investor relations has been invaluable in successfully navigating the listing process and enhancing the company's visibility and credibility in the market.

Smita has played a pivotal role in driving the implementation of efficient systems and processes in the company. With a strong focus on continuous improvement, Smita ensures that PTC leverages the latest technology and IT infrastructure to optimize productivity and drive innovation. Also leading the HR function in PTC, Smita oversees the development and implementation of comprehensive HR strategies and policies. She recognizes the importance of cultivating a positive and inclusive work culture, which supports employee growth and engagement. Through effective workforce planning and development programs, she fosters a high-performing and motivated workforce, enabling PTC to achieve its strategic objectives.

Smita is a founding member of e.Soft Technologies Limited, a prominent software development and business process consultancy company with offices in New York, Mumbai, and Lucknow. Her remarkable achievements in the corporate realm have been recognized through prestigious awards. In 2017, she was honoured with the Women Achiever Award in the Corporate category by LMA. Additionally, she was acknowledged by NITI Aayog as one of the top 60 women entrepreneurs in the country at the Women Transforming India Awards in 2018.

Smita's association with CII (Confederation of Indian Industry) has been extensive, holding multiple key roles within the organization. She has served as a member of the CII National Council and held the Chairperson position for the Indian Women Network and the CII Women Empowerment Committee for 2022-23. Furthermore, she is a Past National Chairperson of CII Young Indians, a prestigious youth organization with over 5,000 members and a nationwide presence. In this capacity, she played a pivotal role in fostering youth leadership and nation-building initiatives, earning commendation from the Honourable Prime Minister, Shri Narendra Modi, for the significant impact created by CII Young Indians through their programs and community initiatives. Smita is currently the Vice Chairperson for CII Uttar Pradesh taking on a leadership role working with industry and government and contributing to the industrial growth and development of the state.

Ashok Kumar Shukla

Ashok Kumar Shukla has been an invaluable member of the PTC team since 2003, serving in various capacities over the past 19 years. For the past six years, he has held the position of Executive Director at the company. With a Bachelor's degree in Technology (Mechanical), he boasts over 31 years of expertise in the foundry industry, particularly in the realm of investment castings and Replicast® technology. His extensive experience spans multiple renowned engineering and foundry-based businesses, making him a true authority in manufacturing and production management.

At the Mehsana Plant, Mr. Shukla's outstanding leadership has played a critical role in charting growth plans and augmenting production capabilities, asset capacity, and flexibility. Simultaneously, he has demonstrated a keen focus on minimizing costs without compromising on current quality standards. Under his guidance, the Mehsana Plant has consistently delivered high-quality industrial castings, meeting the exacting demands of customers and industry standards.

In summary, Mr. Shukla's extensive experience, exceptional manufacturing and production management skills, and his instrumental role at the Mehsana Plant have been integral to PTC's success. His unwavering dedication to the manufacture of industrial castings, coupled with his expertise in investment castings and Replicast® technology, has positioned the Mehsana Plant as a leading producer in the industry. Mr. Shukla's contributions exemplify his commitment to driving growth, optimizing costs, and upholding the highest standards of quality within the organization.

Ajay Kashyap

Mr. Ajay Kashyap is a distinguished member of PTC's Board of Directors. Serving as an Independent Director since April 2007, Mr. Kashyap brings a wealth of expertise and experience to our company's governance.

With an impressive educational background, holding a Bachelor's in Technology (Chemistry) and a Masters in Science (Chemistry), Mr. Kashyap possesses a strong foundation in relevant fields. His academic achievements reflect his commitment to continuous learning and professional growth. Mr. Kashyap's extensive experience in the engineering industry adds immense value to our organization. As a seasoned professional, he has demonstrated a profound understanding of the sector's intricacies and challenges.

In his capacity as an Independent Director, Mr. Kashyap plays a pivotal role in ensuring transparent and effective corporate governance practices. Beyond his contributions to PTC, he also serves as a director on the Boards of various other companies, further showcasing his wide-ranging expertise.

With a keen interest in advancing the company's success, Mr. Kashyap actively supports innovative ideas and initiatives aimed at enhancing operational and financial processes. His thoughtful insights and analytical acumen have proven to be invaluable assets in driving positive change and sustainable growth within the company.

Rakesh Chandra Katiyar

Dr. Rakesh Chandra Katiyar is an esteemed Independent Director on PTC's Board of Directors since April 2007. Dr. Katiyar's impressive educational background includes M.Com, Ph.D., FICWA, and D.Litt., showcasing his dedication to academic excellence.

In addition to his role as an Independent Director, Dr. Katiyar holds the prestigious position of a professor at the esteemed Chatrapati Sahuji Maharaj University, Kanpur. His association with academia further underlines his commitment to knowledge sharing and nurturing future talent. Dr. Katiyar's exceptional qualifications and experience have earned him a well-deserved reputation as a respected figure in his field. His expertise in relevant disciplines provides invaluable insights to our company's strategic decision-making process.

As an Independent Director, Dr. Katiyar actively contributes to maintaining a robust corporate governance framework. His involvement ensures transparency, accountability, and ethical practices within the organization, aligning with the best interests of all stakeholders.

Krishna Das Gupta

Mr. Krishna Das Gupta, an esteemed Independent Director joined our company's Board in July 2008 and holds impressive educational qualifications including M.Com, LLB, M.Phil, and a Masters in Public Administration, showcasing his diverse academic pursuits.

Prior to his role as an Independent Director, Mr. Gupta served as the esteemed Chief Commissioner of Income-Tax with the Government of India. His illustrious career in the public sector exemplifies his deep understanding of governance, regulatory matters, and fiscal policies. In addition to his contributions to our company, Mr. Gupta holds directorships on the Boards of various other esteemed organizations. His wide-ranging experience and exposure to different industries add a valuable perspective to our decision-making processes.

As an Independent Director, Mr. Krishna Das Gupta plays a vital role in promoting transparency, accountability, and ethical practices within the company. His invaluable insights and governance expertise strengthen our commitment to upholding the highest standards of corporate governance.

Brij Lal Gupta

Mr. Brij Lal Gupta is an esteemed professional with an exceptional background and a wealth of experience in the banking sector. Mr. Gupta's educational qualifications include a Bachelor's in Science from Meerut University, as well as certifications from IRDA and CAIIB, reflecting his commitment to continuous learning and professional growth.

With an illustrious career spanning 42 years in banking, Mr. Gupta retired as General Manager from Punjab National Bank, where he made significant contributions to the organization's success. His extensive experience encompasses various domains, including sales, marketing operations, control, strategic planning, banking operations, and recovery in non-performing assets (NPAs).

Mr. Gupta's expertise and achievements extend beyond his tenure at Punjab National Bank. He currently holds the esteemed position of panel head on the interview board of IBPS (Institute of Banking Personnel Selection), contributing to the selection and development of future banking professionals. Additionally, he serves as a guest faculty in several Bank Training Colleges, sharing his knowledge and expertise to nurture the next generation of banking talent.

Furthermore, Mr. Brij Lal Gupta is actively associated as a Business Associate with BRICK, a reputable Risk Rating company. His involvement in this capacity underscores his continued commitment to the financial industry and his dedication to contributing to its growth and resilience.

Vishal Mehrotra

Mr. Vishal Mehrotra is a seasoned advocate with a commendable 25 years of experience practicing law. His expertise extends across various domains, including representing clients before Registration authorities, Revenue authorities, Commercial Tax authorities, Income Tax authorities, Appellate authorities, and the esteemed Hon'ble High Court.

Based in Lucknow (Uttar Pradesh), Mr. Mehrotra's legal acumen has made him a sought-after professional in the region. He handles legal matters for prominent private companies, non-corporate entities, and renowned individuals, exemplifying his versatility and effectiveness in providing legal counsel and representation.

With an impressive track record and vast experience, Mr. Vishal Mehrotra has earned a reputation for his dedication, commitment, and proficiency in navigating complex legal challenges. His presence in the legal community significantly enhances the services we can provide to our valued clients, ensuring that their legal matters are handled with the utmost expertise and care.

Prashuka Jain

Ms. Prashuka Jain has recently joined the board of PTC Industries as an Independent Woman Director. She is an accomplished and highly skilled Chartered Accountant with an exceptional track record spanning over 14 years, specializing in Accounting, Finance, and Taxation. Her extensive expertise and deep knowledge in the field make her an invaluable asset to any organization.

Having navigated through diverse financial landscapes, Prashuka possesses an acute understanding of complex accounting principles and regulatory requirements. She has a proven ability to streamline accounting processes and implement best practices, resulting in increased efficiency and accuracy.

Her strong interpersonal skills and ability to collaborate seamlessly with cross-functional teams make her an excellent communicator, bridging the gap between financial complexities and operational aspects. She is an Independent Director in one other company.

The following table gives the details of the number of board meetings attended and attendance at the last Annual General Meeting (AGM).

Name of directors	Director Identification Number	Number of Board Meeting during the year		Attendance at Last AGM held on 30th September 2022
		Held	Attended	
Sachin Agarwal	00142885	6	5	Present
Priya Ranjan Agarwal	00129176	6	1	Present
Alok Agarwal	00129260	6	5	Present
Ashok Kumar Shukla	08053171	6	6	Present
Smita Agarwal	00276903	6	6	Present
Rakesh Chandra Katiyar	00556214	6	6	Present
Ajay Kashyap	00661344	6	4	Absent
Krishna Das Gupta	00374379	6	6	Absent
Vishal Mehrotra	08535647	6	6	Present
Brij Lal Gupta	06503805	6	6	Present
Prashuka Jain	06412915	6	3	Present

The board met six times during the financial year that ended 31st March 2023 and the attendance of each director in board meetings is as under:

Name of Directors	Dates of Board Meetings in 2022-23					
	28th May 2022	13th August 2022	05th September 2022	20th October 2022	14th November 2022	11th February 2023
Sachin Agarwal	✓	✓	✓	✓	✓	-
Smita Agarwal	✓	✓	✓	✓	✓	✓
Priya Ranjan Agarwal	-	-	-	✓	-	-
Alok Agarwal	✓	✓	✓	✓	✓	-
Ashok Kumar Shukla	✓	✓	✓	✓	✓	✓
Ajay Kashyap	✓	-	✓	-	✓	✓
Dr. Rakesh Chandra Katiyar	✓	✓	✓	✓	✓	✓
Krishna Das Gupta	✓	✓	✓	✓	✓	✓
Vishal Mehrotra	✓	✓	✓	✓	✓	✓
Brij Lal Gupta	✓	✓	✓	✓	✓	✓
Prashuka Jain	-	-	-	✓	✓	✓

Committees of the Board

There are Seven Committees of the board, viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Project Monitoring and Environment Committee, Banking Committee, Risk Management Committee and Listing Committee. The details as to the composition, terms of reference, number of meetings and related attendance, etc., of these committees are provided hereunder:

AUDIT COMMITTEE

Composition

The Audit Committee comprises five members (3 Independent-Non-Executive and 1 Executive Director). The composition and attendance of the Audit Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2022-23	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	6	6
2.	Brij Lal Gupta	Member, Independent Director	6	6
3.	Krishna Das Gupta	Member, Independent Director	6	6
4.	Smita Agarwal	Member, Director and CFO	6	6
5.	Pragati Gupta, Company Secretary & Compliance Officer	Secretary to the Committee	6	6

The scope, activities, and terms of reference of the Audit Committee is as set out in Regulation 18 read with Part C of the Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Terms of Reference

a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible.

b) To recommend for appointment, remuneration, and terms of appointment of auditors of the Company and approve payment to statutory auditors for any other service rendered by the statutory auditors.

c) To review the annual financial statements and auditor's report thereon before submission to the board for their approval.

d) To review the quarterly, half-yearly financial results of the Company before submission to the board.

e) To review the statement of uses/application of funds raised through an issue (public, rights or preferential) and make appropriate recommendations to the board in this regard.

f) To review and monitor the auditors' independence and performance and effectiveness of the audit process.

g) To approve or to make any subsequent modification of transactions of the Company with related parties.

h) To review the functioning of the whistle-blower mechanism.

i) To evaluate internal financial controls and risk management systems.

j) To monitor the end use of funds raised through public offers, etc, if any.

k) To review the adequacy of the internal audit function with respect to the competence and capability of the internal auditor, reporting structure, and frequency of internal audit.

l) To discuss with the internal auditor his findings relating to various functions of the company and follow up thereon.

m) To hold periodic discussions with the statutory auditors and internal auditors of the Company concerning the accounts of the Company, scope of audit, and observations of auditors, etc.

Nomination and remuneration committee

Composition

The Nomination and Remuneration Committee comprises three directors (all are Independent, Non-Executive directors). The Composition and attendance of the Nomination and Remuneration Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2022-23	
			Held	Attended
1.	Krishna Das Gupta	Chairman, Independent Director	6	6
2.	Brij Lal Gupta	Member, Independent Director	6	6
3.	Dr. Rakesh Chandra Katiyar	Member, Independent Director	6	6
4.	Pragati Gupta Company Secretary & Compliance Officer	Secretary to the Committee	6	6

Note: Performance Evaluation of Independent Directors is carried by standards in relation to the Company and its business. The evaluation criteria are self-adopted by Committee which includes, Quality and knowledge of the Independent Directors, integrity and industry knowledge, understanding the business and attributed risk, process and procedures, involvement in the oversight of the financial reporting process including internal controls and oversight of audit functions, etc.

Terms of Reference

a) To recommend to the board the setup and composition of the board and its committees. This committee will periodically review the composition of the board with the objective of achieving an optimum balance of size, skills, knowledge, independence, and experience.

b) To recommend to the board the appointment or reappointment of directors, key managerial personnel (KMPs), and executives appointed one level below the board.

c) To devise a policy on board diversity.

d) To review the performance of every director after considering the Company's performance, and to assist the board and the independent directors in the evaluation of performance of the board, its committees, and individual directors.

e) To make recommendations to the board about the remuneration policy including salary, perquisites and commission to be paid to the directors, KMPs, and executives one level below the board.

f) To finalize the remuneration, including salary, perquisites, and retirement benefits, of the directors and KMPs and to oversee the remuneration paid to them on an annual basis.

g) To introduce and oversee a familiarization program for the directors.

h) Perform such duties and responsibilities as may be consistent with the charter of the committee.

Remuneration of directors for the Financial Year 2022-23

Name	Salary	Contribution to funds	Sitting fees	Perquisite/ Commission	Total
Sachin Agarwal	73,94,586	5,17,345	-	1,26,49,507	2,05,61,438
Priya Ranjan Agarwal	48,38,351	-	-	3,18,928	51,57,279
Alok Agarwal	33,800,38	-	-	28,800	34,08,838
Ashok Kumar Shukla	48,13,054	3,59,880	-	62,38,665	1,14,11,599
Smita Agarwal	33,75,096	3,42,383	-	28,800	37,46,279
Ajay Kashyap	-	-	28,000	-	28,000
Krishna Das Gupta			84,000		84,000
Rakesh Chandra Katiyar	-	-	78,000	-	78,000
Brij Lal Gupta	-	-	90,000	-	90,000
Vishal Mehrotra	-	-	42,000	-	42,000
Prashuka Jain	-	-	24,000	-	24,000

Non-Executive directors of the Company are only entitled for sitting fees and reimbursement of other ancillary expenditure incurred for attending the meeting of board of directors or committee thereof, in which director is inducted as member.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

The Stakeholder Relationship Committee comprises four directors (3 Independent, Non-Executive and 1 Executive director). Composition and attendance of the Stakeholders Relationship Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2022-23	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	1	1
2.	Sachin Agarwal	Member, Executive Director	1	0
3.	Krishna Das Gupta	Member, Independent Director	1	1
4.	Ajay Kashyap	Member, Independent Director	1	0
5.	Pragati Gupta Agarwal, Company Secretary & Compliance Officer	Secretary to the Committee	1	1

Terms of Reference

The Stakeholder Relationship Committee is constituted to address and oversee various matters concerning the Company's stakeholders. The committee's key responsibilities include:

a) Transfer of Shares: Ensuring a smooth and efficient process for the transfer of shares and reviewing any issues or concerns related to share transfers.

b) Redressal of Investor Grievances: Addressing and resolving grievances raised by investors concerning the transfer or credit of shares, including cases of non-receipt of dividends, notices, or annual reports.

c) Issuance of Duplicate Share Certificates: Reviewing requests for duplicate share certificates and ensuring appropriate measures are taken to address such requests in a timely and secure manner.

d) Dividends: Monitoring the dividend distribution process and ensuring timely disbursal of dividends to eligible shareholders.

e) Non-Receipt of Notices or Annual Reports: Investigating instances of shareholders not receiving important notices or annual reports and taking corrective actions to rectify any lapses.

f) Other Related Matters: Reviewing and addressing any other matters related to stakeholder relationships that may arise from time to time.

The Stakeholder Relationship Committee operates with the utmost diligence and dedication to uphold the interests of the Company's stakeholders. By ensuring effective communication, timely resolutions, and adherence to regulatory guidelines, the committee strives to foster trust and transparency in all stakeholder interactions.

The details pertaining to the number of complaints received and responded and the status thereof during the financial year ended March 31, 2023 are as under:

No. of complaints received from the shareholders	:	7
No. of complaints solved to the satisfaction of the shareholders	:	7
No. of complaints pending	:	0

Physical Share Transfers (from April 1, 2022 to March 31, 2023)

No. of shares transferred / transmitted	:	100/500
No. of shares pending for transfer	:	Nil
Pending due to Exchange of Counter Receipts (CR) to share certificates	:	NA

There are 91880 equity shares against which shareholders have not claimed share certificates in lieu of the Counter Receipts (CR) aggregating to 0.68% of the total paid-up equity share capital of the Company.

Project Monitoring and Environment Committee

Composition

The Project Monitoring and Environment Committee comprises four directors (2 Independent Non-Executive and 2 Executive Directors). Composition and attendance of Project Monitoring and Environment Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2022-23	
			Held	Attended
1.	Sachin Agarwal	Chairman, Executive Director	1	0
2.	Alok Agarwal	Member, Executive Director	1	1
3.	Ajay Kashyap	Member, Independent Director	1	0
4.	Krishna Das Gupta	Member, Independent Director	1	1
5.	Pragati Gupta Agarwal, Company Secretary & Compliance Officer	Secretary to the Committee	1	1

Terms of Reference

The Project Monitoring Committee is established to provide diligent oversight and effective monitoring of significant capital expenditures and projects undertaken by the Company. The committee's key responsibilities include:

a) Progress Monitoring: Regularly overseeing and evaluating the progress of large capital expenditures and projects implemented by the Company. This involves assessing project timelines, milestones, and potential risks to ensure timely and successful completion.

b) Approval of Large Orders: Reviewing and approving the placement of large orders for equipment, plant, and machinery related to the projects. The committee ensures prudent financial decision-making in alignment with project objectives.

c) Execution Monitoring: Actively monitoring the execution of approved projects, tracking performance against project plans, and taking proactive measures to address any challenges or deviations.

d) Environmental Impact Assessment: Assessing the environmental impact of the Company's operations and projects. The committee identifies potential environmental issues and recommends suitable measures for environmental conservation and sustainability.

e) Direction for Improvements: Providing support and guidance to set a direction for improving environmental practices and ensuring the Company's operations adhere to environmental regulations and best practices.

f) New Project Implementation: Considering matters related to the smooth implementation of new projects, including project feasibility, resource allocation, and risk assessment.

BANKING COMMITTEE

Composition

The Banking Committee of the board comprises three directors (1 Independent and 2 Executive directors). The composition and attendance of the Banking Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2022-23	
			Held	Attended
1.	Sachin Agarwal	Chairman, Managing Director	9	9
2.	Alok Agarwal	Member, Executive Director	9	9
3.	Brij Lal Gupta	Member, Independent Director	9	9
4.	Pragati Gupta Agarwal, Company Secretary & Compliance Officer	Secretary to the Committee	9	9

Terms of Reference

The Banking Committee is empowered by the Board, as per the resolution passed during their meeting held on November 7, 2015, to perform the following key functions and responsibilities:

a) **Approval of Borrowings:** The committee has the authority to approve sanction letters and/or borrowings, either at a time or by cumulative sum, as specified by the Board. However, it is essential that the Chairman of the Committee presents such approvals at the subsequent meeting of the Board for confirmation.

b) **Bank Account Operations:** The committee is responsible for passing resolutions pertaining to the opening, closing, and operation of bank accounts with the Company's present bankers, including State Bank of India, Punjab National Bank, HDFC Bank, Yes Bank, or any banks added in the future.

c) **Signatory Authorizations:** The committee is authorized to approve additions or deletions to the signatories for banking transactions, ensuring smooth banking operations.

d) **Surplus Fund Investment:** The committee has the responsibility to approve the investment of surplus funds according to the policy approved by the Board.

e) **Foreign Exchange Transactions:** The committee has the power to approve transactions related to foreign exchange exposure, encompassing forward cover and derivatives products, among others.

f) **Day-to-Day Banking Matters:** The committee is entitled to handle approvals and/or execution of day-to-day banking matters concerning the Company.

g) **Additional Responsibilities:** The committee shall perform any other activities entrusted by the Board, provided they fall within the terms of reference defined herein.

RISK MANAGEMENT COMMITTEE

Composition

The Risk Management Committee comprises three directors (2 Independent and an Executive director). The composition of the Risk Management Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2022-23	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	1	1
2.	Priya Ranjan Agarwal	Member, Executive Director	1	0
3.	Brij Lal Gupta	Member, Independent Director	1	1
4.	Pragati Gupta Agarwal, Company Secretary & Compliance Officer	Secretary to the Committee	1	1

Terms of Reference

The Risk Management Committee is entrusted with the following key responsibilities:

a) **Risk Management Policy:** The committee is responsible for recommending a comprehensive risk management policy to the Board. This policy shall primarily focus on mitigating unsystematic risks that may impact the Company's operations adversely.

b) **Risk Management Implementation:** The committee oversees the effective implementation of the approved risk management policy throughout the organization. It ensures that appropriate risk mitigation strategies are in place to safeguard the Company's interests.

c) **Risk Assessment and Reporting:** The committee diligently assesses and apprises the Board of any significant and relevant risks that have the potential to adversely affect the Company's affairs. It provides timely and accurate risk reports to facilitate informed decision-making.

d) **Risk Mitigation Measures:** The committee collaborates with relevant stakeholders to identify and recommend appropriate risk mitigation measures. It ensures that risk management processes are aligned with the Company's strategic objectives.

e) **Monitoring and Review:** The committee monitors the ongoing effectiveness of risk management initiatives, regularly reviewing risk exposures and mitigation efforts. It provides periodic updates to the Board on risk management activities.

f) **Compliance and Best Practices:** The committee ensures that the risk management policy and processes comply with applicable regulations and industry best practices. It strives to foster a culture of risk awareness and responsibility within the organization.

g) **Crisis Management:** The committee plays a pivotal role in crisis management, devising contingency plans to address unforeseen risks and events effectively.

h) **Reporting and Communication:** The committee maintains open channels of communication with stakeholders, promoting transparency in risk reporting and disclosure.

LISTING COMMITTEE

Composition

The Listing Committee of the board was formed by the resolution passed in the meeting of the board of directors held on April 23, 2014. It comprises three directors. The composition of the Listing Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2022-23	
			Held	Attended
1.	Sachin Agarwal	Chairman, Executive Director	3	3
2.	Alok Agarwal	Member, Executive Director	3	3
3.	Smita Agarwal	Member, Director and CFO	3	3
4.	Pragati Gupta Agarwal, Company Secretary & Compliance Officer	Secretary to the Committee	3	3

Terms of Reference

The Listing Committee is responsible for diligently overseeing and monitoring all tasks related to the listing of equity shares of the Company at stock exchanges. The committee's primary responsibilities include:

a) **Listing Compliance:** Ensuring strict compliance with all provisions of the Listing Agreement with the stock exchanges where the Company's equity shares are listed.

b) **Listing Process Oversight:** Overseeing and managing all aspects of the listing process, including submission of necessary documents and approvals required for the listing of equity shares.

c) **Timely Disclosures:** Ensuring timely and accurate disclosures to the stock exchanges as mandated by the Listing Agreement and regulatory authorities.

d) **Corporate Governance:** Upholding high standards of corporate governance in the context of the listing requirements, ensuring transparency and fair practices.

e) **Communication with Stock Exchanges:** Maintaining effective communication and coordination with the respective stock exchanges regarding listing-related matters.

f) **Listing Rule Updates:** Staying abreast of changes in listing rules and regulations and recommending necessary actions to the Board for compliance.

g) **Reporting and Documentation:** Providing regular reports and updates to the Board on the progress of listing-related tasks and maintaining appropriate documentation.

h) **Regulatory Compliance:** Ensuring compliance with all relevant laws, regulations, and guidelines related to equity share listing.

i) **Investor Relations:** Addressing inquiries or concerns raised by investors and stakeholders regarding the listing status and associated matters.

j) **Review and Recommendations:** Conducting periodic reviews of the listing process and recommending improvements or corrective actions, if required.

k) **Record Maintenance:** Ensuring proper record-keeping of all listing-related documents, agreements, and correspondence.

INDEPENDENT DIRECTORS COMMITTEE

The statutory role of the Independent Directors Committee of the Board is to review the performance of the non-Independent Directors, including the Chairman of the Company, and the Board, and also to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

Composition

The Independent Directors Committee comprises all the Independent Directors of the Company, whose names are provided under the section 'Board of Directors and Committees' in the Report and Accounts.

Meetings and Attendance

Details of Independent Directors Committee Meeting during the financial year

During the financial year ended 31st March, 2023, one meeting of the Independent Directors Committee was held.

BOARD EVALUATION AND TRAINING

Familiarisation and training of board members

PTC recognizes the vital role of an informed and engaged Board in fulfilling its duties as trustees and meeting the expectations of stakeholders and society. To achieve this, the Company ensures that its Directors are kept well-informed about changes and developments in both domestic and global corporate and industry landscapes, including statutory and legislative updates, and the economic environment. This approach enables Directors to make well-informed and timely decisions.

Regular visits to Company facilities and plants are organized for Directors, providing them with firsthand insights into the Company's operations and new ventures. These visits help keep the Directors abreast of the Company's activities and developments.

PTC emphasizes the importance of keeping Directors updated with developments in the industrial sector. For this purpose, skill development programs are arranged periodically to enhance their understanding and knowledge.

Moreover, PTC conducts training sessions during board meetings to educate Directors about the Company's business and risk parameters. Presentations are made to familiarize Directors with their duties, responsibilities, powers, and roles under various statutes.

By providing continuous training, informative sessions, and valuable exposure, PTC ensures that its Board of Directors remains well-equipped to make sound decisions, govern effectively, and contribute to the Company's long-term success and sustainability.

Evaluating the performance of non-executive directors

The board evaluates the performance of non-executive directors and other directors of the Company. Further, the independent directors also evaluate the performance of non-independent directors in a separate meeting where Non-Independent directors remain absent and the Nomination and Remuneration Committee also evaluates the performance of the Board as a whole, including the Executive Chairman of the Company in their meeting.

Whistle-blower policy

The company has established a vigil mechanism pursuant to the requirement under regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations {SEBI (LODR) Regulations} & section 177 of the Companies Act, 2013 and adopted a 'Whistle Blower Policy' for employees and directors to report instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The purpose of this policy is to provide a framework to promote responsible and secure whistle-blowing. It protects employees wishing to raise concerns about serious irregularities within the Company. In line with this policy, no person is denied access to the chairman of the audit committee.

General Body Meetings

The date, time and venue of the last three Annual General Meetings of the Company are as follows:

AGM No.	Date	Time	Location	Special Resolution Passed
59th	September 30,2022	03:00 P.M.	Via Audio/Video Conferencing facility	Yes
58th	November 22, 2021	03:00 P.M.	Via Audio/Video Conferencing facility	Yes
57th	September 30, 2020	03:00 P.M.	Via Audio/Video Conferencing facility	Yes

Postal Ballot- During the year under report no resolutions were passed by shareholders through Postal Ballot. Resolutions passed through Postal Ballot, if any, will be taken up as and when necessary.

During the year one Extraordinary General Meeting was held on Saturday, November 19, 2022 for the approval of below itmes.

1. Issuance of 6,30,170 fully convertible warrants on preferential basis to persons belonging to 'non-promoter'category.
2. Issuance of 2,89,600 equity shares on preferential basis to persons belonging to 'non-promoter' category.

PTC CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING – 2019

The PTC Code of Conduct for Prevention of Insider Trading, approved by the Board of Directors, inter alia, prohibits trading in securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

PTC CODE OF CONDUCT

The PTC Code of Conduct, endorsed by the Board of Directors, applies to all Directors, senior management, and employees of the Company. Rooted in core principles of good corporate governance, responsible corporate citizenship, and ethical personal conduct, the Code upholds the Company's business integrity and reputation.

Encompassing various aspects, the Code emphasizes PTC's commitment to Corporate Social Responsibility (CSR) and sustainable development. It underscores the significance of occupational health, safety, and environmental concerns, promoting a workplace that fosters gender inclusivity.

Transparency, accountability, and adherence to auditability standards are key values highlighted in the Code. Legal compliance is a paramount aspect, ensuring that all actions and decisions align with relevant laws and regulations. Furthermore, the Code embraces the philosophy of leading by personal example, encouraging all individuals associated with PTC to demonstrate exemplary conduct in their professional and personal lives.

The complete PTC Code of Conduct is accessible on the Company's corporate website, affirming its commitment to openness and making ethical practices accessible to all stakeholders. By adhering to this Code, PTC aspires to uphold its values, nurture a positive work environment, and contribute to the overall well-being of society.

Disclosures

1. Details of non-compliances, penalties, and strictures by Stock Exchanges / SEBI / Statutory Authorities on any matter related to capital markets during the last three years:

   There has been no instance of any non-compliance except as mentioned in Annual Secretarial Compliance Report on page no 75 during the last three years by the Company on any matter under the Securities and Exchange Board of India, any stock exchange or any other statutory authority related to the capital market.

2. Inter-se relationships between Directors and Key Managerial Personnel of the Company:

   Sachin Agarwal, Chairman & Managing Director & Smita Agarwal, Whole Time Director & CFO are related as spouses.

3. Materially significant related party transactions which may have potential conflict with the interests of the Company at large: **None**

4. Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large:

   Your Company has not entered any transaction of a material nature except transactions with related parties which have been given under notes to the financial statements as stipulated under Indian Accounting Standard (Ind AS) 24 and Annexure to the Director's report in Annexure III, with the promoters, directors, management, their subsidiaries or relatives, etc. All transactions were carried out on an arms-length basis and were not prejudicial to the interest of the Company.

5. As per the meeting of the Board of Directors held on Friday, August 13, 2021 approving the issue of equity shares of the face value of ₹ 10 each ("Equity Shares") of the Company on a rights basis to the eligible shareholders of the Company and the meeting of the Listing Committee of the Board of Directors held on Wednesday, March 30, 2022 approving the issue size of up to Rs. 7.85 Crores.

   The Company allotted 78,58,594 fully paid-up equity shares on August 23, 2022 of the face value of ₹ 10 each ("rights equity shares") of the Company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 lakhs on a rights basis to the eligible equity shareholders of our company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of our company on the record date July 22, 2022.

   Further, the whole amount was utilised as on September 30, 2022 as per the purpose mentioned in the offer letter.

6. Details of utilisation of funds raised through preferential allotment or qualified institutions placement:

   As per approval of the Board of Directors on October 20, 2022 and Shareholders' approval on November 19, 2022 for the issue and allotment of up to 2,89,600 Equity Shares of face value of Rs. 10/- each and up to 6,30,170 Fully Convertible Warrants ('Warrants') of face value of Rs. 10/- each of the Company to persons belonging to Non-Promoter Category on a preferential basis. As on December 07, 2022 Company issued and allotted 2,84,600 Equity Shares of face value of Rs. 10/- per Equity Share at an issue price of Rs. 2,349/- per Equity Share aggregating to Rs. 66,85,25,400 /- (Rupees Sixty-Six Crore Eighty-Five Lakh Twenty-Five Thousand Four Hundred Only), and 6,30,170 Fully Convertible Warrants ('Warrants') at an issue price of Rs. 2,349/- per Warrant aggregating to Rs. 1,48,02,69,330 /- (Rupees One Hundred Forty-Eight Crore Two Lakh Sixty-Nine Thousand Three Hundred Thirty Only), convertible into an equivalent number of Equity Shares of face value Rs. 10/- each within a period of 13 months from the date of allotment, on a preferential basis ('Preferential Allotment') to the persons belonging to the 'Non-Promoter' category on a preferential basis ('Preferential Allotment').

7. None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities, which has also been confirmed by Messrs. Amit Gupta & Associates, Practising Company Secretaries.

8. Confirmation by the Board with respect to the Independent Directors is provided in the Report of the Board of Directors

& Management Discussion and Analysis, forming part of the Report and Accounts.

9. A certificate, by a practicing Company Secretary to the effect that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies, is annexed to this report.

10. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the Board Report.

11. Information with respect to Commodity Price Risk or Foreign Exchange Risk and Hedging Activities is provided in the Report of the Board of Directors & Management Discussion and Analysis and in the Notes to the Financial Statements, forming part of the Report and Accounts.

12. In view of the diversified business portfolio of the Company, its exposure in none of the individual commodities which are sourced either for use as inputs in its businesses or for Agri-commodity trading, is material in the context of its overall operations, and also in terms of the Policy for determination of materiality of events and information for disclosure to the Stock Exchanges, as approved by the Board. Accordingly, the disclosure requirements prescribed under the SEBI Circular dated 15th November, 2018 are not applicable for the Company.

13. The total fees paid by the Company to Messrs. Walker Chandiok & Co. LLP, Statutory Auditors of the Company, aggregate Rs. 31.32 Lakhs for the period under report.

14. Aerolloy Technologies Limited is a material subsidiary of the company incorporated on February 17, 2020, having a registered office at NH-25A, Sarai Sahjadi Lucknow, Uttar Pradesh. M/s. Agarwal & Saxena, Chartered Accountants (FRN- 002405C), is the Statutory Auditors of the Company, appointed in the Annual General Meeting held on November 11, 2021. The total fees paid by the Company to the M/s. Agarwal & Saxena aggregate Rs. 1.5 Lakhs for the period under report

15. Compliance Officer under the Listing Regulations 2015: Ms. Pragati Gupta, Company Secretary & Compliance Officer

16. The Company has adopted a 'Whistle Blower Policy' and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. It is affirmed that no person was denied access to the chairman of the audit committee. The Whistle Blower Policy can be accessed at www.ptcil.com.

17. Your company has made compliances with mandatory requirements under SEBI (Listing Obligation and Disclosure Requirements)

18. Policy on Materiality and Policy on Related party Transactions can be accessed at https://www.ptcil.com/corporate/Policies

19. The Company has a risk management policy for risk identification, assessment and control to effectively manage risk associated with business of the Company.

Means of Communication

1. The quarterly results are placed on the Company's website whilst submitting to the Stock Exchange.

2. Financial results are published in English and Hindi newspapers (generally in Financial Express and Jansatta). Notices of board meetings to approve the financial results are also published in these newspapers.

3. Financial results along with notice of the board meetings can be accessed at Company's website www.ptcil.com under the head 'Financials'.

4. The Company's website www.ptcil.com not only gives a description of its products and activities, but also highlights the achievements of the Company and official news releases. There are no Institutional Investors nor are any presentations made to analysts.

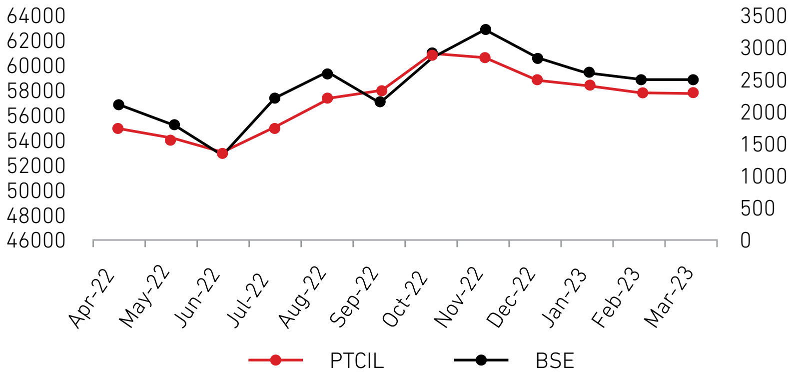
General Shareholders' Information

Annual General Meeting	Date: September 30, 2022 Time: 03:00 P.M. Through Video Conferencing
Book Closure Date	-
Financial calendar (Tentative)	1st April 2022 to 31st March 2023
Dividend Payment date	The Company is making a substantial investment in a new subsidiary Aerolloy Technologies Limited for entering into manufacture of aerospace related products which shall significantly diversify and grow the Company's portfolio. This is expected to yield positive financial growth also for the Company in the coming years. Hence, the directors do not consider it prudent to recommend any dividend for the year ended on March 31, 2023.
Listing on Stock Exchange	BSE Limited The Company has paid Annual Listing Fees to BSE Limited for the current year.
Stock Exchange Code	539006
Market Price Data	Stock market price data for the financial year 2022-23. High/Low of daily closing market price of the Company's shares traded at BSE during each month in the Financial Year ended on March 31, 2022 are as under:

Month	High Price	Low Price	Close Price	No. of Shares
Apr-22	1783.95	1450.00	1590.80	53358
May-22	2114.50	1475.00	2030.40	31534
Jun-22	2180.00	1871.10	2120.95	45156
Jul-22	2612.30	2014.00	2612.30	30699
Aug-22	2850.00	2240.15	2783.25	22289
Sep-22	3132.40	2431.00	3132.40	24399
Oct-22	3229.00	2550.05	2600.00	31252
Nov-22	3169.00	2558.05	3014.20	30247
Dec-22	5469.00	3002.00	4971.85	62845
Jan-23	5387.00	4187.00	4453.00	24191
Feb-23	4968.30	3410.00	3940.45	18800
Mar-23	5012.90	3352.60	5012.90	33712

Performance of the share price of the Company in comparison to the BSE Sensex: (During 2022-23)	% change in Company Share price	% change in SENSEX
	30.56%	03.38%

Performance of Share Price



Registrar and Transfer Agent	**M/s Link Intime India Private Limited** C-101, 247 Park, LBS Marg Vikhroli West Mumbai 400 083	
	Phone	022 – 49186000
	Fax	022 – 49186060
	Email	rnt.helpdesk@linkintime.co.in
Share Transfer System	Share transfer work of the physical segment is attended to by the Company's Registrar and Share Transfer Agent within the period prescribed under the law and the listing agreement. Share transfers are approved by a committee of directors which meets periodically.	
Plant Locations	**AMTC Plant** NH 25A, Sarai Shahjadi, Lucknow 227101, Uttar Pradesh, India. **Mehsana Plant** Rajpur, Taluka Kadi, District Mehsana 382 740, Gujarat, India. **Windmill Power Division** Surajbari Region, Shikarpur Village, Kutch District, Gujarat, India.	
Address for correspondence	The Company Secretary PTC Industries Limited Advanced Manufacturing and Technology Centre NH-25A Sarai Shahjadi, Lucknow-227101, Uttar Pradesh, India.	

Dematerialization of Shares

The Company has signed a tri-partite agreement with both depositories National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and Company's Registrar and Share Transfer Agent M/s Link Intime India Private Limited to facilitate dematerialization of Shares. The Company's equity shares have been admitted to dematerialisation w.e.f. July 20, 2002 and the ISIN is INE596F01018. The details of shares in physical and Demat form as on March 31, 2023 is as under:

Description of Shares	Number of Shares	Percentage
No. of shares in physical mode	1,63,010	1.22
No. of shares in electronic mode	1,32,19,247	98.78
Total	**1,33,82,257**	**100.00**

Distribution of shareholding (As on March 31, 2023)

Sr. No.	Share Range	Number of shareholders	Number of shares	% to total number of shares
1	1 to 500	5001	3,22,396	2.41
2	501 to 1000	222	1,57,430	1.18
3	1001 to 2000	123	1,71,980	1.29
4	2001 to 3000	41	1,00,958	0.75
5	3001 to 4000	15	54,001	0.40
6	4001 to 5000	26	1,14,091	0.85
7	5001 to 10000	40	2,84,800	2.13
8	10001 and above	76	1,21,76,601	90.99
Total		**5544**	**1,33,82,257**	**100.0**

Shareholding Pattern (As on March 31, 2023)

Shareholding Pattern	No. of Shares	% of Capital
Promoter and Directors (including relatives)	92,95,818	69.46
Clearing Members	426	0.00
Other Bodies Corporate	2,80,942	2.10
Hindu Undivided Family	2,58,150	1.93
Market Maker	6,500	0.05
Non-Resident Indians	35,211	0.26
LLP	70,262	0.53
Trusts	30,000	0.22
Firm	3,000	0.02
Public	34,01,948	25.43
TOTAL:	**1,33,82,257**	**100.00**

Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations. 2015

Name	Mr. Smita Agarwal
Date of Birth	April 15, 1976
Date of Joining	June 01, 2019
No. of shares held	3,35,276
Qualification	Chartered Accountant
Experience	26 years
Expertise	HR, Account, Finance, and Taxation
Other Listed Company Directorship	-
Chairman/ membership in other listed company committees	-

GREEN INITIATIVE

As a responsible corporate citizen, the Company wholeheartedly embraces and supports the 'Green Initiative' initiated by the Ministry of Corporate Affairs, Government of India. This initiative facilitates the electronic delivery of documents, including the Annual Report, to shareholders at their registered e-mail addresses.

We kindly request shareholders who have not yet registered their e-mail addresses to do so promptly. Shareholders holding shares in Demat form can register their e-mail addresses with their respective Depository Participants (DPs). For shareholders holding shares in physical form, we request you to register your e-mail addresses with the Registrar and Transfer Agent (RTA) by sending a duly signed letter. The letter should include details of your Folio Number.

By participating in this 'Green Initiative,' we collectively contribute to reducing paper usage, conserving resources, and promoting sustainable practices. The Company is committed to providing shareholders with easy and eco-friendly access to important documents while aligning with our commitment to environmental responsibility.

Certificate on Corporate Governance

UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS

To
The Members of
PTC Industries Limited
AMTC, NH-25A, Sarai Shahjadi
Lucknow

We have examined the compliance of conditions of Corporate Governance by PTC Industries Limited ("the Company"), for the year ended on March 31, 2023, as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period April 01, 2022 to March 31, 2023.

1) The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

2) In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and Clause (b) to (i) of Regulation 46 (2) of the Listing Agreements and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2023.

3) We state that such compliance 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.

For **C. P. Shukla**
Company Secretaries

(C. P. Shukla)
Membership No. : F3819
UDIN- F003819E000395243

Date: May 27, 2023
Place: Lucknow

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2019

To
The Members,
PTC Industries Limited
AMTC, NH-25A, Sarai Shahjadi
Lucknow

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to PTC Industries Limited having CIN L271090P1963PLC002931 and having registered office at Advance Manufacturing and Technology Centre, NH-25 A, Sarai Shahjadi, Lucknow-227101, Uttar Pradesh, India (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA) (ii) Verification of Directors Identification Number (DIN) status on the website of the MCA, and (iii) disclosures provided by the Directors (as enlisted in Table A) to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, under Section 164 of Companies Act, 2013 for MCA or such other statutory authority as on March 31, 2022.

Sr. No.	Name of Directors	Director Identification Number	Director Identification Number
1.	Mr. Sachin Agarwal	00142885	18/06/1998
2.	Mr. Alok Agarwal	00129260	27/07/1994
3.	Mr. Priya Ranjan Agarwal	00129176	28/12/1992
4.	Ms. Smita Agarwal	00276903	01/06/2019
5.	Mr. Ashok Kumra Shukla	08053171	01/10/2017
6.	Mr. Krishna Das Gupta	00374379	31/07/2008
7.	Mr. Rakesh Chandra Katiyar	00556214	19/04/2007
8.	Mr. Ajay Kashyap	00661344	19/04/2007
9.	Mr. Brij Lal Gupta	06503805	06/12/2014
10.	Mr. Vishal Mehrotra	08535647	10/08/2019
11.	Mrs. Prashuka Jain	06412915	05/09/2022

For **Amit Gupta & Associates**
Company Secretaries

Amit Gupta
Proprietor
Membership No.: F5478
C.P. No. 4682
UDIN - F005478E000432916

Date: May 30, 2023
Place: Lucknow

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

PRINCIPLE OVER VIEW

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

Principle:1

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

Principle: 2

Business should respect and promote the wellbeing of all employees, including those in their value chains

Principle: 3

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

Principle: 4

Business should respect and promote human rights

Principle: 5

Business should respect and make efforts to protect and restore the environment

Principle: 6

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

Principle: 7

Businesses should promote inclusive growth and equitable development

Principle: 8

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

Principle: 9

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L271090P1963PLC002931
2.	Name of the Company	PTC Industries Limited
3.	Year of incorporation	1963
4.	Registered office address	NH 25A, Sarai Shahjadi, Lucknow 227 101 Uttar Pradesh, India
5.	Corporate address	NH 25A, Sarai Shahjadi, Lucknow 227 101 Uttar Pradesh, India
6.	E-mail id	companysecretary@ptcil.com
7.	Telephone	05227111017
8.	Website	www.ptcil.com
9.	Financial year reported	2022-23
10.	Name of the Stock Exchanges where shares are listed	1. Bombay Stock Exchange 2. National Stock Exchange (w.e.f. June 09, 2023)
11.	Paid-up Capital	1,33,82,257
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Pragati Gupta Agrawal Company Secretary Email- companysecrtary@ptcil.com Phone- 0522 7111017
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)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1.	Manufacturing	Casting of Iron and Steel	86.49

15. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Casting of Iron and Steel	2431	86.49

III. Operations

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

Location	Number of plants	Number of offices	Total
National	2	1	3
International	0	0	0

17. Markets served by the Company

a. **Number of locations**

Locations	Number
National (No. of States)	28 states and 8 union territories
International (No. of Countries)	16 Countries

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

93%

c. **Types of customers**

PTC Industries Limited is a specialized manufacturer dedicated to producing high-precision metal components and materials for critical and supercritical applications. Its core competency lies in catering to a diverse range of industries, including Defence, Oil & Gas, Liquefied Natural Gas (LNG), Ships & Marine, Energy, Pulp and Paper, Petrochemicals, and various engineering sectors.

IV. Employees

18. Details as at the end of Financial Year, i.e. March 31, 2023:

a. **Employees and workers (including differently abled):**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	209	189	90%	20	10%
2.	Other than Permanent (E)	56	56	100%	0	0%
3.	**Total employees (D+E)**	**265**	**245**	**92%**	**20**	**8%**
	WORKERS					
4.	Permanent (F)	310	310	100%	0	0%
5.	Other than Permanent (G)	0	0	-	0	-
6.	**Total workers (F+G)**	**310**	**310**	**100%**	**0**	**0%**

b. **Differently abled Employees and workers:**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	0	0	-	0	-
2.	Other than Permanent (E)	0	0	-	0	-
3.	**Total differently abled employees (D+E)**	**0**	**0**	**-**	**0**	**-**
	WORKERS					
4.	Permanent (F)	0	0	-	0	-
5.	Other than Permanent (G)	0	0	-	0	-
6.	**Total differently abled workers (F+G)**	**0**	**0**	**-**	**0**	**-**

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	11	2	18%
Key Management Personnel	6	2	33.33%

20. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

	FY 2023			FY2022			FY2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	0.9%	1.2%	2.1%	1.3%	1.2%	2.5%	0.9%	2.4%	3.3%
Permanent Workers	0.6%	0.0%	0.6%	0.7%	0.0%	0.7%	0.8%	0.0%	0.8%

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

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

Sl. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/ Subsidiary/Associate/ Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1.	Aerolloy Technologies Limited	Subsidiary	100%	No

VI. CSR Details

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

Yes

(ii) Turnover (in lakhs)

Rs. 21,598.78

(iii) Net worth (in lakhs)

Rs. 29,766.72

VII. Transparency and Disclosure Compliances

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

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY 2023			FY2022		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes. www.ptcil.com	0	0	-	0	0	-
Investors (other than shareholders)	Yes. Investors and shareholders can contact us at companysecretary@ ptcil.com for any grievances.	0	0	-	0	0	-
Shareholders		7	0	-	0	0	-
Employees and workers	Yes. https://www. ptcil.com/PDF/ Investors/policies/ WhistleBlowerPolicy. pdf	0		-			-
Customers	Yes. https://www.ptcil. com/ContactUs	0		-			-
Value Chain Partners	Yes. [https://www.ptcil. com/PDF/Investors/ policies]	0	0	-	0	0	-
Other (please specify)							

24. Overview of the Company's business conduct, pertaining to the environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sl. 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.	Disaster recovery	R	Business interruption due to natural calamities like earthquakes, cyclones, floods, etc. Business Interruption due to COVID-19	1. Adequate protection against calamities including appropriate insurance 2. Introduced additional mitigation to overcome interruptions due to pandemic situations	Negative
2.	Health, safety and environment	R	Non-compliance with safety measures by employees Non-awareness of hazardous nature of chemicals	1. Focus on reducing the generation of effluent and arresting at the source 2. Medical check-up, vaccination drive as per Govt. Regulations	Negative
3.	Innovation	O	Opportunity of better solutions that meet new requirements, technological advancements, upgradation or existing market needs	-	Positive
4.	IT data centre & far sight disaster recovery	R	Risk of inadequate data facilities and safety of data centre	The disaster recovery (DR) strategy is being updated continuously	Negative
5.	Training and education	O	Skilled employees and workers form an asset to the Company. The highly trained employees and worker perform their tasks more efficiently, in less time and with less chances of injury	-	Positive
6.	Data protection	R	Risk of confidential data leakage via USB drives/ flash drives	1. All privileged system access is reviewed periodically & data leakage prevention (DLP) system are implemented at these equipment. 2. Restricted data access control and data encryption to monitor work-from-home activities	Negative

Sl. 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)
7.	Customer Experience & Satisfaction	O	A positive customer experience is crucial for building strong customer relationships, fostering loyalty, and driving business growth. Some key factors that contribute to customer experience and satisfaction are Quality of the product or service, Effective communication, Timeliness, Ease of use and convenience, Proactive support, Feedback and improvement etc.	-	Positive
8.	Skilled Manpower	O	Having a highly skilled workforce can provide a competitive advantage by enabling organizations to deliver high-quality products or services, innovate, and adapt to changing market dynamics more effectively than their competitors.	-	Positive
9.	Social engagement & Impact	O	Skilled workforce can provide a competitive advantage by enabling organizations to deliver high-quality products or services, innovate, and adapt to changing market dynamics more effectively than their competitors.	-	Positive
10.	Quality of Products and Projectdelivery	O	Engaging in socially responsible initiatives and making a positive impact on society can enhance an organization's reputation It build's trust and credibility among stakeholders, including customers, employees, investors, and the wider community	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether the Company'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. Weblink of the policies, if available	https://www.ptcil.com/corporate/Policies								
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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 the Company and mapped to each principle.	• ISO 9001 from TUV , • PED (Pressure Equipment directive) TUV W0 MERKBLATT from TUV • The ISO 9001-2000 Certification by BVQI and AD-2000 • Merkblat certification by TUVNORD • BVQI certification for the Pressure Equipment Directive • Various Marine Classification Approvals								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	The core principle and strategy at the Company is to combine our actions, and those of our stakeholders, for the good of all and for the single-minded purpose of obtaining Aatmanirbharata in the country. This purpose links us unquestioningly to our goal of achieving Parity, and our commitment to building equality in respect of capability, technology, skill, workmanship, talent, knowledge, quality, productivity, efficiency and sustainability with the best in the world in our sphere of influence.								
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	PTC is committed to meeting its specific commitments, goals, and targets with a comprehensive framework and strategy that is under development. The Company is driven by its focus on sustainability, ethical practices, and responsible corporate citizenship. It proactively assesses its progress while also identifying and adopting corrective measures, and transparently communicating its actions to stakeholders, ensuring continuous improvement and accountability.								

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)

PTC Industries takes immense pride in the its strong emphasis on sustainability, recognizing its significance across all aspects of its strategy, operations and impact on the community and the nation. PTC firmly believes that sustainable growth is crucial for long-term success and prosperity.

The establishment of the Advanced Manufacturing and Technology Centre, dedicated to incorporating environmentally responsible technologies into its processes. This is a completely green building, serving as a testament to PTC's commitment to sustainability and preservation of our natural resources. The building boasts a rooftop solar plant that successfully enables the generation of clean and renewable energy, contributing to a reduced carbon footprint. In addition, the Company has implemented a rainwater harvesting system allowing it to conserve precious water resources, while the effluent and waste treatment plants ensure responsible waste management, aligning with PTC's goal of minimizing its environmental impact.

PTC's manufacturing processes have been redesigned to be more green and eliminate the impact of any toxic chemicals or waste on the planet. A large part of the company's input material is recycled and through its subsidiary, the company is also setting up manufacturing capability to recycle and reuse critical processed materials, thereby reducing its carbon footprint and environmental impact.

	With an awareness on ESG-related challenges, PTC has made significant investments in fume extraction and exhaust systems to minimize emissions, prioritizing a healthier work environment for their valued employees. Demonstrating their dedication to empowering their workforce, PTC also uses the power of analytics and artificial intelligence to upgrade and maintain safety standards, ensuring employee well-being remains a top priority. Despite its significant efforts, PTC acknowledges that the journey towards holistic ESG practices is not without its challenges. Meeting stringent sustainability targets requires ongoing effort and dedication. In instances where it faces obstacles, PTC diligently assesses the reasons behind any shortfalls and takes proactive steps to implement corrective measures. Transparently communicating its actions to stakeholders, the company strives for continuous improvement and accountability. At PTC Industries, the commitment to ESG goals remains steadfast, as the company continues to embrace innovative practices, prioritize sustainability, and make a positive impact on both the environment and the well-being of its employees. The company's dedication to responsible business practices stands as a testament to its vision of setting new benchmarks for ESG excellence in its industry.	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	The Stakeholder Relationship Committee of the Board of the Directors responsible for implementation and oversight of the Business Responsibility policy.
9.	Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Stakeholder Relationship Committee of the Board of the Directors is responsible for implementation and oversight of the Business Responsibility policy.

10. Details of review of NGRBCs by the Company:

Subject for review	**Indicate whether review provided below taken by Director/Committee of the Board/ any other Committee**									**Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)**								
	P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Performance against above policies and follow up action	The Stakeholder Relationship Committee reviews the Company's policies every year. During this evaluation, the policy's effective implementation is assessed, and required policy and procedure adjustments are adopted.									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with all legal responsibilities that are relevant to the principles, and in case of any non-compliances, the Stakeholder Relationship Committee looks into and rectifies the issues.									Annually								

	P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	No								

11. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated: **Not Applicable**

Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
The entity does not consider the Principle material to its business (Yes/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)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Section C: PRINCPLE 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 programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors and Key Managerial Personnel	2	Business Ethics, Corporate Governance, Environment, Health & Safety, Industry Developments, Business Outlook and Growth Prospects in Domestic and Foreign Markets, Equitable Growth and Development of Business, Discussion of Public and Regulatory Policy Framework in State and Central, ESG Principles, Investor Protection and Awareness	100%
Employees other than Board of Directors and KMPs	15	Total Quality Management, Lean Management, Six Sigma, Team Building and Leadership, Human Factors, Environment, Health & Safety, Emerging Technologies, Energy Consumption, Cyber Security	89%
Workers	23	Total Quality Management, Lean Management, Six Sigma, Environment, Health & Safety	81%

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:**

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR) Brief of the Case Has an appeal	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine*	1	BSE Limited	389,400	Delay in appointment of Independent Women Director	No
Settlement*					
Compounding fee*					

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment*				
Punishment*				

*The Company had no monetary and non-monetary fines / penalties /punishment/ award/ compounding fees/ settlement amount except as above, paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year FY 2023 based on materiality thresholds.

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
Not Applicable	

4. Does the Company 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, PTC Industries Limited has zero tolerance for any form of corruption or bribery and has an Anti-Corruption and Anti-Bribery Policy which commands strict actions against anyone caught engaging in such unethical behaviour. The policy applies to all employees of the Company, its subsidiaries, joint ventures, and affiliates at all levels and in all locations around the world. In every sector of action, all employees are required to act with the utmost honesty. All the Company's facilities must adhere to a variety of anti-bribery and anti-corruption laws and regulations. All agents, suppliers, contractors, and business partners are informed of the Company's zero - tolerance policy to bribery and corruption during the commencement of the Company's business engagement with them. At the time of joining, new employees are given a copy of the policy to read and an undertaking in this regard is also taken from them as part of their employment contract. All existing associates are also informed of the policy and vendors for all good and services being supplied to the Company are required to adhere to the Company's Code of Conduct including its principles on anti-corruption and anti-bribery. Trainings and awareness sessions are conducted throughout the Company as part of the prevention, identification, and detection of anti-corruption issues. Wherever it operates, the Company maintains the highest standards and does not tolerate bribery or corruption. The policy can be accessed at: https://www.ptcil.com/PDF/Investors/policies/Code-of-Conduct-latest.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 2022-23
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

Note : No disciplinary action was taken by any law enforcement agency against any of the Company's Directors, KMPs, employees, or workers for the charges of bribery or corruption.

6. Details of complaints with regard to 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	NIL	NIL	No complaints with regard to conflict of interest in the reporting period.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	

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

Not applicable.

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil*	-	-

*the company is currently initiating a framework under which training and awareness sessions shall be conducted for its value chain partners periodically.

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

Yes, PTC Industries Limited has processes in place to avoid/manage conflict of interests involving members of the board and it is as per the Terms of Appointment of Directors to Board. The Company's Code of Conduct states that the Board members and Senior Management of the Company are needed to abstain from discussion, voting, or otherwise influencing a decision on any matter in which they have or may have a conflict of interest; restrict themselves from serving as a Director of any Company that is in direct competition with the Company, or must take prior approval from the Company's Board of Directors before accepting such position.

Principle 2: Business 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 products and processes to total R&D and capex investments made by the entity, respectively.

Segment	FY2023	FY2022	Details of improvements in environmental and social impacts
R&D	126.19	116.64	In spearheading green manufacturing solutions through dedicated Research and Development (R&D) team. Optimisation of manufacturing processes to achieve energy efficiency and minimize or eliminate effluents. Leveraging latest energy efficient technologies reduce energy consumption and resuse and recycle materials. Using rainwater harvesting, waste reduction and building a supply chain for effective carbon footprint reduction and resource conservation.
Capex	1273.35	551.97	Same as above

Note :

1- *The company has initiated the tracking of investments in specific technologies aimed at enhancing the environmental and social impacts of its products and processes. These investments will be included in the upcoming year's report, which will encompass the company's total R&D and capex investments.*

2- *Refer Annexure VI of Director Report- PARTICULARS OF Energy Conservation, Technology Absorption for more details.*

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

PTC Industries is designing a formal framework to integrate an assessment of social, ethical and environmental factors for all its sourcing; these procedures are expected to be implemented starting from the next financial year. Recognizing the importance of sustainability in its business practices, PTC Industries currently conducts thorough evaluations of all suppliers based on social and environmental criteria. Furthermore, the Company regularly reviews its operations to ensure responsible handling of sourced materials.

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

A significant percentage of PTC's products are currently being sourced sustainably. The Company is in the process of setting up a framework for recording the quantum of its inputs sustainably which should be in place from the next financial year.

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.

A large amount of the Company's products are supplied to OEMs and exported, therefore the Company has limited scope for reclaiming them at the end of their life cycle. The Company, however, has systems in place to recycle plastics (including packaging), e-waste, and hazardous waste that is generated from its supply chain or operations in a safe and responsible manner.

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.

No, this is not applicable to the Company's activities.

However, the company existing manufacturing processes and technologies have a significant impact in minimising waste, reducing environmental impact and also recycling a large amount of waste and scrap material.

The Company's expansion plans incorporate the implementation of a EBCHR furnace, which will be the world's largest single-site titanium recycling facility. This equipment will provide PTC Industries as with the capability and advanced technology to remelt and recycle titanium scrap within the country, enabling the domestic production of aviation-grade titanium alloy ingots. This will further reinforce PTC's commitment to sustainable practices and reduction of its carbon footprint.

Leadership Indicators -

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

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link
The Company has not conducted any life cycle assessment since it manufactures products as per the design and specifications its customers.					

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

Name of Product / Service	Description of the risk / concern	Action Taken
	Not Applicable.	

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

	Recycled or re-used input material to total material	
	FY 2022-23	FY 2022-23
Raw material	65%	64%
Waste Water	100%	100%

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

	FY 2023			FY2022		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	Since the product is directly supplied to the OEMs, the Company has limited scope for reclaiming it at the end of its life cycle.					
E-waste						
Hazardous waste						
Other waste						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Since a large volume of the the products are exported and directly supplied to OEM customers, the Company has limited scope for reclaiming them at the end of their life cycle. However, the primary input material currently is waste or scrap material which is recycled and reused by the Company.	

Principle 3: Business 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 wellbeing of employees:

Category	Total (A)	Health insurance Number (B)	Health insurance % (B/A)	Accident insurance Number (C)	Accident insurance % (C/A)	Maternity benefits Number (D)	Maternity benefits % (D/A)	Paternity benefits Number (E)	Paternity benefits % (E/A)	Day Care facilities Number (F)	Day Care facilities % (F/A)
Permanent employees											
Male	189	189	100%	189	100%	Nil	Nil	Nil	Nil	Nil	Nil
Female	20	20	100%	20	100%	20	100%	Nil	NA	Nil	Nil
Total	**209**	**209**	**100%**	**209**	**100%**	**20**	**100%**	**Nil**	**Nil**	**Nil**	**Nil**
Other than Permanent employees											
Male	56	56	100%	56	100%	Nil	Nil	Nil	Nil	Nil	Nil
Female	0	0	0%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**56**	**56**	**100%**	**56**	**100%**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

b. Details of measures for the wellbeing of workers:

Category	Total (A)	Health insurance Number (B)	Health insurance % (B/A)	Accident insurance Number (C)	Accident insurance % (C/A)	Maternity benefits Number (D)	Maternity benefits % (D/A)	Paternity benefits Number (E)	Paternity benefits % (E/A)	Day Care facilities Number (F)	Day Care facilities % (F/A)
Permanent Workers											
Male	310	310	100 %	310	100%	Nil	Nil	Nil	Nil	Nil	Nil
Female	0	0	0%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**310**	**310**	**100%**	**Nil**	**310**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Other than Permanent Workers.											
Male	0	0	0%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	0	0	0%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**0**	**0**	**0%**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

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

Benefits	FY 2023 No. of employees covered as a % of total employees	FY 2023 No. of workers covered as a % of total workers	FY 2023 Deducted and deposited with the authority (Y/N/N.A.)	FY2022 No. of employees covered as a % of total employees	FY2022 No. of workers covered as a % of total workers	FY2022 Deducted and deposited with the authority (Y/N/N.A.)
PF	95%	99%	Y	90%	98%	Y
Gratuity	93%	98%	Y	93%	98%	Y
ESI	29%	95%	Y	36%	95%	Y
Others- please specify						

3. Accessibility of workplaces

Are the premises / offices of the Company 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 Company in this regard.

The Company is continuously taking steps to ensure a more inclusive and accessible environment for differently-abled employees. These measures include the installation of ramps, lifts, and handrails in all office areas, aiming to enhance accessibility for individuals with disabilities. The company's facilities have also been thoughtfully designed to be accommodating and user-friendly for employees with varying mobility requirements, fostering an inclusive workplace where everyone can thrive and contribute their best.

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

PTC Industries is dedicated to offering equal employment opportunities to all individuals, ensuring that no discrimination takes place on the basis of age, colour, disability, marital status, nationality, race, religion, sex, or sexual orientation. The Company is committed to fostering a work environment that is inclusive, respectful, and free from any form of harassment related to the aforementioned factors.

The Equal Opportunities Policy of PTC Industries adheres to all applicable regulations, taking into account the qualifications and merit of each individual. This policy serves as a guiding principle to promote fairness and diversity within the organization. It is readily accessible to internal stakeholders through the Company's intranet platform, ensuring transparency and awareness among employees regarding their rights and the Company's commitment to providing equal opportunities.

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	100%	100%	100%	100%
Female	0%	0%	0%	0%
Total	100%	100%	100%	100%

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers Other than permanent workers Permanent employees Other than permanent employees	Yes, the Company has a Grievance Policy to give its employees a way to voice their concerns arising from employment. The Policy ensures that such grievances are handled quickly, in a fair and impartial manner by a Grievance Committee and in compliance with the Organization's other policies. This comprises employee concerns about a supervisor's, another employee's, or Management's behaviour, inaction, or proposed action in relation to them. According to the policy's grievance redressal system, the first step in resolving any problem is to communicate openly. An employee should seek informal resolution of any concern with his or her immediate supervisor first. If such informal dialogue fails to resolve the issue, and the employee believes his or her complaint has progressed to the level of a grievance, the employee may file a formal grievance as stated in the policy in order to seek a fair resolution. There is a grievance form and which available on-line and in physical form to raise grievances and which are resolved by the grievance addressal process.

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

Category	FY 2023			FY2022		
	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	**209**	**NIL**	**NIL**	**210**	**NIL**	**NIL**
- Male	189	NA	NIL	192	NA	NA
- Female	20	NIL	NIL	18	NA	NA
Total Permanent Workers	**310**	**218**	**70%**	**305**	**200**	**66%**
- Male	310	218	70%	305	200	66%
- Female	0	NIL	NIL	NIL	NIL	NIL

8. **Details of training given to employees and workers:**

Category	FY 2023					FY2022				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	189	165	87%	170	90%	192	160	83%	140	73%
Female	20	17	85%	15	75%	18	14	78%	13	72%
Total	**209**	**155**	**74%**	**185**	**89%**	**210**	**125**	**60%**	**153**	**73%**
Workers										
Male	310	310	100%	214	68%	305	305	100%	170	56%
Female	0	0	NA	0	NA	NA	0	NA	0	NA
Total	**310**	**310**	**100%**	**214**	**68%**	**305**	**305**	**100%**	**170**	**56%**

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

Category	FY 2023			FY2022		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	189	189	100%	190	190	100%
Female	20	20	100%	18	18	100%
Total	**209**	**209**	**100%**	**208**	**208**	**100%**
Workers						
Male	310	310	100%	305	305	100%
Female	0	0	0%	0	0	NIL
Total	**310**	**310**	**100%**	**305**	**305**	**100%**

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, PTC Industries has implemented a robust and comprehensive Occupational Health and Safety Management System, affirming our unwavering commitment to prioritizing the well-being of our employees. At the core of our operations, this health and safety management system serves as a guiding framework, ensuring that stringent safety measures are adhered to at all levels of the organization. From the production floor to support activities, strict Standard Operating Procedures (SOPs) and protocols have been carefully designed and integrated into our daily practices to mitigate potential risks and hazards.

Our health and safety management system is a dynamic and evolving process, continuously refined to meet the highest industry standards and regulatory requirements. Regular safety audits, risk assessments, and employee feedback mechanisms play pivotal roles in identifying areas for improvement and fostering a culture of safety awareness and responsibility. Through comprehensive training programs, our workforce is empowered with the knowledge and skills necessary to maintain a safe work environment, promoting a collective commitment to health and safety.

At PTC, we firmly believe that a safe workplace is a productive workplace. We are deeply committed to nurturing a culture where every employee feels secure and valued, fostering a strong sense of belonging and trust. Our dedication to health and safety extends beyond our facilities, as we actively collaborate with our suppliers and partners to ensure consistent safety standards throughout the supply chain. Through the effective implementation of our health and safety management system, we not only safeguard our employees' well-being but also enhance overall operational efficiency and deliver sustainable value to all stakeholders.

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

The Company has implemented a proper hazard identification and risk management (HIRA) system to ensure continuous improvement of occupational health and safety within the organization, while simultaneously undertaking measures to promote employee well-being and healthcare. A highly-skilled Process Owner or a Qualified Safety Coordinator, well-versed in the details of all activities and safety standards, carries out regular Hazard Identification Risk Assessments (HIRA) at all levels. The HIRA process follows six steps, facilitating comprehensive evaluation and adherence to safety protocols.

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

Yes, the Company has taken proactive measures by establishing a comprehensive Safety Observation and Near Miss Reporting System. This system is designed to encourage employees and stakeholders to actively observe their surroundings, identify potential hazards, and promptly report any near misses or incidents that could have resulted in harm or damage. By implementing this system, the Company aims to foster a culture of safety, improve risk awareness, and prevent accidents or injuries within the workplace. The Safety Observation and Near Miss Reporting System serve as a vital tool for identifying trends, analysing root causes, and implementing corrective actions, ultimately enhancing the overall safety and well-being of everyone associated with the company.

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

Yes. PTC Industries believes in creating an environment for employees in which their financial needs are met beyond their salary. All of the Company's employees are offered a variety of health and wellness benefits, including medical insurance and accident insurance for the employee and his immediate family, which provides financial assistance in the event of an accident or serious illness. Aside from that, PTC Industries offers coverage for dependent parents, periodic health checks, wellness programmes,yoga sessions and motivational workshops etc.

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

Safety Incident /Number	Category	FY2023	FY2022
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.

PTC Industries places the utmost importance on the well-being of its employees and considers them as its most valued asset. As a company with a majority of personnel working in manufacturing facilities, PTC has established a comprehensive array of measures to ensure a safe and healthy workplace environment.

- Central to this commitment is the implementation of a robust Safety Policy, which sets the foundation for safety practices within the organization. In line with this policy, PTC has taken diligent steps to ensure that employees possess the necessary competence and receive appropriate training in safety measures. This includes induction training for all new employees, where specific topics such as working at height and confined space entry are covered, as well as ongoing refresher training to reinforce safety knowledge.

- PTC Industries has also prioritized effective communication regarding safety matters, fostering a culture of awareness and proactive hazard identification. The company conducts regular inspections and audits to monitor compliance and identify potential risks, allowing for timely intervention and control measures. In addition, the Company has implemented an Occupational Health system to address preventive healthcare requirements, providing a holistic approach to employee well-being.

- Furthermore, PTC emphasizes the importance of collaborating with contractors and suppliers to ensure consistent safety standards throughout the supply chain. Measures such as risk assessments and contractor controls have been put in place to minimize potential risks during project execution.

- In addition to the proactive safety measures, PTC Industries has meticulously designed its workplaces to foster a healthy and conducive working environment. Embracing the philosophy of employee well-being, the company has created open and well-ventilated spaces that promote a sense of spaciousness and comfort. Natural light streams into the work areas, providing a refreshing ambiance that enhances productivity and contributes to the overall well-being of employees.

- By prioritizing ergonomic principles in the workplace design, PTC ensures that workstations are optimized to reduce physical strain and promote better posture, mitigating the risk of musculoskeletal issues. The company has also incorporated dedicated breakout areas and relaxation spaces, encouraging employees to take short breaks and recharge, fostering a positive work-life balance.

Through its commitment to safety, employee well-being, and thoughtful workplace design, PTC Industries has cultivated an environment where employees can thrive both professionally and personally, reflecting the company's genuine concern for the health and happiness of its workforce.

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

	FY 2023			FY2022		
	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
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

Note : No complaints were made by any employee or worker on the working conditions and/or health and safety practices of the Company.

14. Assessments for the year:

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

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.

PTC Industries maintains a rigorous tracking system to monitor accident rates across all its locations. The notable low number of health and safety incidents can be attributed to the unwavering commitment of both management and workers in fostering a safe working environment. This is achieved through the implementation of the Company's well-defined management approach and the cultivation of a health and safety-first mindset in the execution of daily duties.

At PTC Industries, the process of identifying and implementing corrective actions is an ongoing and systematic effort. All safety incidents are carefully documented, thoroughly investigated, and the corresponding corrective actions are promptly communicated and implemented throughout the organization. In recent times, several significant actions have been taken to enhance safety measures, including:

a. Introduction of safety interlock systems in the factory: PTC Industries has implemented advanced safety interlock systems to enhance operational safety and minimize the risk of accidents.

b. Horizontal deployment of past accident recommendations: The company ensures that recommendations derived from past accidents are shared horizontally across all departments and locations, facilitating the proactive adoption of preventive measures.

c. Proactive replacement of equipment based on incidents at other parts: PTC Industries emphasizes a proactive approach to equipment maintenance and replacement. By analysing incidents that occur in other parts of the organization, necessary actions are taken to replace or upgrade equipment to mitigate potential risks and enhance overall safety.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, PTC Industries offers assistance in the event of a tragic occurrence, such as death, permanent disability for its employees and workers.

2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.

PTC Industries establishes guidelines for its value chain partners to ensure the timely submission of all statutory dues. PTC Industries also requires its partners to provide the necessary statutory returns, such as EPF, ESIC, TDS, and GST etc in accordance with relevant norms and regulations. By setting these standards, PTC Industries aims to maintain compliance and accountability throughout its value chain, fostering transparency and facilitating smooth operations. The company emphasizes the importance of adhering to statutory requirements, enabling effective financial management and regulatory compliance for all parties involved.

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

	Total No. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2023	**FY2022**	**FY2023**	**FY2022**
Employees	0	0	0	0
Workers	0	0	0	0

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

Yes. PTC Industries, as an employer of choice, offers a supportive and progressive work environment that empowers individuals to develop their skills, grow personally, and actively contribute to shaping the future. The company recognizes the importance of providing future-oriented opportunities that enable employees to thrive and reach their full potential.

Furthermore, PTC Industries values the experience and expertise of its employees, even after retirement. In line with this, the company adopts a retainership approach, where retired employees are given the opportunity to be redeployed into different roles within the organization. This allows them to continue making valuable contributions based on their knowledge and skills, while also benefiting from ongoing engagement and fulfilment.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	80% of the Critical Suppliers through Supplier Self-Assessment
Working Conditions	

Note : PTC Indsutries Limited have system for the suppliers on-site audit/self-assessment and also have specific terms & conditions in Purchase Terms & Conditions regarding Health, Safety and Environmental practices.

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

In accordance with the Supplier Code of Conduct established by PTC Industries Limited, suppliers undergo audits and monitoring on various sustainability matters. Notably, health and safety topics receive considerable attention during these processes. The company acknowledges the importance of adhering to health and safety regulations across all business operations. Consequently, PTC Industries has extended its support to suppliers who lack such policies by offering assistance in their development. By doing so, the company demonstrates its commitment to ensuring a safe and secure working environment throughout its supply chain.

Principle 4: Business should respect the interests of and be responsive to all its stakeholders

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

In identifying key stakeholders, PTC Industries takes into consideration their material influence on the company as well as how they are materially influenced by the company's corporate decisions and the resulting consequences of those decisions. Key stakeholders are individuals, groups, or organizations that have a significant interest or involvement in the company's operations, activities, or outcomes.

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

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Personal/group interactions, mailers, trainings, employee satisfaction surveys, townhalls, notices, electronic bulletin boards	Monthly and when needed	Communication about company's vision, values, strategic objectives, regular updates on the company's initiatives for employee welfare, any changes to company policies, information about new joinees, accomplishments of the company or employees. Concerns raised by employees, suggestions or questions are also addressed through such communication.
Investors	No	Annual report, press releases, newspaper publications, Investor presentations, Corporate website, Quarterly & Annual results, Annual General Meetings, Extraordinary General Meetings, Investor Meets	Annually, Periodically, Quarterly or based on an event	Communication about the company's financial performance, strategic direction, and overall business outlook. Key topics include financial results and reports, including revenue growth, profitability, and cash flow. Additionally, updates on major business developments, expansion plans, and market trends are shared to showcase the company's progress and potential opportunities for growth. The company's commitment to sustainable practices, corporate governance, and risk management strategies are also communicated regularly to the investors.
Customers	No	In-person and virtual interactions, personal visits to customer, customers' visit to PTC plants, participation in meetings, exhibitions, conferences and events both nationally and internationally. Regular emails, updates through various software and social media.	Weekly and Quarterly Annually Monthly and when needed	PTC's communication with its customers seeks to establish and nurture strong, lasting relationships, founded on trust, reliability, and exceptional service. Customers are kept informed about the latest product offerings, technological advancements, and industry-specific solutions that align with their needs and requirements. Key topics covered during such communication include product updates, innovations, and customized solutions tailored to meet specific customer demands. PTC values open dialogue and actively seeks feedback to understand customer expectations better, ensuring that their concerns and preferences are at the forefront of our strategies. Customer concerns are addressed with utmost diligence, prioritizing timely resolutions and responsive support to build a reputation of reliability and customer-centricity

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers & service providers	No	Supplier & vendor meets. Workshops & trainings, Audits. IT-enabled information sharing tools and recognition platforms. Dialogue in the context of industry initiatives, joint events, training courses, presentations Supplier risk assessments. Regular mails, telephonic conversations, in-person and virtual meetings. Participation in events, conferences and exhibitions.	Periodically	Communication with vendors is focused on ensuring that vendors are well-informed about PTC's requirements, expectations, and business objectives. Key topics covered during such communication include procurement needs, product specifications, quality standards, delivery schedules, and contractual agreements. Through vendor feedback and suggestions, the company seeks to improve operational efficiency, streamline processes, and optimize supply chain management. Vendor concerns related to payment terms, quality assurance, and sustainable practices are carefully addressed, reaffirming PTC's commitment to fair and ethical business practices.
Business Partners	No	Dialogue with various organisations, publications, mail, in-person and virtual meetings. Regular interactions in meetings, conferences and seminars.	Periodically	Communication regarding shared objectives, innovative ideas, and expertise are exchanged to create value for both parties. Key topics covered during such communication include joint business opportunities, market insights, technology advancements, and potential synergies.
Government and Regulatory Bodies	No	Official communication channels including mail, service portals, in-person and virtual meetings, filing of reports, documents, and supporting information. In the course of regulatory audits/ inspections, compliance reviews or plant and site visits.	Monthly, Annually, Periodically	Communication with the government and regulatory bodies includes compliance with regulatory requirements, filing of reports, information, documents, supporting information, environmental impact assessments, social welfare initiatives, and community engagement programs.
Communities	No	Events, conferences, seminars, public forums, website, social media and online publications.	Periodically and when needed	This communication serves as a vital conduit to understand the needs and aspirations of the communities in which the Company operates and to proactively share information about its business activities, initiatives, and contributions. Key topics covered include environmental impact mitigation, community development programs, job opportunities, and social welfare initiatives

Leadership Indicators

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

The Company has set up various committees on economic and ESG governance and performance monitoring. The Stakeholders' Relationship Committee is constituted by the Board and is chaired by an Independent Director. The Company has formed other internally constituted committees. Quarterly performance update and reviews were conducted by the respective committees on these topics and consolidated performance report and outcome were presented to the Board in their quarterly meetings. Moreover, the Company has been conducting stakeholder engagementexercises from time to time on ESG topics. This stakeholder engagement exercise proceeds on a structural approach on frequency, delegation and reporting of outcomes including stakeholders' feedback to the Board.

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

Yes, PTC Industries Limited has always maintained a regular and proactive engagement with the Company's key stakeholders, allowing it to effectively work on its ESG strategies and be transparent about the outcomes. In response to current regulations and interactions with stakeholders, the Company performs periodic evaluations to update and reissue policies as needed.

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

PTC Industries Limited actively engages with disadvantaged, vulnerable, and marginalized communities as an integral part of its corporate social responsibility (CSR) initiatives. The company strives for inclusive development by tackling societal challenges and actively involving stakeholders who belong to these disadvantaged, vulnerable, and marginalized groups.

PTC Industries recognizes the importance of addressing the needs and concerns of these communities and endeavors to create opportunities for their upliftment and empowerment. Through its CSR endeavors, PTC has been supporting underprivileged sections through welfare programs, opportunities for career growth, and developing an outreach for financial support towards sportspersons and athletes. Through its activities and programs, PTC continues to demonstrate a commitment to fostering a more inclusive society and making a positive impact on the lives of those who are often marginalized.

Principle 5: Business should respect and promote human rights

Essential Indicators

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

Category	FY 2023			FY2022		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	209	156	75%	208	113	54%
Other than Permanent	56	35	63%	0	0	0%
Total Employees	**265**	**191**	**72%**	**208**	**113**	**54%**
Workers						
Permanent	310	211	68%	308	127	41%
Other than Permanent	0	0	NA	0	0	NA
Total Workers	**310**	**211**	**68%**	**308**	**127**	**41%**

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

Category	FY 2023					FY2022				
	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	**209**	**0**	**0**	**209**	**100%**	**208**	**0**	**0**	**208**	**100%**
Male	189	0	0%	189	100%	190	0	0	190	100%
Female	20	0	0%	20	100%	18	0	0	18	100%
Other than Permanent	**56**	**0**	**0%**	**56**	**100%**	**0**	**0**	**0**	**0**	**0**
Male	56	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	**310**	**0**	**0**	**310**	**100%**	**305**	**0**	**0**	**305**	**100%**
Male	310	0	0	310	100%	305	0	0	305	100%
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

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

Gender	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)	4	82,84,439	1	37,46,279
Key Managerial Personnel (KMP)	4	82,84,439	2	19,69,698
Employees other than BoD and KMP	185	3,08,242	18	2,97,995
Workers	310	1,85,972	0	0

Note-Independent Directors are liable to only sitting fees. They did not receive any kind of remuneration. So, only whole-time directors have been considered in calculating the median remuneration of the Board of the Directors

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

Yes, the Human Resources department in the Company is responsible for any issue or impact related to human rights. PTC Industries has established a comprehensive Human Rights Policy that provides employees with a clear avenue to address their complaints or grievances. Employees are encouraged to report their concerns either to the Human Resources department or directly to Senior Management if required. The policy strictly prohibits any form of retaliation or reprisal against employees or associates who raise concerns in accordance with the policy. Any reported concerns are evaluated and it is ensured that they are addressed and rectified with the utmost priority.

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

At PTC Industries, a robust Human Rights Policy is firmly in place, working in tandem with the Grievance Policy to ensure prompt and effective resolution of grievances related to human rights issues. To facilitate a fair and transparent process, the company has established a dedicated mechanism consisting of the following procedures:

a) **Open Communication Channels:** Employees and affiliates are actively encouraged to direct their complaints, grievances, or reports regarding human rights violations to the Human Resources department or Senior Management. The company strictly prohibits any form of reprisal or retaliatory action against individuals who come forward to raise concerns under this policy. This creates a safe and supportive environment for employees to voice their concerns without fear of any adverse consequences.

b) **Investigation Committee:** A dedicated committee is appointed or designated to investigate reported violations of human rights. This committee conducts a thorough and impartial examination of the reported grievances, ensuring that all complaints are addressed and resolved in a timely manner. The committee collaborates with Senior Management to identify suitable remedies and corrective actions to redress the issues raised, fostering accountability and continuous improvement.

c) **Human Rights Due Diligence:** PTC Industries conducts regular human rights due diligence processes to facilitate effective management, oversight, and monitoring of the policy's implementation. These assessments enable the company to proactively identify any areas that require improvement or enhancements to uphold the highest human rights standards. By proactively reviewing internal practices and external partnerships, PTC ensures that its business operations align with the principles of human rights and social responsibility.

d) **Training and Awareness:** In addition to the above mechanisms, PTC Industries emphasizes comprehensive training and awareness programs for all employees. These initiatives help foster a culture of respect, inclusion, and human rights awareness throughout the organization. By empowering employees with knowledge and understanding, PTC strengthens its capacity to prevent human rights violations and respond effectively to any grievances that may arise.

By implementing these internal mechanisms, PTC Industries demonstrates its unwavering commitment to upholding human rights principles and ensuring that any grievances related to human rights issues are addressed with diligence, sensitivity, and integrity. These steps contribute to fostering a workplace environment that values and safeguards the dignity, rights, and well-being of all employees and stakeholders.

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

	FY 2023			FY2022		
	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						
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour	Nil		-	Nil		-
Wages						
Other Human rights related issues						

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

In handling complaints as part of its grievance redressal mechanism, PTC Industries ensures that inquiries are conducted in a peaceful manner, prioritizing the avoidance of stressful conditions. The company has established an Internal Complaint Committee specifically aimed at preventing cases of discrimination and harassment against women.

PTC Industries maintains a zero-tolerance policy towards any form of harsh or insulting behaviour exhibited by individuals involved in or conducting grievance proceedings. Such behaviour is considered misconduct under the organization's disciplinary policies, and strict actions is taken against any instances of unethical conduct.

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

Human rights requirements are an integral part of PTC's Code of Conduct. Suppliers are strongly encouraged to uphold internationally recognized human rights standards and actively strive to align their business activities with these principles within their respective spheres of influence. PTC Industries strictly prohibits any form of forced or compulsory labour, child labour, and discrimination against employees based on factors such as nationality, colour, origin, ideology, religion, race, caste, creed, trade union or political activity, sexual orientation, age, sex, illness, disability, pregnancy, or any medical condition.

PTC actively aligns with suppliers, vendors, and partners who share the same commitment. Inclusion of human rights clauses in its agreements underscores its dedication to upholding ethical practices and ensuring that all parties involved adhere to internationally recognized human rights standards.

9. Assessment for the year:

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	
Forced Labour/ Involuntary Labour	
Sexual Harassment	100%
Discrimination at workplace	
Wages	
Other- please specify	

Note: The Internal & external Auditors conduct assessments as per the Audit schedule. Assessments are also carried out by respective Government authorities and the Company has not received any non-compliance certification.

Note : PTC Industries has assessed 100% of its plants and offices through external auditors who audit the statutory compliances in relation to the indicators mentioned above. The assessments are done on a quarterly basis.

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

    All the plants and offices of the Company were found to be having no negative impacts and as a result no corrective actions were required on the criteria stated above.

Leadership Indicators

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

   No such grievance or complaint has been received. However, the Company is building a framework of Human Rights Due Diligence that will ensure that a systematic assessment of its business practices and those of its suppliers and partners is conducted. This process will involve conducting regular audits, risk assessments, and impact evaluations to identify any potential human rights issues at various stages of its operations. By collaborating with its suppliers and partners, PTC will continue to work to implement necessary corrective actions, address grievances, and continuously improve its human rights performance.

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

   Human rights due diligence is currently incorporated into regular audits through our internal evaluations and external audits. The Company is actively working towards building a dedicated and comprehensive framework in the near future. This process will further underscore its commitment to upholding and safeguarding human rights within its operations.

   The scope of our human rights due diligence will encompass a thorough assessment of the Company's business practices, policies, and those of its suppliers and partners. This assessment aims to identify any potential human rights risks and impacts that may arise from its operations and supply chain. The Company will be evaluating its activities and engagements through the lens of internationally recognized human rights standards, including principles outlined in the Universal Declaration of Human Rights and the International Labor Organization's Fundamental Conventions.

   Through this diligent evaluation, PTC will seek to ensure compliance with human rights principles, prevent any adverse human rights impacts, and proactively address areas that require improvement. By conducting this assessment, PTC Industries demonstrates its commitment to ethical conduct, social responsibility, and maintaining a workplace environment and supply chain that respects and upholds the fundamental rights and dignity of all individuals. As part of its commitment to transparency, it will take appropriate actions based on the outcomes of this due diligence process to continuously enhance its human rights practices and performance.

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

   Yes, the Company has implemented measures to improve accessibility for individuals with disabilities within its offices and premises. This includes the installation of ramps, lifts, and handrails for stairwells. By providing these accessibility features, the Company aims to create an inclusive environment that accommodates the needs of individuals with disabilities.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100
Discrimination at workplace	100
Child Labour	100
Forced Labour/Involuntary Labour	100
Wages	100
Others – please specify	-

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

   PTC places great importance on sustainability and upholds a Supplier Code of Conduct that requires suppliers to undergo audits and monitoring on various sustainability aspects. Within these assessments, particular emphasis is placed on health and safety matters.

   The company acknowledges the crucial role that health and safety regulations play in all business operations. Consequently, PTC extends its support to suppliers who may not have established comprehensive health and safety policies by assisting them in developing and implementing such guidelines. This collaborative approach ensures that suppliers align with PTC's commitment to maintaining high health and safety standards throughout the supply chain.

Principle 6: Business 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	Unit	FY2023	FY2022
Total electricity consumption (A)	GJ	48161.51	50278.90
Total fuel consumption (B)	GJ	864.60	1157.33
Energy consumption through other sources (C)	GJ	6938.67	11529.57
Total energy consumption (A+B+C)	GJ	**55964.79**	**62965.80**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)		0.0026%	0.0035%

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 Company 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.**

The Company does not fall under the PAT scheme.

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

Parameter	FY2023	FY2022
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	70485 KL	69273 KL
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	2268.5 KL	3034 KL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**72753.5 KL**	**72307 KL**
Total volume of water consumption (in kilolitres)	**72753.5 KL**	**72307 KL**
Water intensity per rupee of turnover (Water consumed / turnover)	0.0034%	0.0040%
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency. **No**

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

PTC Industries has effectively controlled the industrial wastewater generated by its activities, products, and services, and formulated waste management systems for handling wastewater properly. The Company makes the best utilisation of the wastewater treatment system and as a Zero Liquid Discharge (ZLD) plant, the Company is not discharging wastewater as well as treated water. ZLD is an approach to water treatment where all water is recovered, and contaminants are reduced to solid waste. While many water treatment processes attempt to maximize the recovery of freshwater and minimize waste, ZLD is the most demanding target since the cost and challenges of recovery increase as the wastewater gets more concentrated. Salinity, scaling compounds, and organics all increase in concentration, which adds costs associated with managing these increases. ZLD is achieved by stringing together water treatment technology that can treat wastewater as the contaminants are concentrated. Since PTC Industries has installed ETP & STP plants to treat its generated wastewater, the treated wastewater is recycled for use to reduce the consumption of freshwater.

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

Parameter	Unit	FY2023	FY2022
NOx	Mg/Nm3	146	143.5
SOx	Mg/Nm3	67.4	72.2
Particulate matter (PM)	Mg/Nm3	87.12	90.4
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others – please specify		-	-

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

6. **Provide details of greenhouse gas emissions (Scope1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY2023	FY2022
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	899.28	760.98
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	14,449.08	16,208.22
Total Scope 1 and Scope 2 emissions	tCO e	**15,348.36**	**16,969.2**
Total Scope 1 and Scope 2 emissions per rupee of turnover (per lakhs rupee of turnover)	tCO e/₹ lakhs	0.71	0.95

Note : PTC Industries has initiated carbon foot print calculations & GHG emissions in line with the paris agreement & GHG protocol & as per the ISO 14064.

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, PTC industries has planned for the independent assessment/evaluation for Co2 & GHG emissions from the external agecy which is accrediated by the CDP & WRI.***

7. **Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.**

PTC Industries is committed to continuous improvement and innovation to reduce consumption and emissions in its manufacturing processes. The company has undertaken several projects to address greenhouse gas (GHG) emissions:

a. **Renewable Energy Utilization:** PTC Industries has made significant use of solar electricity (897.58 MWh) and electricity from wind-based turbines (365.71 MWh). Additionally, the company is actively working on a de-carbonization plan that focuses on improving the energy mix by adopting renewable energy sources and replacing fossil fuels with options that have comparatively lower emissions.

b. **Transition to Cleaner Fuels:** PTC Industries recognizes the environmental and cost benefits of using PNG (Piped Natural Gas) and LPG (Liquefied Petroleum Gas) systems over diesel-powered ones. The company has installed in its castings and heat treatment furnace pipelines, using furnaces with natural gas. This shift not only provides a cleaner alternative with higher energy-saving potential but also helps reduce GHG emissions. Natural gas combustion emits 50 to 60 percent less carbon dioxide (CO2) when used in new systems.

c. **Efficient Heating Solutions:** The company employs induction heaters instead of electric furnaces to heat castings during the machining process. This switch effectively reduces power consumption, contributing to overall energy efficiency.

d. **LED Lighting Implementation:** PTC Industries recognizes the benefits of LED lighting, including enhanced luminous efficiency and improved safety. LED lights significantly reduce CO2 emissions by minimizing fuel consumption compared to conventional lights. To further mitigate its carbon footprint, the company has launched a program to retrofit existing machinery and fuel systems, enabling them to operate on less carbon-intensive fuels. This initiative has resulted in a considerable reduction in the consumption of LDO (Light Diesel Oil) while increasing the utilization of CNG (Compressed Natural Gas), a fuel with lower energy intensity. Consequently, PTC Industries has successfully reduced carbon emissions from its manufacturing processes by replacing equivalent energy sources with CNG, aligning with its commitment to environmental sustainability.

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

Parameter	FY2023	FY2022
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	20.80	20.35
E-waste **(B)**	0.55	0.24
Bio-medical waste **(C)**	0	0
Construction and demolition waste **(D)**	25	22
Battery waste **(E)**	0.17	0.39
Radioactive waste (F)	0	0
MS Scrap, SS Scrap (Solid) **(G)**	4,351.75	4,220.90
Other Hazardous Waste. Please specify, if any. **(H).**	0	0
Used Oil (Liquid)-HW	0.72	1.72
Furnace Sludge (Solid)-HW	56.41	26.95
Other Non-hazardous waste generated (I)Please specify, if any.(Gatta and lining) (Break-up by composition i.e. by materials relevant to the sector)	64.19	21.16
Total (A+B + C + D + E + F + G + H+I)	**4,519.42**	**4313.32**

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	FY2023	FY2022
Category of waste		
(i) Recycled	142.67	70.27
(ii) Re-used	4,351.75	4,220.90
(iii) Other recovery operations	0	0
Total	**4,494.42**	**4,291.17**
For each category of waste generated, total waste disposed of through disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0.15
(ii) Landfilling	25	22
(iii) Other disposal operations		
Total	**25**	**22.15**

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 establishment. 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.**

PTC Industries has prioritized waste management by integrating the principles of the 3R (Reduce, Reuse, Recycle) waste management approach into its decision-making processes. By adhering to the solid waste management hierarchy, the company encourages its teams to innovate and find ways to divert waste.

A key focus for the company is the reduction of both hazardous and non-hazardous waste across its manufacturing sites. Various measures have been implemented throughout the year, such as recycling waste oil through alternative disposal pathways to minimize the hazardous waste load. Additionally, the company has taken steps to recycle ETP (Effluent Treatment Plant) sludge, reducing the need for disposal in landfills. To gain a comprehensive understanding of the company's waste profile, its sites have meticulously mapped waste generation and disposal methods. Furthermore, the company has enhanced its data collection systems, incorporating waste volumes into its monthly environmental dashboard. Through these initiatives, the company has identified three primary barriers that impede waste diversion from landfills: cost constraints, regulatory challenges, and limited resources. PTC Industries continues to address these barriers to further enhance its waste management practices and achieve its sustainability goals.

1. Managing Hazardous Waste

PTC Industries ensures proper handling of hazardous wastes in accordance with regulatory requirements, and maintains a comprehensive waste registry. These hazardous wastes are transported to authorized agencies that specialize in their appropriate handling.The company diligently complies with all rules and regulations set forth by the Maharashtra Pollution Control Board (MPCB) regarding the storage, handling, transportation, and recycling of hazardous products. This adherence aims to minimize potential exposure and ensure the highest level of safety. Additionally, PTC Industries adheres to applicable international standards that govern its operations in the respective locations where it operates.

2. Managing Non- Hazardous Waste

PTC Industries places significant emphasis on waste reduction at the source for non-hazardous waste by adopting a proactive approach. The company achieves this by purchasing and bringing into its facilities only what is necessary, thereby minimizing waste generation.

To accomplish this, PTC Industries has implemented practical and cost-effective solutions that align with both environmental and business objectives. Remarkable achievements have been made through these initiatives. For instance, recycled cardboard boxes are utilized as filler for packing materials, reducing the need for additional packaging materials. Reusable pallets have been introduced for parts delivery from vendors, as well as product delivery to dealers, eliminating the reliance on wood pallets. Furthermore, recycling initiatives have been implemented for paper and plastic waste generated in offices and break rooms.

These shared successes demonstrate PTC Industries' commitment to sustainable practices, where waste reduction strategies are implemented without substantial investments. The company strives to make environmentally conscious decisions that align with its business goals, creating a positive impact on both the environment and its operations.

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:**

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
In all areas of its activities, PTC Industries is dedicated to regulatory environmental compliance and ethical conduct and since the Company operates in industrial areas/estates, its influence on biodiversity is very modest.			

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
In all areas of its operations, PTC Industries is in compliance with the regulatory environmental laws and ethical conduct					

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:

Sl. 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	Corrective action taken, if any
The Company is in compliance with all applicable environmental laws.				

Leadership Indicators -

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY2023	FY2022
From renewable sources		
Total electricity consumption (A)	4520.95	5120.53
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**4520.95**	**5120.53**
From non-renewable sources		
Total electricity consumption (D)	48161.51	50278.90
Total fuel consumption (E)	864.61	1157.33
Energy consumption through other sources (F)	2417.72	6409.05
Total energy consumed from non-renewable sources (D+E+F)	**51443.84**	**57845.27**

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. **Provide the following details related to water discharged:**

Parameter	FY2023	FY2022
****Water discharge by destination and level of treatment (in kilolitres)**		
i) To Surface water **		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater **		
- No treatment	-	-
- With treatment – please specify level of treatment	2,268 KL	3,032 KL
(iii) To Seawater **		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	FY2023	FY2022
(iv) Sent to third-parties **		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others **		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**2,268 KL**	**3,032 KL**

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.

**The company does not discharge water to any of the other water bodies

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not applicable, as we do not have any operations in areas of water stress.

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

Parameter	Unit	FY2023	FY2022
Total Scope 3 emissions ** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent		
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

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

PTC Industries is in the process of setting up a framework to record total Scope 3 emissions and their intensity and has also initiated carbon footprint calculations & GHG emissions in line with the Paris agreement & GHG protocol & as per the ISO 14064. Currently, no independent evaluation or assessment has been carried out by an external agency since the company is still working on this framework.

5. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

In all areas of its activities, PTC Industries is dedicated to regulatory environmental compliance and ethical conduct and since the Company operates in industrial areas/estates, its influence on biodiversity is very modest.

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

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Use of Industry 4.0	Energy Meters connected to Central Energy Monitoring System	System will trigger automatic notification for excess energy consumption without manual Intervention

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

The company acknowledges the significance of business continuity in its operations and has implemented a comprehensive business continuity and emergency preparedness plan. This plan is designed to safeguard critical operations and ensure their seamless continuation in the event of any disruptions or interruptions. By establishing this plan, the company demonstrates its commitment to maintaining uninterrupted services and operations, thereby enhancing its resilience and ability to respond effectively to unforeseen circumstances.

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

The company expects the supplier to adopt and adhere to its binding code of conduct and actively strive to promote the principles outlined in the Supplier Code throughout its supply chain. By doing so, the supplier demonstrates a commitment to upholding ethical practices, social responsibility, and sustainability. The company emphasizes the importance of the supplier's role in ensuring that these principles are upheld and encourages their continuous efforts to foster a responsible and ethical supply chain.

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

PTC continuously assess their value chain partners/vendors/suppliers for environmental impacts & found no negative social or environmental impacts on its value chain.

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.**

12 (Twelve)

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

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/ National)
1.	Confederation of Indian Industries [CII]	International
2.	Society of Indian Defence Manufacturers [SIDM]	International
3.	Castings Technology International (CTI)	International
4.	All India Management Association [AIMA]	National
5.	Federation of Indian Export Organisation (FIEO)	National
6.	UK India Business Council (UKIBC)	International
7.	Indo French Chamber of Commerce and Industry (IFCCI)	International
8.	Indian Industries Association (IIA)	National
9.	Associated Chambers of Commerce and Industry of India	National
10.	Lucknow Management Association (LMA)	National

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

Name of the authority	Brief of the case	Corrective action taken
There were no incidents of anti-competitive behaviour involving the Company during the reporting period (2022-23).		

Leadership Indicators

1. Details of public policysitions advocated by the Company:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/Others-please specify)	Web Link, if available
The Company directly or through trade bodies and other associations puts forth a number of suggestions with respect to the industry in general and its activities in particular relating investment and employment promotion in the state, Defence and Aerospace and MSMEs.					

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether information available in public domain? (Yes/ No)	Results communicated in public domain(Yes / No)	Web Link, if available
No Social Impact Assessments (SIA) of project have been undertaken by the Company in the current year.					

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In INR)
Not applicable. No rehabilitation and resettlement were undertaken by the Company during this reporting period.						

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

PTC Industries Limited has formed a dedicated CSR Team entrusted with the responsibility of closely monitoring CSR projects. This team actively engages with the communities in the regions where the company operates. In cases where grievances emerge, the CSR Team promptly takes action to address and resolve them.

The company places significant emphasis on maintaining open lines of communication and fostering strong engagement with the affected communities. It ensures that their needs and concerns are promptly recognized and addressed. By actively monitoring and responding to community feedback, PTC Industries showcases its unwavering commitment to creating a positive social impact and cultivating robust relationships with its stakeholders.

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

Parameter	FY2023	FY2022
Directly sourced from MSMEs/small producers	68%	66%
Sourced directly from within the district and neighbouring districts	19%	22%

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not Applicable, since SIA has not been initiated.	

2. **Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:**

Currently we have not taken any CSR projects in the designated aspirational districts.

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

At PTC Industries, we do have a preferential procurement policy that emphasizes supporting local suppliers and micro, small, and medium-sized enterprises (MSMEs). We believe in nurturing local economies and promoting sustainable growth within the communities where we operate. As part of our commitment to responsible sourcing, we actively seek opportunities to collaborate with local suppliers and MSMEs, providing them with a platform to showcase their products and services.

However, it is essential to clarify that while we prioritize local and MSME suppliers, we do not give preference to suppliers based on marginalized or vulnerable group status. Our procurement decisions are primarily driven by factors such as quality, cost-effectiveness, reliability, and the ability to meet our specific business requirements.

While we firmly believe in fostering diversity and inclusivity within our workforce and supply chain, we acknowledge that in certain cases, suppliers from marginalized or vulnerable groups may not have the necessary capacity or specialization to form an effective supply chain for certain items being procured by the company. Our focus remains on creating a robust and efficient supply chain that ensures the highest standards of product quality and delivery reliability, while also maximizing the positive impact on local communities and MSMEs.

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

While PTC gives preference to local suppliers and MSME suppliers for its supply chain, no preference is given to suppliers based on their belonging to a marginalized or vulnerable group since they may not have the necessary capacity or specialization to form an effective supply chain for the main items being procured by the company.

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

While PTC Industries engages some marginalized and vulnerable groups (small businessmen) for canteen operations and food supplies, their contribution is minimal compared to the total procurement. These suppliers serve the canteens at AMTC Plant in Lucknow and Mehsana Plant in Ahmedabad.

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

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
	PTC has acquired licenses for usage of various technologies related to metal components like Replicast®, Titanium Castings which can be categorised as intellectual property.	Yes	Yes	The benefits of these technologies are passed on in PTC's value chain, however no formal basis for calculating this benefit share has been designed.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable, since no adverse orders in intellectual property related disputes have arisen.		

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Skill Development Project	12	100
2	Health initiative	374	100
3	Food serving	2000	100
4	Covid -19 relief to villages	1000	100

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.

At PTC Industries, a well-defined internal procedure is in place to effectively manage customer complaints and ensure prompt resolutions. Customers can submit their complaints directly through a dedicated customer portal on a weekly basis. Once received, the PTC team initiates a thorough root cause analysis and engages in discussions to address the concerns raised by the customers. PTC takes these complaints seriously, and appropriate corrective actions are promptly formulated and implemented to address any issues identified.

To continuously improve its products and services, the Company closely monitors and reviews trends in Non-Conformance Reports (NCR) at a higher management level. This systematic approach reflects its commitment to addressing customer grievances, enhancing overall customer satisfaction, and maintaining the highest quality standards in everything it offers. At PTC Industries, customer feedback is valued and considered an essential aspect of its journey towards excellence and continuous improvement.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Since the Company's supplies are made in accordance with specifications given by the customer (make-to-print), provision of this information is not applicable to PTC.
Safe and responsible usage	
Recycling and/or safe disposal	

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

	FY 2023			FY2022		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	No such complaints received during this period	0	0	No such complaints received during this period
Advertising	0	0		0	0	
Cyber- security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other (product related)	0	0		0	0	

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

	Number	Reasons for recall
Voluntary recalls	0	Since all of the Company's products are manufactured as per the customer's specification, no such instance can arise on account of safety issues since end use and application of the products is controlled by the customer.
Forced recalls	0	Since all of the Company's products are manufactured as per the customer's specification, no such instance can arise on account of safety issues since end use and application of the products is controlled by the customer.

5. **Does the Company 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, PTC has a comprehensive data privacy policy in place. PTC's Privacy Policy details how the company may collect, use, store, disclose, or otherwise process personal data, including the personal data provided when accessing PTC's websites. The policy also outlines the rights individuals have regarding their personal data.

PTC is fully committed to providing the highest level of protection for the personal data of its employees, vendors, clients, and customers. This commitment is based on strict adherence to applicable data protection laws and regulations.

The Policy can be found on the following link: https://www.ptcil.com/corporate/Policies

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.**

There has been no such instance which has occurred during the year.

Leadership Indicators

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

PTC Industries Ltd website's contains all information related to the products, the link is as follows https://www.ptcil.com

Our Social Media handles

Twitter : https://twitter.com/ptcil

Youtube : https://www.youtube.com/channel/UCKqEp5umw7_yzAvDp8dm_Bw

Linkedin : https://in.linkedin.com/company/ptc-industries-limited

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

All the products supplied by the Company are manufactured according to the specific design and specifications provided by its customers. As a result, the end-use and application of the products are entirely controlled by the customers themselves. While PTC does not have direct control over the safety aspects of the products' usage, it remains committed to proactive communication and ensuring that its customers are well-informed about the safe handling and usage of the products they receive.

As part of its commitment to customer safety, the customer support team at PTC remains readily available to address any queries or concerns related to the products. Open communication channels are encouraged to ensure that customers can reach out to the Company with any concerns or questions they may have regarding the products.

While the end-use responsibility lies with its customers, PTC Industries remains dedicated to fostering a culture of safety and responsibility. By providing relevant information and support, PTC works towards ensuring a positive experience and maximizing the benefits of its offerings for their specific applications.

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

PTC Industries prioritises clear and transparent communication with its consumers regarding any potential risks of disruption or discontinuation of essential services. It has established multiple mechanisms to ensure that consumers are promptly informed in such situations.

Firstly, it maintains a dedicated customer communication channel where it proactively shares important updates and announcements. In the event of any potential risk to essential services, it will promptly issue notifications through this channel to keep customers well-informed.

Secondly, the customer support team plays a vital role in disseminating information to customers. They are trained to address any inquiries or concerns related to service continuity and are readily available to provide real-time assistance.

Lastly, the Company leverages digital platforms, including its website and social media channels, to reach a broader audience and share updates regarding service disruptions, if any.

By implementing these mechanisms, PTC strives to ensure that its customers stay informed and prepared for any potential risks to essential services, and it remains committed to minimizing disruptions and providing reliable support.

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

No, this is not applicable to PTC Industries. As its products are manufactured according to customers' specific drawings, designs, and specifications, the information displayed on the products is determined by the customers themselves. PTC Industries focuses on fulfilling customer requirements accurately and efficiently while adhering to the necessary legal guidelines and requirements. Therefore, any product information displayed on its products is entirely determined by the customer's specifications, and the Company ensures that all legal and customer-specific information is accurately represented.

Yes, PTC Industries regularly conducts surveys to gauge consumer satisfaction relating to its major products and services, as well as the overall entity. Customer feedback and satisfaction are integral to the business approach, and the Company actively seeks to understand its customers' experiences and preferences. Through various platforms and communication channels, it engages with its customers to gain insights into their requirements and expectations. These surveys play a vital role in assessing the effectiveness of its products and services, allowing it to continuously improve and align its offerings with customer needs. By prioritizing customer feedback, PTC Industries aims to ensure high levels of satisfaction and deliver exceptional value to its valued customers.

5. Provide the following information relating to data breaches

a. Number of instances of data breaches, along with impact:

Nil

b. Percentage of data breaches involving personally identifiable information of customers

Nil

Financial Statements

Independent Auditor's Report

To the Members of PTC Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of PTC Industries ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone 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.

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Valuation of Inventories: As disclosed in note 14 in the standalone financial statements, as at 31 March 2023 the total value of Company holds inventory comprising of raw material, work-in-progress and manufactured finished goods as at 31 March 2023 amounting to Rs 6,694.26 Lakh represents 13.30% of the total assets. Out of the total inventory Rs 3,558.84 Lakhs pertains to inventory work-in-progress and manufactured finished goods. Such inventory is carried at cost, or net realisable value whichever is lower, as per the accounting policy disclosed in note 4 of the accompanying standalone financial statements. Determination of cost of inventory involves allocation of various production and administration overheads incurred to bring the inventory to its present location and condition, which involves management judgement and estimation.	Our audit procedures included, but were not restricted to the following procedures: a) Obtained an understanding of the management's process of valuation of inventory. b) Evaluated the design and tested the operating effectiveness of key controls around valuation including around estimates, stage of completion and overhead computations and determination of net realizable value of inventory items. c) Evaluated the appropriateness of the Company's accounting policy and valuation method of inventory in accordance with the applicable accounting standards. d) Verified the expenses considered as cost of conversion including estimates for apportionment of the conversion on the different classes of finished goods and work in progress and recomputed the arithmetical accuracy thereof for calculating the conversion cost considered as part of the finished goods and work in progress.

Amongst the other overheads, fixed production overheads are allocated to the costs of conversion based on the normal capacity of the production facilities in accordance with the principles of Ind AS- 2, Inventories. Further, at the end of each reporting period, the management of the Company also assesses whether there is any objective evidence that net realisable value of any item of inventory is below the carrying value. If so, such inventories are written down to their net realisable value in accordance with Ind AS 2, Inventories. In addition to the above, the complexities and judgement involved in inventory valuation includes: (i) Estimate involved in computing input-output ratio used for computing the average rate of overheads which is to be added to the cost of inventory. (ii) Estimate involved in allocation of expenses through various stages of production. Inventory valuation was considered a risk of material misstatement because variable and fixed costs are allocated to Inventory. Considering the aforesaid complexities, significant management judgements, and estimates involved and materiality of the amounts involved, this matter has been determined to be as a key audit matter for the current year audit	e) Recomputed the net realisable value of the finished goods and reviewed the management assessment for carrying inventory at lower of cost and net realisable value. f) Tested ageing of inventory items obtained through system reports, as applicable. g) Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Tested the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Company. h) Evaluated the appropriateness and adequacy of the disclosures made by the Company in accordance with the requirements as specified in the Ind AS-2 'Inventories' and Schedule III of the Companies Act, 2013.

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

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 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 management;

    - Conclude on the appropriateness of Board of Directors' 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 standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company, as detailed in note 46 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023.;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;

   iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 54(a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

   b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 54(b) to the standalone financial statements, no funds have been received by the Company from any person or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

   v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

   vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 23099410BGYGSH3134

Chandigarh
30 May 2023

Annexure I

referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of PTC Industries Limited on the Standalone Financial Statements for the year ended 31 March 2023

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 report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment property.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipments and investment property under which the assets are physically verified in a phased manner over a period of 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipments and investment property were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 5 to the standalone financial statements are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods in transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.

(b) The Company has been sanctioned a working capital limit in excess of Rs 500 Lakhs by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the quarter ended 30 June 2022, 30 September 2022 and 31 December 2022 which were not subject to audit and for the quarter ended 31 March 2023 which is subject to audit.

(iii) (a) The Company has made investments in and or provided guarantee to Subsidiary during the year as per details given below:

(₹ in lakhs)

Particulars	Guarantees
Aggregate amount provided/granted during the year:	
- Subsidiary	2,500
Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiary	2,500

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the guarantees provided are, prima facie, not prejudicial to the interest of the Company. Also, the Company has not given any security during the year.

(c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made and guarantee provided, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans granted and security provided by it.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in few cases of income tax and employees state insurance dues. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Goods and Services Tax Act, 2017; Integrated Goods and Services Tax Act, 2017; UP Goods and Services Tax Act, 2017	Goods and Service tax	16.59	16.59	FY 2019-20	Pending to the Appealed before appellate authority

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks/ financial institution and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has made preferential allotment of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised were used for the purposes for which the funds were raised, though idle funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(xvii)The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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) (a) According to the information and explanations given to us, the Company has not transferred unspent amounts towards Corporate Social Responsibility in respect of other than ongoing projects to a Fund specified in Schedule VII to the Act as required under second proviso to sub-section (5) of section 135 of the said Act. However, the time period of six months from the end of financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not lapsed till the date of our report.

(b) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to any ongoing project as at end of the current financial year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 23099410BGYGSH3134

Chandigarh
30 May 2023

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of PTC Industries Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls 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 the Company's business, including adherence to the 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, 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.

5. 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 standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone 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 controls with reference to standalone financial statements include 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.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 23099410BGYGSH3134

Chandigarh
30 May 2023

Standalone Balance Sheet as at 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	22,296.68	23,172.18
Capital work-in-progress	6	2,927.33	560.74
Investment property	7	179.52	183.06
Other intangible assets	8	85.51	68.33
Financial assets			
(i) Investments	9(a)	6,486.31	2,189.87
(ii) Other financial assets	11(a)	288.48	189.42
Non current tax assets (net)	12	364.54	340.31
Other non current assets	13	198.65	173.15
Total non-current assets		**32,827.02**	**26,877.06**
Current assets			
Inventories	14	6,694.26	6,178.24
Financial assets			
(i) Investments	9(b)	7.18	7.21
(ii) Trade receivables	15	6,249.37	6,147.52
(iii) Cash and cash equivalents	16	585.34	95.78
(iv) Bank balances other than(iii) above	17	2,273.56	236.95
(v) Loans	10	53.79	63.62
(vi) Others financial assets	11(b)	181.02	488.60
Other current assets	18	1,470.53	1,363.65
Total current assets		**17,515.05**	**14,581.57**
TOTAL ASSETS		**50,342.07**	**41,458.63**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	1,338.23	523.91
Other equity	20	28,428.49	15,998.84
Total equity		**29,766.72**	**16,522.75**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21(a)	6,395.31	8,949.26
(ii) Other financial liabilities	22	239.78	314.54
Provisions	23	85.67	75.17
Deferred tax liabilities (net)	24	1,516.75	1,375.34
Other non-current liabilities	25	835.00	901.67
Total non-current liabilities		**9,072.51**	**11,615.98**
Current liabilities			
Financial liabilities			
(i) Borrowings	21(b)	7,530.54	10,191.98
(ii) Trade payables	26		
total outstanding dues of micro enterprises and small enterprises		610.32	233.17
total outstanding dues of creditors other than micro enterprises and small enterprises		1,366.53	1,573.44
(iii) Other financial liabilities	27	1,008.73	1,055.59
Other current liabilities	28	897.41	213.91
Provisions	23	31.12	44.51
Current tax liabilities (net)	29	58.19	7.30
Total current liabilities		**11,502.84**	**13,319.90**
TOTAL EQUITY AND LIABILITIES		**50,342.07**	**41,458.63**
Notes 1 to 61 form an integral part of these financial statements			

This is the Standalone Statement of Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 30 May 2023

For and on behalf of the Board of Directors of PTC Industries Limited

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2023

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

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	30	21,598.78	17,893.51
Other income	31	1,067.33	690.53
Total income		**22,666.11**	**18,584.04**
Expenses			
Cost of materials consumed	32	6,313.11	5,564.71
Changes in inventories of finished goods and work-in-progress	33	353.67	(553.77)
Employee benefits expense	34	2,350.51	2,002.56
Research and development expense	35	34.56	181.94
Other expenses	36	7,750.22	6,975.55
Total expenses		**16,802.07**	**14,170.99**
Profit before finance cost, depreciation and amortisation, exceptional items and tax		**5,864.04**	**4,413.05**
Finance costs	38	1,538.88	1,505.52
Depreciation and amortisation expense	39	1,647.76	1,453.93
Profit before exceptional items and tax		**2,677.40**	**1,453.60**
Exceptional items	40	**-**	**156.79**
Profit before tax		**2,677.40**	**1,296.81**
Tax expense:	41		
Current tax - current year		552.98	173.53
Current tax - earlier years		(29.93)	-
Deferred tax charge		143.88	173.63
Total tax expenses		**666.93**	**347.16**
Profit for the year		**2,010.47**	**949.65**
Other comprehensive income			
A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plan		(9.82)	(2.19)
ii) Income tax relating to items that will not be reclassified to profit or loss		2.47	0.55
Other comprehensive loss for the year (net of tax)		**(7.35)**	**(1.64)**
Total comprehensive income for the year		**2,003.12**	**948.01**
Earnings per equity share [Nominal value ₹10]	42		
Basic (₹)		15.27	7.28
Diluted (₹)		15.22	7.27

Notes 1 to 61 form an integral part of these financial statements

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 30 May 2023

For and on behalf of the Board of Directors of PTC Industries Limited

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2023

Standalone Statement of Cash Flows for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A	**Cash flow from operating activities**		
	Net profit before tax	2,677.40	1,296.81
	Adjustment for:		
	Depreciation and amortisation expense	1,647.76	1,453.93
	Unrealised foreign exchange fluctuation (gain)	(35.33)	(67.04)
	(Gain)on disposal of property plant and equipment (net)	(5.46)	(0.14)
	Provision for doubtful debts, loans and advances	-	(3.00)
	Trade payables written off	-	(29.31)
	Amortisation of deferred income- government grant	(66.67)	(51.67)
	Dividend income	(0.02)	(0.23)
	Loss/(gain) on MTM foreign exchange fluctuation	156.37	(28.05)
	Interest expense	1,386.80	1,363.06
	Remeasurement of defined benefit plan	-	(2.19)
	Interest from assets valued at amortised cost	(67.42)	(14.21)
	ESOP Expense	135.75	40.29
	Operating profit before working capital changes (current and non- current)	**5,829.18**	**3,958.25**
	Inflow and outflow on account of :		
	Changes in trade receivables	(49.36)	270.86
	Changes in inventories	(516.02)	(952.41)
	Changes in other financial assets	208.52	312.12
	Changes in other assets	(158.80)	(291.34)
	Changes in financial assets-loans	9.83	4.42
	Changes in provisions	(12.71)	36.21
	Changes in trade and other payables	153.08	(875.72)
	Changes in other financial liabilities	(20.77)	515.67
	Changes in other liabilities	527.13	(324.80)
	Cash generated from operations before tax	**5,970.08**	**2,653.26**
	Income taxes paid (net)	(496.37)	(203.15)
	Net cash generated from operating activities [A]	**5,473.71**	**2,450.11**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods]	(3,001.45)	(1,532.54)
	Proceeds from sale of property plant and equipments	47.82	103.58
	Investments (made)	(4,267.89)	(1,349.01)
	Interest received	67.42	14.21
	Other bank balances not considered as cash and cash equivalents [net]	(2,036.62)	(39.61)
	Dividend received	0.06	0.23
	Net cash used in investing activities [B]	**(9,190.66)**	**(2,803.15)**

Standalone Statement of Cash Flows for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C	**Cash flow from financing activities**		
	Proceeds from long-term borrowings	1,662.93	2,248.79
	Repayment of long-term borrowings	(5,459.08)	(1,555.20)
	Repayment of Short-term borrowings (net)	(1,419.23)	-
	Proceeds from government grant	-	300.00
	Proceeds from short-term borrowings (net)	-	808.09
	Finance cost paid	(1,654.62)	(1,498.90)
	Proceeds from preferential issue of equity shares (net of cost issuance expenses)	7,371.11	-
	Proceeds from issue of share warrants	3,705.40	-
	Net cash generated from financing activities [C]	**4,206.51**	**302.78**
D	**Net (decrease)/increase in cash and cash equivalents [A+B+C]**	**489.56**	**(50.26)**
E	**Cash and cash equivalents at the beginning of the year**	95.78	146.04
	Closing balance of cash and cash equivalent [D+E]	**585.34**	**95.78**

	As at 31 March 2023	As at 31 March 2022
Components of cash and cash equivalents (refer note 16):		
Balances with banks	76.09	89.55
Cash on hand	9.17	6.23
Balances in deposit account with original maturity upto three months	500.08	-
	585.34	**95.78**

Notes 1 to 61 form an integral part of these financial statements

This is the Standalone Statement of Cash flow Statement referred to in our report of even date.

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 30 May 2023

For and on behalf of the Board of Directors of
PTC Industries Limited

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2023

Standalone statement of Changes in Equity as at 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

A Equity share capital

Particulars	No. of shares	Amount
Balance as at 1 April 2021	5,239,063	523.91
Changes in equity share capital during the year	-	-
Balance as at 1 April 2022	**5,239,063**	**523.91**
Changes in equity share capital during the year	8,143,194	814.32
Balance as at 31 March 2023	**13,382,257**	**1,338.23**

B Other equity

Particulars	Reserves and Surplus				Other reserve			Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Share Based payment Reserve Account	Equity instruments through other comprehensive income	Money received against Share warrants	
Balance as at 1 April 2021	**1.75**	**4,120.72**	**4,624.17**	**6,260.96**	**-**	**0.01**	**-**	**15,007.62**
Profit for the period	-	-	-	949.65	-	-	-	949.65
Share Based payment expense	-	-	-	-	43.21	-	-	43.21
Remeasurement of defined benefit plan	-	-	-	(1.64)	-	-	-	(1.64)
Balance as at 1 April 2022	**1.75**	**4,120.72**	**4,624.17**	**7,208.97**	**43.21**	**0.01**		**15,998.84**
Profit for the period	-	-	-	2,010.47	-	-	-	2,010.47
Share Based payment expense	-	-	-	-	164.31	-	-	164.31
Remeasurement of defined benefit plan	-	-	-	(7.35)	-	-	-	(7.35)
Money received against Share warrants	-	-	-	-	-	-	3,705.40	3,705.40
Securities premium		6,556.82	-	-	-	-	-	6,556.82
Balance as at 31 March 2023	**1.75**	**10,677.54**	**4,624.17**	**9,212.09**	**207.52**	**0.01**	**3,705.40**	**28,428.49**

Refer note 20 for nature of reserves.

Notes 1 to 61 form an integral part of these financial statements

This is the Statement of changes in Equity referred to in our report of even date.

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 30 May 2023

For and on behalf of the Board of Directors of
PTC Industries Limited

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2023

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

1. Company information

PTC Industries Limited (the 'Company') is a public limited Company incorporated in India. The registered office and corporate office of the Company is situated in Lucknow, Uttar Pradesh, India. The Company is a leading manufacturer of metal components for critical and super critical applications. The Company's shares are listed on the Bombay Stock Exchange (BSE) in India.

2. General information and statement of compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The financial statements of PTC Industries Limited as at and for the year ended 31 March 2023 (including comparatives) were approved and authorised for issue by the Board of Directors on 30 May 2023.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs and two decimals thereof, unless otherwise indicated.

3. Basis of preparation and presentation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments) at fair value.
- Defined benefit liabilities are measured at present value of defined benefit obligation.

4. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below.

a) Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services 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 or non-current classification of assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

1) It is expected to be realised in, or is intended to be sold or consumed in, the Company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is expected to be realised within twelve months after the reporting date; or
4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

1) It is expected to be settled in the Company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is due to be settled within twelve months after the reporting date; or
4) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

b) Property, plant and equipment

Recognition, measurement and de-recognition

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.The Company identifies and determines separate useful lives for each major

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Foreign currency exchange differences are capitalized as per the policy stated in note 4(h) below.

Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Based on technical assessment made by technical expert and management estimate, the Company have assessed the estimated useful lives of certain property, plant and equipment that are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives of items of property, plant and equipment are as follows:

Particulars	Management estimate of useful life (years)
Factory and non-factory Buildings	30 - 60
Plant and machinery	2 - 15
Furniture and fixtures	10
Vehicles	8 - 10
Office equipment	5
Computers	3 - 6
Electrical installations	10

Leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.

c) Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

d) Intangible assets

Recognition, measurement and de-recognition

Intangible assets are stated at cost less accumulated amortisation and impairment losses (if any). Cost related to technical assistance for new projects are capitalised.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent expenditure

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Amortisation

Intangible assets include software that are amortised over the useful economic life of 6 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

e) Non-current assets held for sale

An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

financial assets, assets arising from employee benefits and deferred tax assets, continue to be measured in accordance with the Company's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

f) Impairment

(i) Impairment of financial assets

The Company recognises loss allowance for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract such as a default in payment within the due date;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any) is held.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the Cash Generating Unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

previously recognized are accordingly reversed in the Statement of Profit and Loss. An asset is deemed impaired when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.

g) Inventories

Inventories are stated at the lower of cost and net realisable value.

Raw materials, packing material, stores and spares and loose tools: The cost of inventories is calculated on first in and first out basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Work-in-progress and manufactured finished goods: Cost includes raw material costs and an appropriate share of fixed production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item by item basis/contract basis depending on the nature of work.

h) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

i) Foreign exchange transactions

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary 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 assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All exchange differences relating to foreign currency items are dealt with in the Statement of Profit and Loss in the year in which they arise.

j) Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed/encashed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulation. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

k) Revenue

i. Sale of goods

Revenue arises mainly from the sale of goods. To determine whether to recognise revenue, the Company follows a 5-step process:

(i) Identifying the contract with a customer

(ii) Identifying the performance obligations

(iii) Determining the transaction price

(iv) Allocating the transaction price to the performance obligations

(v) Recognising revenue when/as performance obligation(s) are satisfied.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

ii. Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

iii. Dividend income

Dividend income is recognized at the time when the right to receive is established by the reporting date.

iv. Income from power generation:

Income from power generation from windmill located in district Kutch is recognised on the basis of the terms of the contract.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

v. Export benefits/incentives

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

l) Borrowings

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

m) Government grants

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

Grants related to assets is recognized as deferred income which is recognized in the Statement of Profit and Loss on systematic basis over the useful life of the assets.

n) Right of use assets and lease liabilities

For all existing and new contract on or after 01 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

The Company as a lessee

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

o) Financial instruments

i. Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

ii. Subsequent measurement

Financial assets

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. Financial assets at fair value

- Investments in equity instruments other than above –Investments in equity instruments which are held for trading are generally classified as at fair value through profit or loss ("FVTPL"). For all other equity instruments, the Company makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income ("FVOCI") or fair value through profit or loss FVTPL.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss 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 43 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

p) Fair value measurement

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable -inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

q) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the cash Management.

r) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

s) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

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 with in 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 reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Company and requires interpretation of laws and past legal rulings.

t) Taxation

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

amounts of assets and liabilities and their tax bases. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

The Company's ability to recover the deferred tax assets is assessed by the management at the close of each financial year which depends upon the forecasts of the future results and taxable profits that Company expects to earn within the period by which such brought forward losses may be adjusted against the taxable profits as governed by the Income-tax Act, 1961. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

u) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's Board of Directors assesses the financial performance and position of the Company, and makes strategic decision. The Board has been identified as the chief operating decision maker. The Company's business activity is organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Company's primary business segment is reflected based on principal business activities carried on by the Company. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Company operates in one reportable business segment i.e., manufacturing and selling of metal components for critical and super critical applications. The geographical information analyses the Company's revenue and trade receivables from such revenue in India and other countries. In presenting the geographical information, segment revenue and receivables has been based on the geographic location of customers. Refer note 47 for segment information presented.

v) **Research and development costs**

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred. Items of property, plant and equipment and acquired intangible assets utilized for research and development are capitalized and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

w) **Derivative financial instruments**

The Company holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms. Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred.

x) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 (now Schedule III of Companies Act, 2013), the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

y) Significant accounting judgements, estimates and assumptions

When preparing the financial statements management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Significant judgements:

(i) Evaluation of indicators for impairment of non-financial assets

The evaluation of applicability of indicators of impairment of non-financial assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

(ii) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised. The recognition of deferred tax assets and reversal thereof is also dependent upon management decision relating to timing of availment of tax holiday benefits available under the Income Tax Act, 1961 which in turn is based on estimates of future taxable profits.

(iii) Contingent liabilities

The Company is the subject of certain legal proceedings which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Sources of estimation uncertainty:

(i) Provisions

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding guarantees. However, the actual future outcome may be different from management's estimates.

(ii) Fair valuation of financial instruments

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

(iii) Recoverability of advances/receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

z) Recent accounting pronouncement

Ministry of Corporate Affairs ('MCA') notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

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Ind AS 1 – Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 – Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

5. Property, plant and equipment

Particulars	Freehold land	Factory building	Plant and machinery	Computers	Mould and dies	Vehicles	Furniture and fixtures	Office equipments	Research and development assets: Plant and machinery	Research and development assets: Computers	Research and development assets: Mould and dies	Research and development assets: Vehicles	Total
As at 1 April 2021	**1,202.62**	**4,459.73**	**20,500.52**	**236.79**	**1,748.57**	**326.52**	**177.34**	**189.70**	**255.03**	**1.18**	**111.77**	**6.35**	**29,216.12**
Additions	-	264.33	3,275.49	8.84	215.19	32.98	5.09	4.47	-	-	-	-	3,806.39
Adjustment	1.61	-	-	-	-	-	-	-	-	-	-	-	1.61
Disposals/assets written off	-	-	(51.45)	-	-	-	-	-	-	-	-	-	(51.45)
Balance as at 31 March 2022	**1,204.23**	**4,724.06**	**23,724.56**	**245.63**	**1,963.76**	**359.50**	**182.43**	**194.17**	**255.03**	**1.18**	**111.77**	**6.35**	**32,972.67**
Additions	397.70	8.26	126.41	10.87	173.43	66.46	0.06	6.52	-	-	-	-	789.71
Disposals/assets written off	-	-	(159.32)	-	-	(16.66)	-	-	-	-	-	-	(175.98)
Balance as at 31 March 2023	**1,601.93**	**4,732.32**	**23,691.65**	**256.50**	**2,137.19**	**409.30**	**182.49**	**200.69**	**255.03**	**1.18**	**111.77**	**6.35**	**33,586.40**
Accumulated depreciation													
As at 1 April 2021	**-**	**565.62**	**5,855.37**	**187.88**	**1,106.57**	**151.64**	**102.26**	**118.98**	**176.07**	**1.06**	**106.19**	**3.72**	**8,375.36**
Charge for the year	-	136.84	1,096.21	12.95	112.30	34.25	11.35	20.69	6.49	0.02	1.05	0.06	1,432.21
Adjustments for disposals	-	-	(7.08)	-	-	-	-	-	-	-	-	-	(7.08)
Balance as at 31 March 2022	**-**	**702.46**	**6,944.50**	**200.83**	**1,218.87**	**185.89**	**113.61**	**139.67**	**182.56**	**1.08**	**107.24**	**3.78**	**9,800.49**
Charge for the year	-	141.53	1,274.90	13.60	123.86	30.42	11.18	20.78	6.49	0.02	-	0.06	1,622.84
Adjustments for disposals	-	-	(117.79)	-	-	(15.82)	-	-	-	-	-	-	(133.61)
Balance as at 31 March 2023	**-**	**843.99**	**8,101.61**	**214.43**	**1,342.73**	**200.49**	**124.79**	**160.45**	**189.05**	**1.10**	**107.24**	**3.84**	**11,289.72**
Net block as at 31 March 2022	**1,204.23**	**4,021.60**	**16,780.06**	**44.80**	**744.89**	**173.61**	**68.82**	**54.50**	**72.47**	**0.10**	**4.53**	**2.57**	**23,172.18**
Net block as at 31 March 2023	**1,601.93**	**3,888.33**	**15,590.04**	**42.07**	**794.46**	**208.81**	**57.70**	**40.24**	**65.98**	**0.08**	**4.53**	**2.51**	**22,296.68**

Notes:

a) Refer note 49 "Assets pledged as security" for details regarding property, plant and equipment pledged as security.

b) Refer note 46(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c) Plant and machinery includes assets amounting to ₹ 1000 lakh was acquired under the Technology Acquisition and Fund Programme (TAFP) project. These assets have restricted use under their respective projects.

d) No proceeding has been initiated or pending against the company for holding any benami property under the Benami transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

6 Capital work-in-progress ('CWIP')

Particulars	Amount
Balance as at 1 April 2021	**2,858.32**
Additions	837.18
Capitalisation during the year	(3,134.76)
Balance as at 31 March 2022	**560.74**
Additions	2,507. 04
Capitalisation during the year	(140.45)
Balance as at 31 March 2023	**2,927.33**

Note:

1. Additions to capital work in progress include interest of ₹ 149.03 lakh (31 March 2022: ₹ 134.03 lakh) capitalised during the year.

2. There has been no CWIP which is overdue or has exceeded its cost compared to its original plan.

(a) Capital-work-in progress ageing schedule as at 31 March 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	2366.59	180.83	299.57	80.34	2927.33

Capital-work-in progress ageing schedule as at 31 March 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	180.83	299.57	63.39	16.95	560.74

7. Investment Property

Particulars	Freehold land	Factory building	Total
Net carrying value			
Gross Block as on 31st March 2021	**125.59**	**151.77**	**277.36**
Additions	-	-	-
Gross Block as on 31st March 2022	**125.59**	**151.77**	**277.36**
Additions	-	-	-
Gross Block as on 31st March 2023	**125.59**	**151.77**	**277.36**
Accumulated depreciation			
As at 1 April 2021	**-**	**92.99**	**92.99**
Charge for the year	-	1.31	1.31
Balance as at 31 March 2022	**-**	**94.30**	**94.30**
Depreciation charge for the year	-	3.54	3.54
Balance as at 31 March 2023	**-**	**97.84**	**97.84**
Net block as at 31 March 2022	**125.59**	**57.47**	**183.06**
Net block as at 31 March 2023	**125.59**	**53.93**	**179.52**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Notes:

(i) Amount recognised in statement of profit and loss for investment property

Particulars	As at 31 March 2023	As at 31 March 2022
Rental income	48.40	45.00
Depreciation and amortisation expense	3.54	1.31
Profit from leasing of investment property	**44.86**	**43.69**

(ii) The aforementioned investment property is leased to a tenant under short term operating lease agreement with rentals payable monthly. However, lease can be terminated by either of the parties during the term, hence considered as cancellable and accordingly no lease disclosure given, as required by Ind AS 116 "Leases".

(iii) Fair value of investment property

Particulars	As at 31 March 2023	As at 31 March 2022
Fair value	1,464.00	1,458.46

The Company obtains independent valuations for its investment property. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources such as current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Fair value is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

8. Other intangible assets

Particulars	Software	Licenses	Research and development asset - Software	Total
Gross block				
At 1 April 2021	**207.35**	**39.70**	**4.72**	**251.77**
Additions	12.35	-	-	12.35
Balance as at 31 March 2022	**219.70**	**39.70**	**4.72**	**264.12**
Additions	38.57	-	-	38.57
Balance as at 31 March 2023	**258.27**	**39.70**	**4.72**	**302.69**
Accumulated amortisation				
At 1 April 2021	**131.25**	**39.70**	**4.44**	**175.39**
Charge for the year	20.41	-	-	20.41
Balance as at 31 March 2022	**151.66**	**39.70**	**4.44**	**195.80**
Charge for the year	21.38	-	-	21.38
Balance as at 31 March 2023	**173.04**	**39.70**	**4.44**	**217.18**
Net block as at 31 March 2022	**68.04**	**-**	**0.28**	**68.32**
Net block as at 31 March 2023	**85.23**	**-**	**0.28**	**85.51**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

9(a) Non-current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Unqouted equity shares		
Investment in equity instruments (at cost)		
6,55,335 equity shares (31 March 2022: 2,28,596) of ₹ 10 each(fully paid-up) of Aerolloy Technologies Limited	6,485.81	2,189.87
Instrumentation Automation Surveillance & Communication Sector Skill Council Equity Fund 5,000 units of Rs. 10 each	**0.50**	-
	6,486.31	**2,189.87**
Aggregate amount of unquoted investments	6,486.31	2,189.87

Information about subsidiary is as follows:

Name of the entity	Principal place of business	Proportion of ownership (%) as at 31 March 2023	Proportion of ownership (%) as at 31 March 2022
Aerolloy Technologies Limited	India	100	100

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

9(b) Current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Quoted instruments		
Investment in mutual fund (at fair value through profit or loss)		
5,000 units (31 March 2022: 5,000 units:) of ₹ 10 each of UTI Equity Fund (Prev. Mastergain1992 of UTI)	7.18	7.21
	7.18	**7.21**
Aggregate amount of quoted investments and market value thereof	7.18	7.21

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

10 Current financial assets - loans

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Loan to employees*	53.79	63.62
	53.79	**63.62**

* No loans and advances provided to promoters, directors & KMP.

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

11(a) Non-current financial assets - others

Particulars	As at 31 March 2023	As at 31 March 2022
Deposits with banks with maturity more than 12 months*	118.89	56.38
Security deposits	162.98	133.04
Interest Accrued on Deposit	6.61	-
	288.48	**189.42**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Note:

Refer note 43 for disclosure of fair values in respect of financial assets measured at cost.

11(b) Current financial assets - others

Particulars	As at 31 March 2023	As at 31 March 2022
Export incentives receivable*	181.02	430.55
Other financial assets	-	58.05
	181.02	**488.60**

***Export Incentive receivable movement summary**

Particulars	Amount
Balance as at 1 April 2021	**459.06**
Income during the year	221.33
Amount utilised/refund received during the year	(249.84)
Balance as at 31 March 2022	**430.55**
Income during the year	386.31
Amount utilised/refund received during the year	(635.84)
Balance as at 31 March 2023	**181.02**

Note:

Refer note 43 for disclosure of fair values in respect of financial assets measured at cost.

12 Income tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance income-tax (net of provision for taxation)	364.54	340.31
	364.54	**340.31**

13 Other non-current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Capital advances	146.73	173.15
Prepaid expenses	51.92	-
	198.65	**173.15**

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14 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
(Valued at lower of cost or net realisable value)		
Raw materials	2,131.28	1,504.34
Work-in-progress	3,513.83	3,867.49
Finished goods	45.02	45.02
Stores and spares	865.12	636.51
Loose tools	139.01	124.88
	6,694.26	**6,178.24**

15 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables considered good – Unsecured	6,249.37	6,147.52
Trade receivables-credit impaired	22.59	22.59
	6,271.96	**6,170.11**
Less: Provision for expected credit loss	(22.59)	(22.59)
	6,249.37	**6,147.52**

*Refer note-43 for ageing schedule of Trade receivables.

16 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks	76.09	89.55
Cash on hand	9.17	6.23
Balances in deposit account with original maturity upto 3 months*	500.08	-
	585.34	**95.78**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Note:

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

17 Other bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
Deposits with original maturity more than 3 months but remaining less than 12 months*	2,190.46	198.84
Interest accrued on deposits	83.10	38.11
	2,273.56	**236.95**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Notes to the Standalone Financial Statements

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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

18 Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	189.60	81.46
Balances with statutory and government authorities	838.25	927.06
Advance to suppliers	422.56	317.88
Other loans and advances	20.12	37.25
	1,470.53	**1,363.65**

19 Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Authorised:				
Equity shares of ₹ 10 each	20,000,000	2,000.00	20,000,000	2,000.00
	20,000,000	**2,000.00**	**20,000,000**	**2,000.00**
Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 each	13,382,257	1,338.23	5,239,063	523.91
	13,382,257	**1,338.23**	**5,239,063**	**523.91**

(During the previous year, the Company has increased the authorised share capital from INR 1,100.00 lacs to INR 2,000.00 lacs and also converted the authorised redeemable cumulative preference share capital into equity share capital.)

a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	5,239,063	523.91	5,239,063	523.91
Add: Shares issued during the year :-				
i) Right issue of equity shares of ₹ 10 each (Refer note 57)	7,858,594	785.86	-	-
ii) Preferential issue of equity shares of ₹ 10 each (Refer note 56)	284,600	28.46	-	-
Outstanding at the end of the year	**13,382,257**	**1,338.23**	**5,239,063**	**523.91**

b) Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% of the equity share capital:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	% of holding	Number	% of holding
Sachin Agarwal	2,855,491	21.34%	11,15,704	21.30%
Mapple Commerce Private Limited	1,599,985	11.96%	625,150	11.93%
Nirala Merchants Private Limited	1,177,818	8.80%	460,200	8.78%
Priya Ranjan Agarwal	987,914	7.38%	386,000	7.37%
Sachin Agarwal HUF	670,297	5.01%	261,900	5.00%

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d) Information regarding issue of shares in the last five years

i) The Company has not issued any shares without payment being received in cash in the last five years.

ii) There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

e) Disclosure of Shareholding of Promoters

Shares held by promoters at the end of the year as on 31 March 2023			
Promoter Name	**No. of Shares**	**% of Total**	**% Change during the year ***
Sachin Agarwal	2,855,491	21.34%	155.94%
Mapple Commerce Private Limited	1,599,985	11.96%	155.94%
Nirala Merchants Private Limited	1,177,818	8.80%	155.94%
Priya Ranjan Agarwal	987,914	7.38%	155.94%
Sachin Agarwal HUF	670,297	5.01%	155.94%
Alok Agarwal	551,799	4.12%	155.94%
Viven Advisory Services Private Limited	433,325	3.24%	155.94%
Smita Agarwal	335,276	2.51%	155.94%
Anshoo Agarwal	159,448	1.19%	155.94%
Satish Chandra Agarwal HUF	77,805	0.58%	155.94%
Bina Agrawal .	71,483	0.53%	155.94%
Kanchan Agarwal	54,258	0.41%	155.93%
Kiran Arun Prasad	49,139	0.37%	155.93%
Manu Agarwal	25,593	0.19%	155.93%
Ritika Agarwal	25,593	0.19%	155.93%
Reena Agarwal	10,237	0.08%	155.93%
Arun Jwala Prasad	5,119	0.04%	155.95%
Total	**90,90,580**	**67.94%**	

* The significant increase in % change in number of shares during the year is on account of issue of right shares during the year, in the ratio of three new equity shares for every two equity shares of the Company held by the eligible shareholders on the record date.

Shares held by promoters at the end of the year as on 31st March, 2022			
Promoter Name	**No. of Shares**	**% of Total**	**% Change during the year ***
Sachin Agarwal	1,115,704	21.30%	0.05%
Mapple Commerce Private Limited	625,150	11.93%	0.00%
Nirala Merchants Private Limited	460,200	8.78%	0.00%
Priya Ranjan Agarwal	386,000	7.37%	0.00%
Sachin Agarwal HUF	261,900	5.00%	0.00%
Alok Agarwal	215,600	4.12%	0.00%
Viven Advisory Services Private Limited	169,310	3.23%	0.00%
Smita Agarwal	131,000	2.50%	0.00%
Anshoo Agarwal	62,300	1.19%	0.00%
Satish Chandra Agarwal HUF	30,400	0.58%	0.00%
Bina Agrawal .	27,930	0.53%	0.00%
Kanchan Agarwal	21,200	0.40%	0.00%
Kiran Arun Prasad	19,200	0.37%	0.00%
Manu Agarwal	10,000	0.19%	0.00%
Ritika Agarwal	10,000	0.19%	0.00%
Reena Agarwal	4,000	0.08%	0.00%
Arun Jwala Prasad	2,000	0.04%	0.00%
Total	**35,51,894**	**67.80%**	

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

20 Other equity

	Particulars	As at 31 March 2023	As at 31 March 2022
a.	**Capital reserve**		
	Balance at the beginning of the year	1.75	1.75
	Add: Additions during the year	-	-
	Balance at the end of the year	**1.75**	**1.75**
b.	**Securities premium**		
	Balance at the beginning of the year	4,120.72	4,120.72
	Add: Additions during the year	6,556.82	-
	Balance at the end of the year	**10,677.54**	**4,120.72**
c.	**General reserve**		
	Balance at the beginning of the year	4,624.17	4,624.17
	Add: Additions during the year	-	-
	Balance at the end of the year	**4,624.17**	**4,624.17**
d.	**Retained earnings**		
	Balance at the beginning of the year	7,208.98	6,260.96
	Add: Profit during the year	2,003.12	948.02
	Balance at the end of the year	**9,212.10**	**7,208.98**
e.	**Other comprehensive income**		
	Balance at the beginning of the year	0.01	0.01
	Add: Profit during the year	-	-
	Balance at the end of the year	**0.01**	**0.01**
f.	**Share based payment reserve**		
	Balance at the beginning of the year	43.21	-
	Add: Profit during the year	164.31	43.21
	Balance at the end of the year	207.52	43.21
g.	**Share warrants (Refer note 56)**		
	Balance at the beginning of the year	-	-
	Add: Amount received during the year	3,705.40	-
	Balance at the end of the year	**3,705.40**	**-**
	Total	**28,428.49**	**15,998.84**

Nature and purpose of other reserves:

(a) Capital reserve

Capital reserve was created in respect of proceeds of forfeited shares.

(b) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(c) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

Notes to the Standalone Financial Statements
for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(d) Retained earnings

Retained earnings refer to the net profit retained by the company for its core business activities.

(e) Share Based Payment Reserve(SBP)

This reserve has been created to meet the cost of Employee Stock Option Payment(ESOP) scheme.

(f) Share Warrants

Fully convertible warrants alloted to persons belonging to Non-Promoter category convertible into equivalent number of Equity Shares within a period of 13 months from the date of allotment.

21(a) Non-current borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Term loans from banks	7,240.94	10,781.07
Term loans from financial institutions	-	18.12
Vehicle loans from banks and financial institutions	145.80	117.35
Letter of credit - from banks	-	266.35
Total Borrowings	**7,386.74**	**11,182.89**
Less: Current maturities of long term borrowings (refer note 21(b))	(991.43)	(2,233.63)
	6,395.31	**8,949.26**

Notes:

1. Term loans from banks and financial institutions carrying interest rate ranging from 7.25% to 11.20% p.a (P.Y. 8.25% to 10.75% p.a).
2. Term loans from banks are secured by way of equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) and first pari-passu charge on the plant and equipment of the Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) of the Company and second charge ranking pari-passu on the whole of the present and future current assets of the Company .
3. Further the term loans from banks and financial institutions are secured by way of personal guarantee of the few directors of the Company.
4. Vehicle loans carry interest rates ranging from 7.25% to 12.50% p.a (P.Y 9.75% to 12.50% p.a) and are secured by way of absolute charge on respective assets thus purchased.
5. Special letter of credit - from banks carry interest rates ranging from 9.00% to 14.00% p.a. (P.Y. 9.00% to 14.00% p.a.). Special letter of credit - from banks is secured by way of personal guarantee of the few directors of the Company.
6. Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

21(b) Current borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Loans repayable on demand- from banks	5,447.00	6,939.03
Current maturity of Long term borrowings	991.43	2,233.63
Un-Secured		
Bill Dicounted	1,092.11	1,019.32
	7,530.54	**10,191.98**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Notes:

1. Working capital facilities from banks carry interest rates ranging from 5.25% to 11.95% p.a.(P.Y 9.00% to 11.18% p.a) and are repayable on demand.These facilities are secured by way of first charge ranking pari-passu on the whole of the present and future current assets of the Company and further secured by second charge on equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) and first second pari-passu charge on plant and equipment of the Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) of the Company.
2. Cash credit facilities are secured by way of personal guarantee of the few directors of the company.
3. Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.
4. The Company has borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

4. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Non-current borrowings	Current borrowings	Interest accrued
As at 1 April 2021	**10,489.30**	**7,150.25**	**120.65**
Add: Non cash changes due to-			
- Interest expense debited to statement of profit and loss	-	-	1363.06
- Interest expense capitalised to capital work-in-progress	-	-	134.03
Add: Cash inflows during the year			
- Proceeds from non-current borrowings	2,248.79	-	-
- Proceeds from current borrowings	-	808.09	-
Less: Cash outflow during the year			
- Repayment of non-current borrowings	1,555.20	-	-
- Interest paid	-	-	1498.90
As at 1 April 2022	**11,182.89**	**7,958.34**	**118.84**
Add: Non cash changes due to-			
- Interest expense debited to statement of profit and loss	-	-	1386.80
- Interest expense capitalised to capital work-in-progress	-	-	149.03
Add: Cash inflows during the year			
- Proceeds from non-current borrowings	1,662.93	-	-
Less: Cash outflow during the year			
- Repayment of non-current borrowings	(5,459.08)	(1,419.23)	-
- Interest paid	-	-	(1654.62)
Closing balance as on 31 March 2023	**7,386.74**	**6,539.11**	**0.05**

22 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposit	7.50	7.50
TDDP Grant (Non-current)	232.28	307.04
	239.78	**314.54**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Devlopment Corporation (NRDC) an enterprise of Deparment of Scientific & Industrial Reseacrh(DSIR). Refer note-55 for further details.

23 Provisions

Particulars	Non-current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Provision for employees benefits				
- Provision for gratuity	-	-	11.22	32.39
- Provision for compensated absences	85.67	75.17	19.90	12.12
	85.67	**75.17**	**31.12**	**44.51**

24 Deferred tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liability arising on account of:		
Difference between book balance and tax balance of property, plant and equipment	1,592.72	1,413.12
Deferred tax asset arising on account of:		
Provision for employee benefits	37.99	39.15
Tax impact on allowance under tax exemptions/deductions	32.30	(7.05)
Provision for doubtful debts	5.68	5.68
Net deferred tax liability	**1,516.75**	**1,375.34**

A Movement in deferred tax liabilities:

Particulars	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2022
Deferred tax liability arising on account of:				
Difference between book balance and tax balance of property, plant and equipment	1,236.40	176.72	-	1,413.12
	1,236.40	**176.72**	**-**	**1,413.12**
Deferred tax asset arising on account of:				
Provision for employee benefits	29.84	8.76	0.55	39.15
Provision for doubtful debts	6.44	(0.76)	-	5.68
Tax impact on allowance under tax exemptions/deductions	(40.28)	33.22	-	(7.05)
Brought forward losses and unabsorbed depreciation	38.14	(38.14)	-	-
	34.14	**3.08**	**0.55**	**37.78**
Net deferred tax liability	**1,202.26**	**173.64**	**(0.55)**	**1,375.34**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Movement in deferred tax liabilities:

Particulars	As at 1 April 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2023
Deferred tax liability arising on account of:				
Difference between book balance and tax balance of property, plant and equipment	1,413.12	179.60	-	1,592.72
	1,413.12	**179.60**	**-**	**1,592.72**
Deferred tax asset arising on account of:				
Provision for employee benefits	39.15	(3.63)	2.47	37.99
Provision for doubtful debts	5.68	-	-	5.68
Tax impact on allowance under tax exemptions/ deductions	(7.05)	39.35	-	32.30
	37.78	**35.72**	**2.47**	**75.97**
Net deferred tax liability	**1,375.34**	**143.88**	**(2.47)**	**1,516.75**

(B) Unrecognised deferred tax assets

Particulars	As at 31 March 2023		As at 31 March 2022	
	Gross amount	Tax effect	Gross amount	Tax effect
Brought forward long term capital losses	61.67	15.52	61.67	15.52
	61.67	**15.52**	**61.67**	**15.52**

25 Other non-current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred Gov grant	835.00	901.67
	835.00	**901.67**
(i) Reconciliation of deferred income		
Opening balance as at the beginning of the year	901.67	1,042.22
Add: Grant received during the year	-	300.00
Less: Released to the Statement of Profit and Loss	(66.67)	(51.67)
Less: Reclassed to other financial liability (Non current & current) (Refer Note-55)	(388.90)	(388.88)
Closing balance as at the end of the year	**835.00**	**901.67**

26 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Due to :		
Total outstanding dues of micro enterprises and small enterprises*	610.32	233.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,366.53	1,573.44
	1,976.85	**1,806.61**

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

*Dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), to the extent identified and information available with the Company pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below::

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year	610.32	233.17
The amount of interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

Trade Payables ageing schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	610.32	-	-	-	610.32
(ii) Others	1,314.24	43.54	8.75	-	1,366.53
Total	**1,924.56**	**43.54**	**8.75**	**-**	**1,976.85**

* There are no disputed payables

Trade Payables ageing schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	233.17	-	-	-	233.17
(ii) Others	1,510.57	62.87	-	-	1,573.44
Total	**1,743.74**	**62.87**	**-**	**-**	**1,806.61**

* There are no disputed payables

27 Current financial liabilities- others

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	-	118.80
TDDP Grant (Current)*	101.11	118.62
Others		
- towards creditors for capital goods	359.28	341.32
- towards employee related payables	242.57	283.53
- expenses payables	177.45	193.32
Other financial liability**	128.32	-
	1,008.73	**1,055.59**

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Devlopment Corporation (NRDC) an enterprise of Deparment of Scientific & Industrial Reseacrh(DSIR). Refer note-55 for further details.

** Other financial liability includes the forward contracts

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

28 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Revenue received in advance	827.36	155.90
Statutory dues payable	70.05	58.01
	897.41	**213.91**

29 Current tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Current years Laibilites net of advance tax and TDS	58.19	7.30
	58.19	**7.30**

30 Revenue from operations (Point in Time)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products	21,174.33	17,633.17
Other operating revenues (refer (a) below)	424.45	260.34
Revenue from operations	**21,598.78**	**17,893.51**
(a) Other operating revenues (Point in Time)		
Export incentives	386.31	221.34
Income from power generation	38.14	39.00
Total	**424.45**	**260.34**
Reconciliation of revenue recognised with contract price:		
Gross Revenue	21,598.78	17,934.29
Less: Rate difference adjustment	-	40.78
	21,598.78	**17,893.51**

31 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest		
- from bank deposits valued at amortised cost	67.42	14.21
Rent Income from Investment property and property plant equipment	107.60	74.80
Supply of Services	289.72	112.59
Insurance claims received	-	64.90
Gain on foreign exchange fluctuation (net)	515.10	308.50
Dividend income(on investments carried at Fair value through Profit & Loss)	0.02	0.23
Mark to market gain on forward contracts measured at Fair value through Profit & Loss	-	28.05
Amortisation of deferred income (refer note-25)	66.67	51.67
Profit on sale of assets	5.46	0.14
Miscellaneous income	15.34	35.44
	1,067.33	**690.53**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

32 Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw materials at the beginning of the year	1,504.34	1,232.12
Add: Purchases	6,940.05	5,902.01
Less: Closing stock	2,131.28	1,504.34
	6,313.11	5,629.79
Less: Raw material consumed for research and development	-	65.08
Cost of material consumed	**6,313.11**	**5,564.71**

33 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year		
Work-in-progress	3,867.50	3,313.73
Finished goods	45.02	45.02
	3,912.52	**3,358.75**
Inventories at the end of the year		
Work-in-progress	3,513.83	3,867.50
Finished goods	45.02	45.02
	3,558.85	**3,912.52**
Changes in inventories of finished goods and work-in-progress	**353.67**	**(553.77)**

34 Employee benefits expense*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	1,984.15	1,751.75
Contribution to provident and other funds	124.51	107.09
Gratuity expense (refer note 44)	37.60	34.47
Staff welfare expenses	68.50	68.96
Employee stock option payment expenses	135.75	40.29
	2,350.51	**2,002.56**

*Employee benefit expenses excludes ₹ 34.56 lakhs (31 March 2022: ₹ 32.09 lakhs) towards research and development expenses (refer note 35)

35 Research and development expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw materials consumed	-	65.08
Materials, stores and spares consumed	-	84.77
Salary and wages	34.56	32.09
	34.56	**181.94**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

36 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Manufacturing expenses		
Stores and spares consumed*	2,488.84	2,213.52
Power and fuel	1,351.50	1,483.30
Repairs and maintenance		
- plant and machinery	273.03	429.72
- building	24.33	34.23
Packing and general consumables	203.35	201.44
Processing and work charges	978.98	995.54
Freight expenses	41.33	30.73
Outsourced services	72.85	102.66
Testing and inspection charges	316.08	279.15
Sub-total (A)	**5,750.29**	**5,770.29**
Administrative, selling and other expenses		
Rent	24.38	23.55
Rates and taxes	153.67	8.82
Insurance expenses	85.47	83.78
Security expenses	104.64	95.18
Legal and professional expenses	249.49	110.19
Payment to Auditors [refer note 37 (a)]	31.32	35.86
Travelling and conveyance	292.97	103.74
Vehicle running and maintenance	143.95	114.40
Communication expenses	30.13	21.80
Printing and stationery	15.65	19.41
Training and Recruitment	21.57	46.53
Seminar, Conferences and Exhibitions	29.74	47.51
Financial instruments measured at fair value	156.37	-
Freight and clearing	252.05	145.83
Claim Settlement expenses	259.71	226.87
Late delivery charges	6.55	-
Advertisement and promotion	7.69	6.40
Donation and charity	0.05	0.40
Computer expenses	41.41	30.80
Corporate social responsibility expenses [refer note 37 (b)]	26.13	23.88
Business promotion expenses	22.68	12.18
Office upkeep and maintenance charges	31.66	37.94
Miscellaneous expenses	12.65	10.20
Sub-total (B)	**1,999.93**	**1,205.26**
Grand total (C=A+B)	**7,750.22**	**6,975.55**

*Stores and spares excludes ₹ Nil (31 March 2022: ₹ 84.77 lakh) towards research and development expenses (refer note 35)

37 (a) Payment to auditors

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor:		
- Statutory audit (including limited reviews)	26.63	25.00
In other capacity:		
- Certification	3.00	10.86
- Out of pocket expenses	1.69	-
	31.32	**35.86**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

37 (b) Corporate social responsibility expenses

Particulars		**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Gross amount required to be spent under section 135 of the Act		26.13	23.88
Amount spent during the year ended 31 March 2023 :	**In cash**	**Unspent amount**	**Total**
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	1.53	24.60	26.13
	1.53	**24.60**	**26.13**
Amount spent during the year ended 31 March 2022:	**In cash**	**Unspent amount**	**Total**
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	23.88	-	23.88
	23.88	**-**	**23.88**

Details of corporate social responsibility expenditure

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
(i) Amount required to be spent by the Group during the year	26.13	23.88
(ii) Amount of expenditure incurred	1.53	23.88
(iii) Shortfall at the end of the year	24.60	-
(iv) Total of previous years shortfall	-	-
(v) Amount deposited to special unspent CSR account u/s 135(6)	24.60	-
(vi) Net shortfall	-	-
(vii) Reason for shortfall	-	-
(viii) Nature of CSR activities	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livlihood enhancement projects	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livlihood enhancement projects
(ix) Details of related party transactions	**-**	**-**

38 Finance costs

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Interest expense on borrowings measured at amortised cost		
- on working capital loans	536.40	475.67
- on term loans	795.16	854.09
Interest on others	55.24	33.30
Bank charges	152.08	142.46
	1,538.88	**1,505.52**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

39 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment		
Depreciation on investment property	1,622.84	1,432.21
Amortisation on intangible assets	3.54	1.31
	21.38	20.41
	1,647.76	**1,453.93**

40 Exceptional items

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Remeasurement of TDDP grant valued amortised cost	-	156.79
	-	**156.79**

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Devlopment Corporation (NRDC) an enterprise of Deparment of Scientific & Industrial Reseacrh(DSIR). Refer note-55 for further details.

41 Tax expense

(a) Income tax expenses recognised in profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax:		
Current tax	552.98	173.53
Current tax - earlier years	(29.93)	-
	523.05	**173.53**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	143.88	173.63
	143.88	**173.63**
Total tax expense recognised in profit and loss	**666.93**	**347.16**

(b) Income tax expenses recognised in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax:		
Re-measurement of defined benefit obligations	2.47	0.55
Total tax expense recognised in other comprehensive income	**2.47**	**0.55**

(c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% (31 March 2022: 25.17%) and the reported tax expense in the statement of profit and loss are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting profit before income-tax	2,677.40	1,296.81
At India's statutory income-tax rate of 25.17% (31 March 2022: 25.17%)	673.85	326.38
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non deductible expenses	23.01	20.78
Tax earlier years	(29.93)	-
	666.93	**347.16**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Basis of computing Company's statutory income-tax rate:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Base rate	22.00%	22.00%
Add: Surcharge	2.20%	2.20%
	24.20%	24.20%
Add: Education cess	0.97%	0.97%
	25.17%	**25.17%**

42 Earnings per share

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for the year attributable to equity shareholders	2,010.47	949.65
Weighted average number of equity shares (nos. in lakh)	131.68	52.39
Nominal value per share (₹)	10.00	10.00
Earnings per share - basic (₹) (refer note 57)	15.27	7.28
Weighted average number of equity shares for Diluted (nos. in lakh)	131.68	52.39
Add:- Potentional Dilutive No.	0.44	0.04
Total Diluted Equity Share	**132.12**	**52.43**
Earnings per share - diluted (₹) (refer note 57)	15.22	7.27

The Company have dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company are as above.

43 Financial instrument and risk review

(A) Financial instruments

(i) Capital management

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 21(a) and 21(b); cash and cash equivalents and current investments and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non-current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

The following table summarises the capital of the Company:

Particulars	As at March 31, 2023	As at March 31, 2022
Equity	**29,766.72**	**16,522.75**
Liquid assets (cash and cash equivalent and current investments) (a)	**592.52**	**103.00**
Current borrowings [note 21(b)]	7,530.54	10,191.98
Non- current borrowings [note 21(a)]	6,395.31	8,949.26
Interest accrued but not due on borrowings (refer note 27)	-	118.80
Total debt (b)	**13,925.85**	**19,260.04**
Net debt (c=(b) - (a))	**13,333.33**	**19,157.04**
Total capital (equity + net debt)	**43,100.05**	**35,679.79**
Gearing ratio		
Debt to equity ratio	0.47	1.17
Net debt to equity ratio	0.45	1.16

Loan Covenants

Under the term of major borrowing facilities, the Company is required to comply with the following covenants:

1. Total debt/ Adjusted Tangible net worth not to exceed 1.3 times.
2. Debt service coverage ratio not to fall below 1.25 times.
3. Asset coverage ratio to not to fall below 1.1 times
4. Interest coverage ratio not to fall below 2.8 times
5. Total debt/Net cash accruals not to exceed 8.0 times
6. Current Ratio to be not less than 1.10
7. Fixed Asset Coverage Ratio>=1.5X

The company has complied with these covenants throughout the reporting period.

(ii) Category of financial instruments

Particulars	Notes	As at March 31, 2023			As at March 31, 2022		
		Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI
Financial assets							
Investments*	9(a),9(b)	-	7.68	-	-	7.21	-
Loans	10	53.79	-	-	63.62	-	-
Trade receivables	15	6,249.37	-	-	6,147.52	-	-
Cash and cash equivalents	16	585.34	-	-	95.78	-	-
Other bank balances	17	2,273.56	-	-	236.95	-	-
Other financial assets	11(a),11(b)	469.50	-	-	649.98	28.05	-
Total financial assets		**9,631.56**	**7.68**	**-**	**7,193.85**	**35.26**	-
Financial liabilities							
Borrowings	21(a),21(b)	13,925.85	-	-	19,141.24	-	-
Trade payables	26	1,976.85	-	-	1,806.61	-	-
Other financial liabilities	22,27	1,120.19	128.32	-	1,370.13	-	-
Total financial liabilities		**17,022.89**	**128.32**	**-**	**22,317.98**	**-**	**-**

* Investment in equity shares of subsidiary are measured at cost as per Ind AS 27, "Separate financial statements" and are not required to be disclosed here.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(iii) Fair value hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets- measured at fair value						
Financial investment at FVTPL						
- Forward contract	-	-	-	-	28.05	-
- Quoted mutual fund	7.68	-	-	7.21	-	-
Financial liabilities- measured at fair value						
Financial investment at FVTPL						
- Forward contract	-	128.32	-	-	-	-
	7.68	**128.32**	-	**7.21**	**28.05**	**-**

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: This hierarchy includes financial instruments for which inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) have been used.

Level 3: This hierarchy includes financial instruments for which inputs used are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the years ended 31 March 2023 and 31 March 2022.

Valuation techniques and significant unobservable inputs:

Financial instruments measured at fair value

Type	Valuation technique
Mutual funds	Quoted closing NAV as at the reporting period
Foreign exchange forward contract	Basis the valuation received from the bank as at the reporting period

Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2023			As at March 31, 2022		
	Level	Carrying Value	Fair Value	Level	Carrying Value	Fair Value
Financial assets						
Loans	Level 3	53.79	53.79	Level 3	63.62	63.62
Trade receivables	Level 3	6,249.37	6,249.37	Level 3	6,147.52	6,147.52
Cash and cash equivalents	Level 3	585.34	585.34	Level 3	95.78	95.78
Other bank balances	Level 3	2,273.56	2,273.56	Level 3	236.95	236.95
Other financial assets	Level 3	469.50	469.50	Level 3	649.98	649.98
Total financial assets		**9,631.56**	**9,631.56**		**7,193.85**	**7,193.85**
Financial liabilities						
Borrowings	Level 3	13,925.85	13,925.85	Level 3	19,141.24	19,141.24
Trade payables	Level 3	1,976.85	1,976.85	Level 3	1,806.61	1,806.61
Other financial liabilities	Level 3	1,120.19	1,120.19	Level 3	1,370.13	1,370.13
Total financial liabilities		**17,022.89**	**17,022.89**		**22,317.98**	**22,317.98**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

The carrying amounts of short-term trade and other receivables, trade payables, cash and cash equivalents, other bank balances, other financial liabilities and other financial assets are considered to be the same as their fair values, due to their short-term nature.

In respect of other long-term financial assets/liabilities stated above as measured at amortised cost, their carrying values are not considered to be materially different from their fair values.

(B) Financial risk management

In the course of its business, the Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Group is not engaged in speculative treasury activities but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

(i) Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company is exposed to credit risk from trade receivables, cash and cash equivalents, short term investments, loans and advances and derivative financial instruments.

Trade receivables

The Company primarily sells cast metal components to selected customers comprising mainly in engineering industry in India and outside India. The Company extends credits to customers in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Company monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets.

Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Company has a policy of accepting only credit worthy counter parties and defines credit limits for the customer which are reviewed periodically. The Company does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Cash and cash equivalents and deposits with bank

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant deposit balances other than those required for its day to day operations. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Loans and advances

The Company provides loans to its employees and furnishes security deposits to various parties for electricity, communication, etc. The Company considers that its loans have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations or its own employees from whom the risk of default is low.

Investments

The Company has invested in quoted equity instruments and mutual funds. The management actively monitors the performance of the funds which affect investments. The group does not expect the counterparty to fail to meet its obligations, and has not experienced any significant impairment losses in respect of any of the investments.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date are:

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Other non-current financial assets	288.48	**189.42**
Investments	7.18	7.21
Cash and cash equivalents	585.34	95.78
Other bank balances	2,273.56	236.95
Current loans	53.79	**63.62**
Other current financial assets	181.02	**488.60**
	3,389.37	**1,081.58**
Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)		
Trade receivables	6,249.37	6,147.52
	6,249.37	**6,147.52**

Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The Company has customers with strong capacity to meet the obligations and therefore the risk of default is negligible in respect of outstanding from customers. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectable in full. However, the Company has recognised allowance for expected credit loss on the basis of its assessment of the credit loss from the past trend available with the Company.

Movement in the provision for expected credit loss

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	22.59	22.59
Add: Allowance provided during the year	-	-
Balance at the end of the year	**22.59**	**22.59**

Trade Receivables - Expected Credit Loss as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Gross Carrying amount - Trade Receivables	4,320.31	1,614.29	169.04	159.05	2.04	7.23	6,271.96
Expected Credit Loss rate	-			8.38%	100.00%	100.00%	
Expected Credit Loss - Trade Receivables	-	-	-	13.32	2.04	7.23	22.59
Net Carrying amount - Trade Receivables	**4,320.31**	**1,614.29**	**169.04**	**145.73**	**-**	**-**	**6,249.37**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Trade Receivables - Expected Credit Loss as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Gross Carrying amount - Trade Receivables	3,998.85	1,732.15	331.52	87.06	13.99	6.54	6,170.11
Expected Credit Loss rate	-	-	-	2.37%	100.00%	100.00%	
Expected Credit Loss - Trade Receivables	-	-	-	2.06	13.99	6.54	22.59
Net Carrying amount - Trade Receivables	**3,998.85**	**1,732.15**	**331.52**	**85.00**	**-**	**-**	**6,147.52**

Trade Receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4,320.31	1,614.29	169.04	145.73	-	-	6,249.37
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	13.32	2.04	7.23	22.59
Sub total	4,320.31	1,614.29	169.04	159.05	2.04	7.23	6,271.96
Less: Allowance for bad and doubtful debts							22.59
Total							**6,249.37**

Trade Receivables ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3,998.85	1,732.15	331.52	85.00	-	-	6,147.52
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	2.06	13.99	6.54	22.59
Sub total	3,998.85	1,732.15	331.52	87.06	13.99	6.54	6,170.11
Less: Allowance for bad and doubtful debts							22.59
Total							**6,147.52**

(ii) Liquidity risk

Liquidity risk reflects the risk that the Company will have insufficient resources to meet its financial liabilities as they fall due. The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, cash and cash equivalents and the cash flow that is generated from operations to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

As at 31 March 2023, the Company had a working capital of ₹ 6012.21 lakh including cash and cash equivalents of ₹ 585.34 lakh. As at 31 March 2022, the Company had a working capital of ₹ 1261.66 lakh including cash and cash equivalents of ₹ 95.78 lakh.

Notes to the Standalone Financial Statements

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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(a) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
Non- derivative financial liabilities		
Floating rate borrowings		
- Expiring within one year (bank overdraft and other facilities)	2,934.89	771.78
- Expiring beyond one year (term loan)	-	-
	2,934.89	**771.78**

(b) Maturities of financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, based on contractual undiscounted cash flows:

31 March 2023

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Non current borrowings	-	6,395.31	-	6,395.31
Current borrowings				
- Current maturities of Term Loans	991.43	-	-	991.43
- Working capital loans	5,447.00	-	-	5,447.00
- Bills discounted	1,092.11	-	-	1,092.11
Trade payables	1,976.85	-	-	1,976.85
TDDP Grant a/c	130.00	260.00	-	390.00
Creditors for capital goods	359.28	-	-	359.28
Employee related payable	242.57	-	-	242.57
Other payables non-current	-	7.50	-	7.50
Other financial liability	128.32	-	-	128.32
Other payables	177.45	-	-	177.45
	10,545.01	**6,662.81**	**-**	**17,207.82**

31 March 2022

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Non current borrowings	-	8,819.99	129.27	8,949.26
Current borrowings				
- Current maturities of Term Loans	2,233.63	-	-	2,233.63
- Working capital loans	6,939.03	-	-	6,939.03
- Bill discounted	1,019.32	-	-	1,019.32
Trade payables	1,806.61	-	-	1,806.61
Interest accrued but not due	118.80	-	-	118.80
Creditors for capital goods	341.32	-	-	341.32
Employee related payable	283.53	-	-	283.53
Other payables non-current	-	7.50	-	7.50
TDDP Grant a/c *	130.00	390.00	-	520.00
Other payables	193.32	-	-	193.32
	13,065.56	**9,217.49**	**129.27**	**22,412.32**

*Considered as actual cash flows

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. The Company exports finished goods which are denominated in the currency other than the functional currency of the Company which exposes it to foreign currency risk. In order to minimise the risk, the Company executes forward contracts w.r.t sale made in currency other than functional currency.

(a) Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuation arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. Exchange rate exposures are managed within approved policy parameters utilising foreign exchange forward contracts.

		In foreign currency		In INR	
Particulars	**Currency**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
Financial assets(Gross)*					
Trade receivables	USD	33.12	23.78	2695.21	1782.89
	EURO	32.86	38.74	2894.38	3219.15
	GBP	-	2.03	-	198.31
	JPY	-	0.06	-	0.03
Financial liabilities(Gross)*					
Letter of credit	JPY	-	(423.32)	-	(266.35)
Trade payables	USD	(0.39)	(0.02)	(32.65)	(1.84)
	EURO	(0.03)	(0.03)	(2.80)	(2.65)
	GBP	(0.21)	(0.06)	(22.16)	(6.25)
	JPY	(0.76)	(0.06)	(0.48)	(0.04)
Capital creditors	USD	(1.10)	(1.06)	(91.40)	(81.41)
Foreign currency derivative contracts (Sell foreign currency-Forward contracts)	USD	55.00	37.00	4,475.35	2,773.89
	EURO	25.00	-	2,201.75	-
	GBP	-	-	-	-
Net Foreign curreny receivable/(payable)**	USD	-	-	-	-
	EURO	7.83	38.71	689.82	3216.50
	GBP	(0.21)	1.97	(22.16)	192.06
	JPY	(0.76)	(423.32)	(0.48)	(266.35)

* The amounts disclosed are gross of the exposure covered through forward contracts.

** The amounts disclosed are net-off the exposure covered through forward contracts.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Sensitivity analysis

The following table demonstrates the sensitivity of profit and equity in USD, EURO, JPY and GBP to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities are given below:

Particulars	Change in currency exchange rate	Effect on profit before tax	
		As at 31 March 2023	As at 31 March 2022
EURO	5%	34.49	160.83
	(5%)	(34.49)	(160.83)
JPY	5%	(0.02)	(13.32)
	(5%)	0.02	13.32
GBP	5%	(1.11)	9.60
	(5%)	1.11	(9.60)

(b) Interest rate risk

The Company is exposed to interest rate risk arising mainly from non-current and current borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial liabilities is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate instruments		
Term loan from banks	7,240.94	10,781.07
Vehicle loan	145.80	117.35
Term loans from financial institutions	-	18.12
Working capital loan	5,447.00	6,939.03
Letter of credit	-	266.35
Fixed rate instruments		
Bill discounted	1,092.11	1,019.32
Total	**13,925.85**	**19,141.24**

Sensitivity analysis

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the interest rates is given below :

Particulars	Change in interest rate	Effect on profit before tax	
		As at 31 March 2023	As at 31 March 2022
Borrowings	50 bp	(69.63)	(95.71)
	(50) bp	69.63	95.71

(c) Price risk

Company's exposure to price risk arises from mutual funds and classified in the balance sheet either as fair value through OCI or at fair value through profit and loss.

To manage the price risk from quoted investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Sensitivity analysis

Company's major quoted investment consists of investment in mutual funds which are measured at fair value through profit and loss. Investments made by the mutual fund includes investment in diversified instruments of Companies included in the market index.

The table below summarises the impact of sensitivity in the market index on the Company's profit for the year with all other variables held constant and the investment moved in line with the index.

Particulars	Change in Market index	Effect on profit before tax	
		As at 31 March 2023	As at 31 March 2022
Investment in mutual fund	5%	0.38	0.36
	(5%)	(0.38)	(0.36)

Profit for the period would increase/decrease as a result of gain/loss on investment classified as at fair value through profit and loss.

44 Employee benefits

(i) Defined benefit plan

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised funds in India i.e. Life Insurance Corporation of India and Group Gratuity scheme.

Risk exposure:

(a) **Discount rate:** A decrease in discount rate in subsequent valuations can increase the plan's liability.

(b) **Mortality rate:** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(c) **Investment risk:** In case of funded plans, actual investment return on planned assets lower than the discount rate assumed at the last valuation date can impact the liability.

(d) **Attrition:** Actual withdrawals proving higher or lower than assumed withdrawals at subsequent valuations can impact plan's liability.

Details of the Company's defined benefit plans are as follows:

A. Changes in the present value of obligations

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of the obligation at the beginning of the year	477.68	446.78
Recognised in profit and loss		
- Interest cost	34.63	32.39
- Current service cost	36.36	34.50
Recognised in other comprehensive income		
Remeasurement gains / (losses)		
- Actuarial (gain)/loss from changes in financial adjustments and experience adjustments	4.71	(3.17)
Benefits paid	(34.77)	(32.82)
Present value of the obligation at the end of the year	**518.61**	**477.68**

Notes to the Standalone Financial Statements
for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

B. Changes in the fair value of planned assets:

Particulars	As at 31 March 2023	As at 31 March 2022
Fair value of plan assets at the beginning of the year	445.28	447.17
Expected return on plan assets	33.40	32.42
Contributions	68.59	3.87
Benefits paid	(34.77)	(32.82)
Actuarial gain/(loss) on plan assets	(5.11)	(5.36)
Fair value of plan asset at the end of the year	**507.39**	**445.28**

C. Net asset/(liability) recognised in the balance sheet

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of the obligation at the end of the year	518.61	477.67
Fair value of plan assets at end of year	507.39	445.28
Net liability/(asset) recognised in balance sheet (refer note 23)	**11.22**	**32.39**

D. Expenses recognised in profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest cost	34.63	32.39
Current service cost	36.36	34.50
Expected return on plan asset	(33.40)	(32.42)
Amount recognised in profit and loss (refer note 34)	**37.60**	**34.47**

E. Expenses recognised in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial (gain)/loss on obligation	4.71	(3.17)
Actuarial (gain)/loss on plan assets	5.11	5.36
	9.82	**2.19**

F. Major category of plan asset as a % of total plan assets

Category of asset (% allocation)	As at 31 March 2023		As at 31 March 2022	
	(%)	Amount	(%)	Amount
Insurance policies	100	507.39	100	445.28

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

G. Actuarial assumptions

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	7.50%	7.25%
Expected rate of return	7.50%	7.25%
Salary growth rate	6.00%	6.00%
Withdrawal rate (per annum)		
18 - 30 years	5.00%	5.00%
31 - 44 years	3.00%	3.00%
45 - 58 years	2.00%	2.00%
Normal retirement age (years)	58	58
Mortality	IALM 2012-14	IALM 2012-14

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

H. Sensitivity analysis

Particulars	As at 31 March 2023		As at 31 March 2022	
	Change in assumption	Effect on obligation	Change in assumption	Effect on obligation
Discount rate	1.00%	(37.20)	1.00%	(35.18)
	(1.00%)	42.49	(1.00%)	40.26
Salary growth rate	1.00%	42.70	1.00%	40.36
	(1.00%)	(38.03)	(1.00%)	(35.89)
Withdrawal rate	1.00%	3.57	1.00%	2.65
	(1.00%)	(4.00)	(1.00%)	(3.01)

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the balance sheet.

I. Expected maturity profile of defined benefit obligation (undiscounted cash flows)

Period	As at 31 March 2023	As at 31 March 2022
Less than 1 year	58.36	41.58
Between 1-2 years	24.11	39.72
Between 2-5 years	108.84	95.95
Over 5 years	327.30	300.43

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (as at 31 March 2022 is 10 years). Expected contribution to defined benefit plans in the next year is ₹ 44.36 lakh (31 March 2022: ₹ 40.78 lakh).

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(ii) Other long-term benefits

(A) Compensated absences- unfunded

Particulars	As at 31 March 2023	As at 31 March 2022
Amounts recognised in balance sheet		
Current (refer note 23)	19.90	12.12
Non-current (refer note 23)	85.67	75.17
	105.57	**87.29**

Particulars	As at 31 March 2023	As at 31 March 2022
Amounts recognised in statement of profit and loss		
Interest cost	6.33	6.05
Current service cost	10.74	9.59
Actuarial loss	12.53	(0.32)
	29.60	**15.32**
Changes in benefit obligations		
Present value of the obligation at the beginning of the year	87.28	83.48
Interest cost	6.33	6.05
Current service cost	10.74	9.59
Benefits paid	(11.31)	(11.52)
Actuarial loss	12.53	(0.32)
Present value of the obligation at the end of the year	**105.57**	**87.28**

(iii) Defined contribution plan

The Company makes fixed contribution towards Employee provident fund and Employee state insurance(ESI) to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. Similarly, the contribution is made in ESI at a specified percentage of payroll cost.

The Company recognised ₹ 124.51 lakh (31 March 2022: ₹ 107.09 lakh) in respect of provident fund contributions and ESI contribution in the Statement of Profit and Loss and included in "Employee benefits expense" in note 34. The contribution payable to these plans by the Company is at rates specified in the rules of the schemes.

45 Leases

Company as a lessee

The Company has entered into operating leases for its guest houses and employees' residences that are renewable on a periodic basis and are cancellable at Company's option. Total lease payments recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 24.38 lakh (31 March 2022: ₹ 23.55 lakh)

A The total rent expense amount recognised in profit or loss for the year ended 31 March 2023 was ₹ 24.38 lakh (31 March 2022: ₹ 23.55 lakh), pertains to the short term leases.

B Total cash outflow for leases for the year ended 31 March 2023 was ₹ 24.38 lakh (31 March 2022: ₹ 23.55 lakh).

C The Company does not have any liability to make variable lease payments.

D The Company has not sublet any of the assets.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

E The Company has not entered into any sale and leaseback transactions

F The Company does not have any ROU Assets in the books as on 31 March 2023 as well as 31 March 2022

Company as a lessor

The Company has entered into operating leases for part of its premises at Plant 1, Lucknow; that is renewable and is cancellable at either party's option. Total lease receipts recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 107.60 lakh (31 March 2022: ₹ 74.80 lakh).

46 Contingent liabilities and commitments

(i) Capital commitment:

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	**11.16**	**50.31**

(ii) Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Guarantees excluding financial guarantees:		
In respect of non fund-based working capital facilities from banks:		
- Bank guarantees	1,676.20	1,293.84
Other contingent liabilities		
Disputed amounts for sales tax and entry tax [gross of amount paid under protest amounting to NIL]*	-	0.83
Disputed amounts for goods and service tax [gross of amount paid under protest amounting to ₹ 16.59 lakh]*	16.59	16.59

*In respect of the above matters pending at various authorities(GST cases are pending at appelate authority & sales tax case is pending at sales tax tribunal) represents the demands received under the respective demand / show cause notices / legal claims, wherever applicable. Based on management assessment, the company believes that it has a good chance of success in all the above mentioned cases.

47 Segment information

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM') as they monitors the results for the purpose of making decisions about resource allocation and performance assessment and responsible for all major decisions w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisitions, and expansion of new facility. Accordingly, there is only one reportable segment for the Company which is "Engineering and allied activities", hence no specific disclosures have been made.

Entity wide disclosures:

(a) Information about products and services

The Company is engaged in the business of manufacturing and selling of high precision metal castings. Company operates in one product line, therefore product wise revenue disclosure is not applicable.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(b) Information about geographical area

The Company's sales to its customers includes sales to customers which are domiciled in India and outside India. Below is the details of Company's revenue from customers domiciled in India and outside India:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from external customers		
- domiciled in India	1,391.13	3,350.68
- domiciled outside India	19,783.20	14,282.49
	21,174.33	**17,633.17**

(c) Information about major customers

Revenues of ₹ 4635.97 lakh, ₹ 4164.77 lakh and ₹ 2699.90 lakh (31 March 2022: ₹ 2454.48 lakh, ₹ 2396.43 lakh and ₹ 1447.93 lakh) are derived from three external customers. .

48 Related party disclosures

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

(i) Name of the related parties and description of relationship:

Relationship	Name of related party
Entities controlled by KMPs and/or their relatives	Sachin Agarwal HUF
Subsidiary Company	Aerolloy Technologies Limited
Key Management Personnel ("KMP")	Mr. Sachin Agarwal, Chairman and Managing Director
	Mr. Priya Ranjan Agarwal , Director
	Mr. Alok Agarwal, Director
	Mr. Ashok Kumar Shukla, Director
	Ms. Smita Agarwal, Director and CFO
	Mr. Brij Lal Gupta, Independent Director
	Mr. Ajay Kashyap, Independent Director
	Mr. Rakesh Chandra Katiyar, Independent Director
	Mr. Krishna Das Gupta, Independent Director
	Mr. Vishal Mehrotra, Independent Director
	Mrs. Prashuka Jain, Independent Director
	Mrs.Pragati Gupta Agarwal,Company Secretary
Relatives of Key Management Personnel	Ms. Kanchan Agarwal
	Mrs. Anshoo Agarwal
	Mrs. Reena Agarwal
	Mrs. Sangita Shukla

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(ii) Disclosure of related parties transactions#:

Particulars	For the year ended 31 March 2023				For the year ended 31 March 2022			
	Subsidiary company	Enterprises controlled by KMP/ relatives	Key management personnel (KMP)	Relatives of KMPs	Subsidiary company	Enterprises controlled by KMP/ relatives	Key management personnel (KMP)	Relatives of KMPs
Transactions during the year								
1. Rent paid	-	-	-	9.00	-	-	-	9.00
2. Rent received	58.20	-	-	-	29.80	-	-	-
3. Investment made	4,295.94	-	-	-	1,349.50	-	-	-
4. Purchase of goods	1,173.78	-	-	-	734.14	-	-	-
5. Supply of services	286.29	-	-	-	57.47	-	-	-
6. Sale of Assets	-	-	-	-	446.47	-	-	-
7. Advances given	-	-	-	-	167.24	-	-	-
Amounts paid during the year to KMP's and relatives of KMP's								
1. Managerial remuneration *	-	-	444.78	-	-	-	325.85	-
2. Salary and allowances	-	-	-	48.05	-	-	-	46.28
3. Sitting fees to independen directors	-	-	3.46	-	-	-	2.93	-

* Exclusive of provision for future liability in respect of gratuity and leave encashment which is based on actuarial valuation done on Company as a whole.

#All the transactions with the related party are at Arm's length price.

(iii) Balance outstanding at the year end:

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding balance (Amount payable)		
Key management personnel		
Managerial remuneration	46.77	35.01
Relative of KMP's		
Salary and allowances	8.34	10.17
Rent	0.68	0.68
Outstanding balance (Amount receivable/payable)		
Subsidiary Company		
Investment	6,485.81	2,189.87
Advances	-	167.24
Trade Payable	20.00	-
Entities controlled by KMPs and/or their relatives		
Amount recoverable on sale of property	-	35.00

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(iv) Compensation to Key Managerial Personnel (KMP)

The details of compensation to the members of key managerial personnel during the year was as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Short-term employee benefits (refer note a)	436.04	**316.15**
Post-employment benefits		
- Defined contribution plan (refer note b)	12.20	**12.63**
- Defined benefit plan	*refer note (c)	***refer note (c)**
- Other long-term benefits	*refer note (c)	***refer note (c)**
	448.24	**328.78**

Note (a) Includes salary, commission, sitting fees and any other perquisites on accrual basis.

Note (b) Including contribution to provident fund and any other benefit

Note (c) As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

49 Assets pledged as security:

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current borrowings:		
Equitable mortgage		
Land	1,254.25	1,254.25
Building	3,765.18	3,891.05
First charge		
Other movable property, plant and equipment	15,837.24	16,711.25
Second charge		
Current assets*	17,515.06	14,581.57
	38,371.73	**36,438.12**
Current borrowings:		
First charge		
Current assets*	17,515.06	14,581.57
Second charge		
Land	1,254.25	1,254.25
Building	3,765.18	3,891.05
Other movable property, plant and equipment	15,837.24	16,711.25
	38,371.73	**36,438.12**

*The quarterly returns or statements of current assets filed with banks or financial institutions are in agreement with the books of accounts.

50. Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

i) Identify the contract(s) with customer;

ii) Identify separate performance obligations in the contract;

iii) Determine the transaction price;

iv) Allocate the transaction price to the performance obligations; and

v) Recognise revenue when a performance obligation is satisfied

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Particulars	31-Mar-23			31-Mar-22		
	Goods	Other operating revenues	Total	Goods	Other operating revenues	Total
Revenue by geography						
Domestic	1,391.13	38.14	1,429.27	3,350.68	39.00	3,389.69
Export	19,783.20	386.31	20,169.51	14,282.49	221.34	14,503.82
Total	**21,174.33**	**424.45**	**21,598.78**	**17,633.17**	**260.34**	**17,893.51**

b) Assets and liabilities related to contracts with customers

Particulars	31-Mar-23		31-Mar-22	
	Non Current	Current	Non Current	Current
Trade receivables	-	6,249.37	-	6,147.52
Revenue received in advance	-	827.36	-	155.90
Total	**-**	**7,076.73**	**-**	**6,303.42**

51 Key Financial Ratios

Particular	Formula	2022-23	2021-22	Percentage Change	Reasons where change more than 25%
(i) Debtors Turnover	Total Sales Revenue/ Average Account Receivable	3.48	2.87	21.51%	
(ii) Inventory Turnover	Cost of goods sold/ Average Inventory	2.75	2.72	1.21%	
(iii) Interest Coverage Ratio*	EBITDA/ Total Interest	4.23	3.24	30.60%	Increase in ratio is on account of higher operational EBITDA
(iv) Current Ratio	Current Asset/ Current Liability	1.52	1.10	37.83%	The variance is due to decrease in current liabilities (Borrowings) on account of repayment and increase in liquidity due to preferential issue of shares
(v) Debt Equity Ratio	Total Liability/ Shareholders fund	0.47	1.16	-59.62%	The variance is due to the infusion of equity funds through right issue and preferential allotment and repayment of borrowings..
(vi) Operating Profit Margin*** (%)	Operating Profit/ Total Sales Revenue	19.52	15.66	24.65%	
(vii) Net Profit Margin (%)	Net Income/ Total Sales Revenue	9.31	5.31	75.39%	The increase is due to change in product mix and higher revenue resulting in higher operational profit and also due to more effective utilisation of material manpower and resources.

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Particular	Formula	2022-23	2021-22	Percentage Change	Reasons where change more than 25%
(viii) Debt Service Coverage Ratio*	EBITDA/ Total Interest+Principal	0.86	1.51	-43.36%	The decline is due to the advance repayment of EMI's for term loans.
(ix) Return on Equity Ratio (%)**	EBIT/Capital employed	14.21	17.03	-16.59%	
(x) Net Capital turnover ratio	Revenue from operation/Total Current assets-total current liabilities	3.59	14.18	-74.67%	The variance is due to decrease in current liabilities (Borrowings) on account of repayment and increase in liquidity due to preferential issue of shares
(xi) Creditor turnover ratio	Purchase of materials & stock-in-trade/Average trade payables	3.67	2.62	39.91%	The variance is due to the decrease in trade payables as the company pays MSME creditors using reverse factoring facility.

*EBITDA= Earning before Interest Tax Depreciation and amortization

**EBIT= Earning before Interest and tax

** Capital employed = Tangible net worth****+deferred tax liabilities

***Operating Profit=Revenue-Cost of goods sold-Operating expenses-Depriciation and Amortization

****Tangible net woth= Total equity-intangible assets

52 Share based payments

(a) Scheme details

During the previous financial year 2021-22, the Company had adopted 'PTC Employees Stock Option Scheme 2019 ('Plan') in shareholders Annual General Meeting on September 28, 2019, and obtained an in-principal approval from BSE limited on 7 September 2021 for 1,57,170 Equity shares of Rs. 10/- each. The Compensation Committee (Nomination & Remuneration Committee) at its meeting held on September 15, 2021, had approved grant of 10,965 Stock Options (convertible into 10,965 Equity shares of the Company, upon exercise) (Tranche-1) to certain Eligible Employees in terms of the Plan. Vesting will be made in maximum of four years (FY 2023 to FY 2026), after the statutory period of one year from the date of grant of option. In the current financial year 2022-23, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on 11 June 2022 had approved grant of 2,255 (convertible into 2,255 Equity shares of the Company, upon exercise) (Tranche-2) to certain Eligible Employees in pursuance of the ESOS Plan.

On 30 August 2022, The Compensation Committee (Nomination & Remuneration Committee) at its meeting had approved the adjustment in the plan, pursuant to the right issue of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("rights equity shares") of Company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 lakh on a rights basis to the eligible equity shareholders of Company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of Company on the record date, that is, on July 22, 2022, in the following manner:

Details	Existing	Adjustment pursuant to the Rights Issue	Total Employees Stock Option after adjustment
Total Pool	157,170	235,755	392,925
Exercise price	990/-	402/-	402/-

The Compensation committee had also approved the below mentioned adjustments in respect of previous grants:

(i) Adjustment in number of options granted			
Options	**Existing**	**Adjusted pursuant to the Rights Issue**	**Total Employees Stock Option after adjustment**
Tranche -1	10,965	16,448	27,413
Tranche -2	2,255	3,382	5,637

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(ii) The exercise price shall be adjusted to Rs. 402/- per share. instead of 990/- per share on account of right issue of equity shares.

(iii) Other terms: other terms shall remain same.

Further on 30 August 2022, the Compensation Committee had approved grant of 12,500 (convertible into 12,500 Equity shares of the Company, upon exercise) to certain Eligible Employee in pursuance of the ESOS Plan at the exercise price of 402/- per share.

Particulars	Number of options outstanding (Refer above)	Grant date	Vesting date	Exercise period	Exercise price (Refer above)	Fair value on grant date
Category A	10,187	15-Sep-21	15-Oct-23	1 Month from the date of vesting	402.00	750.88
	10,187	15-Sep-21	15-Oct-24		402.00	785.08
	658	11-Jun-22	15-Oct-23		402.00	1,239.93
	628	11-Jun-22	15-Oct-24		402.00	1,274.36
Category B	1,282	15-Sep-21	15-Oct-23	1 Month from the date of vesting	402.00	750.88
	1,282	15-Sep-21	15-Oct-24		402.00	785.08
	2,503	15-Sep-21	15-Oct-25		402.00	821.35
	693	11-Jun-22	15-Oct-23		402.00	1,239.93
	688	11-Jun-22	15-Oct-24		402.00	1,274.36
	1,370	11-Jun-22	15-Oct-25		402.00	1,305.81
Category C	330	15-Sep-21	15-Oct-23	1 Month from the date of vesting	402.00	750.88
	330	15-Sep-21	15-Oct-24		402.00	785.08
	658	15-Sep-21	15-Oct-25		402.00	821.35
	650	15-Sep-21	14-Sep-26		402.00	857.56
	268	11-Jun-22	15-Oct-23		402.00	1,239.93
	268	11-Jun-22	15-Oct-24		402.00	1,274.36
	470	11-Jun-22	15-Oct-25		402.00	1,305.81
	598	11-Jun-22	14-Sep-26		402.00	1,334.60
Category D	2,083	30-Aug-22	15-Oct-23	1 Month from the date of vesting	402.00	1,909.19
	2,083	30-Aug-22	15-Oct-24		402.00	1,936.51
	3,125	30-Aug-22	15-Oct-25		402.00	1,967.29
	5,209	30-Aug-22	14-Sep-26		402.00	1,994.69

*The number of options mentioned in Category A, Category B and Category C above includes 1680, 4078 and 1175 stock options respectively which were granted to the employees of the wholly owned subsidiary company i.e. Aerolloy Technologies Limited.

(b) Compensation expenses arising on account of the share based payments

Particulars	As at 31 March 2023	As at 31 March 2022
Expenses arising from equity – settled share-based payment transactions	135.75	**40.29**
Total	**135.75**	**40.29**

*It does not include the compensation expense during the current year amounting 28.55 lacs (previous year 2.91 lacs) which were recognized in the books of subsidiary company.

(c) Fair value on the grant date

The fair value at grant date is determined using "Black Scholes Pricing Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.The following inputs were used to determine the fair value for options granted on September 15,2021, on June 11, 2022 and on August 30, 2022.

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Options granted as on 15 September 2021

Description	Vest 1	Vest 2	Vest 3	Vest 4
Number of options outstanding	11,799.00	11,799.00	3,161.00	650.00
Grant date	15-Sep-21	15-Sep-21	15-Sep-21	15-Sep-21
Financial year of vesting	2023-24	2024-25	2025-26	2026-27
Share price on grant date (in INR)	2,755.95	2,755.95	2,755.95	2,755.95
Expected life (in years)	2.1	3.1	4.1	5
Price volatility of company's share *	60.36%	59.18%	60.51%	62.85%
Risk free interest rate	4.39%	4.88%	5.28%	5.61%
Exercise price (in INR)	402.00	402.00	402.00	402.00
Dividend yield	0.00%	0.00%	0.00%	0.00%
Fair value of option (in INR)	750.88	785.08	821.35	857.56

Options granted as on 11 June 2022

Description	Vest 1	Vest 2	Vest 3	Vest 4
Number of options outstanding	1,619	1,584	1,840	598
Grant date	11-Jun-22	11-Jun-22	11-Jun-22	11-Jun-22
Financial year of vesting	2023-24	2024-25	2025-26	2026-27
Share price on grant date (in INR)	3,794.05	3,794.05	3,794.05	3,794.05
Expected life (in years)	1.3	2.3	3.3	4
Price volatility of company's share *	46.22%	56.96%	55.75%	56.10%
Risk free interest rate	5.94%	6.47%	6.82%	7.07%
Exercise price (in INR)	402.00	402.00	402.00	402.00
Dividend yield	0.00%	0.00%	0.00%	0.00%
Fair value of option (in INR)	1,239.93	1,274.36	1,305.81	1,334.60

Options granted as on 30 August 2022

Description	Vest 1	Vest 2	Vest 3	Vest 4
Number of options outstanding	2,083.00	2,083.00	3,125.00	5,209.00
Grant date	30-Aug-22	30-Aug-22	30-Aug-22	30-Aug-22
Financial year of vesting	2023-24	2024-25	2025-26	2026-27
Share price on grant date (in INR)	2,238.40	2,238.40	2,238.40	2,238.40
Expected life (in years)	1.1	2.1	3.1	4
Price volatility of company's share *	48.25%	53.29%	56.37%	56.92%
Risk free interest rate	5.95%	6.44%	6.74%	6.92%
Exercise price (in INR)	402.00	402.00	402.00	402.00
Dividend yield	0.00%	0.00%	0.00%	0.00%
Fair value of option (in INR)	1,909.19	1,936.51	1,967.29	1,994.69

* The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on BSE over these years.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(d) Fair value on the grant date

Description	Number of options	Weighted average exercise price
Outstanding as on 01 April 2021	-	-
Options granted during the year	10,965	990.00
Options forfeited/lapsed/expired during the year	-	-
Options exercised during the year	-	-
Options outstanding as at 31 March 2022 ^#	10,965	990.00
Exercisable at the end of the period.	-	-
Outstanding as on 01 April 2022	10,965	402.00
Options granted during the year	14,755	402.00
Adjustment pursuant to the Rights issue*	19,830	402.00
Options forfeited/lapsed/expired during the year	-	-
Options exercised during the year	-	-
Options outstanding as at 31 March 2023 ^#	45,550	402.00
Exercisable at the end of the period.	-	-

* Refer above

^ The weighted average remaining contractual life of the share options outstanding at the end of current year is 1.65 years (previous year 2.27 years).

The weighted average fair value of share options outstanding at the end of current year is Rs. 2,062.61 per share option (previous year Rs.1940.64).

53 Particulars of investments made/guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013:

Name	Nature	Amount outstanding as at 31 March 2023	Amount outstanding as at 31 March 2022	Rate of interest (p.a.)	Purpose for which the loan/security/guarantee is utilized
Wholly owned subsidiary					
Aerolloy Technologies Limited	Investment	6,485.81	2189.87	-	-
Aerolloy Technologies Limited	Guarantee	2,500.00	-	-	The guarantee has been given to the wholly owned subsidiary against there borrowing obligation which has been taken for general corporate purpose.

54 (a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Company has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

55 The Company had received a grant in September 2011 with some conditions. During the previous year ended 31 March 2022, the Company has received request from National Research Development Corporation for the repayment of the original amount of grant along with Royalty of 26% of original grant amount. The Company has computed present value of grant and royalty liability and the difference between carrying value of grant and present value has been charged to profit and loss account and disclosed as Exceptional Items.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

56 On October 20, 2022, the Board of Directors of the Company had considered and approved the Preferential Issue of up to 2,89,600 Equity Shares of face value of Rs. 10/- per share and 6,30,170 Fully Convertible Warrants at an issue price of Rs. 2,349/- per Equity Share and per Warrant respectively to persons belonging to Non-Promoter Category which was subsequently approved by the members through special resolution in Extra-ordinary general meeting dated November 19, 2022.

Subsequently on December 07, 2022 Listing Committee of the Board of Directors of the Company has issued and allotted 2,84,600 Equity Shares of face value of Rs. 10/- per Equity Share at an issue price of Rs. 2,349/- per Equity Share aggregating to INR 6,685.25 lacs on a preferential basis to the persons belonging to the Non-Promoter category. The Company has received an amount of INR 6,685.25 lacs against 2,84,600 Equity Shares allotted to persons belonging to the Non-Promoter category at an issue price of Rs. 2,349/- per Share.

Further on December 07, 2022 Listing Committee of the Board of Directors of the Company have issued and allotted 6,30,170 Fully Convertible Warrants at an issue price of Rs. 2,349/- per Warrant aggregating to INR 14,802.69 lacs, convertible into equivalent number of Equity Shares of face value Rs. 10/- each within a period of 13 months from the date of allotment, on a preferential basis to the persons belonging to the Non-Promoter category. The Company has received an amount of INR 3,705.40 lacs with respect to 25% upfront against 6,30,170 Fully Convertible Warrants to persons belonging to Non-Promoter category at an issue price of Rs. 2,349/- per Warrant.

57 On March 30, 2022 the Listing Committee of Board of Directors (""the Committee"") had approved for issue of three new equity shares, at its face value of Rs 10/- each, on a right basis, for every two equity shares of the Company held by the eligible shareholders on the record date. Subsequently, in its meeting held on 15 July 2022, the Committee had fixed the record date as 22 July 2022 for the purposes of determining the names of eligible shareholders to apply for right issue.Up to 78,58,594 Fully Paid-Up Equity Shares, Face Value of Rs 10/- each, for cash at a price of Rs 10/- each aggregating up to INR 785.86 lacs have been offered on a right basis to the eligible equity shareholders of the Company in the ratio of 3 (Three) right shares for every 2 (Two) fully paid-up equity shares held by the eligible shareholders on the record date, that is, on July 22, 2022 during the issue period between August 3, 2022 to August 12, 2022.Consequently, pursuant to Ind AS 33, basic and diluted earning per share for the periods presented in the audited standalone financial results have been adjusted after giving the impact for the bonus element in respect of the aforesaid rights issue.

58 In terms of Employee stock option scheme and employee stock purchase scheme of SEBI and other relevant provisions issued by the SEBI and as per terms of PTC ESOS Scheme 2019, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on August 30, 2022 approved the adjustment in the ESOP, pursuant to the rights issue in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares. Pursuant to this adjustment, ESOP pool of the Company has been increased by 2,35,755 options and exercise price has also been reduced to INR 402 per share from INR 990 per share.

59 During the current period, the Compensation Committee (Nomination & Remuneration Committee) of the Company at its meeting held on June 11, 2022 and August 30, 2022 has approved grant of 2,255 and 12,500 Stock Options respectively to certain eligible employees under PTC ESOS Scheme 2019. These stock options will be vested over the period of four years (FY 2023 to FY 2026). The additional stock option expenses recognised during the quarter ended 31 March 2023 amounts to INR 25.48 lacs and year ended 31 March 2023 amounts to INR 61.11 lacs.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

60 Consequent to the outbreak of Covid-19 pandemic, the Indian government had announced lockdown in March 2020 and subsequently, the lockdown was lifted by the government in a phased manner. During the year, there is no significant impact of Covid-19 and management don't expect any further impact due to this pandemic. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone audited financial statements and don't expect any impact on the financial position of the Company.

61 The figures for the previous period have been re-classified/re-grouped wherever necessary, the impact of such restatements/regroupings are not material to Financial Statements

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 30 May 2023

For and on behalf of the Board of Directors of
PTC Industries Limited

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2023

Independent Auditor's Report

To the Members of PTC Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of PTC Industries Limited ('the Holding Company') and its subsidiary "Aerolloy Technologies Limited" (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated 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 ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

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

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Valuation of Inventories As disclosed in note 14 in the consolidated financial statements, as at 31 March 2023 the total value of Group holds inventory comprising of raw material, work-in-progress and manufactured finished goods as at 31 March 2023 amounting to Rs. 7,772.20 Lakh represents 14.06% of the total assets. Out of the total inventory, Rs. 4,154.52 Lakh pertains to inventory work-in-progress and manufactured finished goods. Such inventory is carried at cost, or net realisable value whichever is lower, as per the accounting policy disclosed in note 4 of the accompanying consolidated financial statements.	Our audit procedures included, but were not restricted to the following procedures: a) Obtained an understanding of the management's process of valuation of inventory. b) Evaluated the design and tested the operating effectiveness of key controls around valuation including around estimates, stage of completion and overhead computations and determination of net realizable value of inventory items. c) Evaluated the appropriateness of the Group's accounting policy and valuation method of inventory in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
Determination of cost of inventory involves allocation of various production and administration overheads incurred to bring the inventory to its present location and condition, which involves management judgement and estimation. Amongst the other overheads, fixed production overheads are allocated to the costs of conversion based on the normal capacity of the production facilities in accordance with the principles of Ind AS -2, Inventories. Further, at the end of each reporting period, the management of the Group also assesses whether there is any objective evidence that net realisable value of any item of inventory is below the carrying value. If so, such inventories are written down to their net realisable value in accordance with Ind AS 2, Inventories. In addition to the above, the complexities and judgement involved in inventory valuation includes • Estimate involved in computing input-output ratio used for computing the average rate of overheads which is to be added to the cost of inventory. • Estimate involved in allocation of expenses through various stages of production. Inventory valuation was considered a risk of material misstatement because variable and fixed costs are allocated to inventory. Considering the aforesaid complexities, significant management judgements, and estimates involved and materiality of the amounts involved, this matter has been is determined to be as a key audit matter for the current year audit.	d) Verified the expenses considered as cost of conversion including estimates for apportionment of the conversion on the different classes of finished goods and work in progress and recomputed the arithmetical accuracy thereof for calculating the conversion cost considered as part of the finished goods and work in progress. e) Recomputed the net realisable value of the finished goods and reviewed the management assessment for carrying inventory at lower of cost and net realisable value. f) Tested ageing of inventory items obtained through system reports, as applicable. g) Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Tested the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Group. h) Evaluated the appropriateness and adequacy of the disclosures made by the Group in accordance with the requirements as specified in the Ind AS-2 'Inventories' and Schedule III of the Companies Act, 2013.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the

Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding 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 management;

    - Conclude on the appropriateness of Board of Directors' 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 ability of the Group 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 Group 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; and

    - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entity included in the financial statements, which have been audited by the other auditor, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. 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.

13. 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.

14. 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.

Other Matter

15. We did not audit the financial statements subsidiary, whose financial statements reflect total assets of ₹ 11,454.96 Lakhs and net assets of ₹ 7,385.50 Lakhs as at 31 March 2023, total revenues of ₹ 1,525.64 Lakhs and net cash inflows amounting to ₹ 65.17 Lakhs for the year ended on that date, as considered in the consolidated financial statements.These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary are based solely on the reports of the other auditor.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the consideration of the report of the other auditor, referred to in paragraph 15, on separate financial statements of the subsidiary, we report that the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order report issued by us and by the respective other auditor as mentioned in paragraph 15 above, of companies included in the consolidated financial statements for the year ended 31 March 2023 and covered under the Act we report that:

Following are the qualifications/adverse remarks reported by us in the Order report of the company included in the consolidated financial statements for the year ended 31 March 2023 for which such Order report have been issued till date:

S No	Name	CIN	Holding Company / subsidiary	Clause number of the CARO report which is qualified or adverse
1	PTC Industries Limited	L27109UP1963PLC002931	Holding Company	Paragraph 3(vii)(b)

18. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, and the report of the statutory auditor of its subsidiary company covered under the Act, none of the directors of the Holding Company and its subsidiary company, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I' wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary, incorporated in India whose financial statements have been audited under the Act:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 46 to the consolidated financial statements;

ii. The Holding Company and its subsidiary company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, covered under the Act, during the year ended 31 March 2023.

iv. a. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, to the best of their knowledge and belief as disclosed in note-56(a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary company, to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary company, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary to the best of their knowledge and belief, disclosed in the note-56(b) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary company, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditor of the subsidiary company, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditor notice that has caused us or the other auditor to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company and its subsidiary company have not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 23099410BGYGSG4339

Chandigarh
30 May 2023

Annexure I

Independent Auditor's Report on the internal financial controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of PTC Industries Limited ('the Holding Company') and its subsidiary, Aerolloy Technologies Limited (the Holding Company and its subsidiary together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, and its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls 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 the Company's business, including adherence to the 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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 were established and maintained and if such controls operated effectively in all material respects.

4. 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 includes obtaining an understanding of such internal financial controls, 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.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include 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.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. 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 internal financial controls 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

8. In our opinion and based on the consideration of the reports of the other auditor on internal financial controls with reference to financial statements of the subsidiary company, the Holding Company and its subsidiary company which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is company covered under the Act, whose financial statements reflect total assets of ₹ 11,454.96 Lakhs and net assets of ₹ 7,385.50 Lakhs as at 31 March 2023, total revenues of ₹ 1525.64 Lakhs and net cash inflows amounting to ₹ 65.17 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company have been audited by other auditor whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the reports of the auditor of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditor.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 23099410BGYGSG4339

Chandigarh
30 May 2023

Consolidated Balance Sheet as at 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	22,558.72	23,444.01
Capital work-in-progress	6	6,663.86	2,255.09
Investment property	7	179.52	183.06
Other intangible assets	8	85.51	68.33
Financial assets			
(i) Investments	9(a)	0.50	-
(iii) Other financial assets	11(a)	348.89	189.42
Non current tax assets (net)	12	364.81	347.45
Other non current assets	13	5,453.84	830.45
Total non-current assets		**35,655.65**	**27,317.81**
Current assets			
Inventories	14	7,772.20	6,480.75
Financial assets			
(i) Investments	9(b)	7.18	7.21
(ii) Trade receivables	15	6,568.73	6,149.82
(iii) Cash and cash equivalents	16	689.47	134.76
(iv) Bank balances other than(iii) above	17	2,321.74	260.41
(v) Loans	10	59.86	68.56
(vi) Others financial assets	11(b)	181.02	488.60
Other current assets	18	2,035.40	1,690.63
Total current assets		**19,635.60**	**15,280.74**
TOTAL ASSETS		**55,291.25**	**42,598.55**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	1,338.23	523.91
Other equity	20	29,328.19	16,328.28
Total equity		**30,666.42**	**16,852.19**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21(a)	9,638.44	9,366.08
(ii) Other financial liabilities	22	239.78	314.54
Provisions	23	90.54	75.88
Deferred tax liabilities (net)	24	1,526.08	1,375.41
Other non-current liabilities	25	835.00	901.67
Total non-current liabilities		**12,329.84**	**12,033.58**
Current liabilities			
Financial liabilities			
(i) Borrowings	21(b)	8,026.34	10,257.14
(ii) Trade payables	26		
total outstanding dues of micro enterprises and small enterprises		610.32	233.17
total outstanding dues of creditors other than micro enterprises and small enterprises		1,493.22	1,640.72
(iii) Other financial liabilities	27	1,138.79	1,139.72
Other current liabilities	28	906.95	390.05
Provisions	23	31.54	44.68
Current tax liabilities (net)	29	87.83	7.30
Total current liabilities		**12,294.99**	**13,712.78**
TOTAL EQUITY AND LIABILITIES		**55,291.25**	**42,598.55**

Notes 1 to 62 form an integral part of these consolidated financial statements

This is the Consolidated Statement of Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 30 May 2023

For and on behalf of the Board of Directors of
PTC Industries Limited

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2023

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

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	30	21,926.21	17,895.48
Other income	31	747.27	627.99
Total income		**22,673.48**	**18,523.47**
Expenses			
Cost of materials consumed	32	5,475.50	5,066.82
Changes in inventories of finished goods and work-in-progress	33	(36.30)	(759.47)
Employee benefits expense	34	2,587.28	2,085.16
Research and development expense	35	34.56	181.94
Other expenses	36	8,001.92	7,110.87
Total expenses		**16,062.96**	**13,685.32**
Profit before finance cost, depreciation and amortisation, exceptional items and tax		**6,610.52**	**4,838.15**
Finance costs	38	1,577.74	1,516.58
Depreciation and amortisation expense	39	1,666.92	1,462.99
Profit before exceptional items and tax		**3,365.86**	**1,858.58**
Exceptional items	40	**-**	**156.79**
Profit before tax		**3,365.86**	**1,701.79**
Tax expense:	41		
Current tax - current year		661.22	247.32
Current tax - earlier years		(29.93)	-
Deferred tax charge		153.06	173.32
Total tax expenses		**784.35**	**420.64**
Profit for the year		**2,581.51**	**1,281.15**
Other comprehensive income			
A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plan		(10.31)	(0.65)
(ii) Income tax relating to items that will not be reclassified to profit or loss		2.56	0.16
Other comprehensive (loss) for the year (net of tax)		**(7.75)**	**(0.49)**
Total comprehensive income for the year		**2,573.76**	**1,280.66**
Earnings per equity share [Nominal value ₹10]	42		
Basic (₹)		19.60	9.82
Diluted (₹)		19.54	9.81

Notes 1 to 62 form an integral part of these consolidated financial statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 30 May 2023

For and on behalf of the Board of Directors of
PTC Industries Limited

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2023

Consolidated Statement of Cash Flows for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A	**Cash flow from operating activities**		
	Net profit before tax	3,365.86	1,701.78
	Adjustment for:		
	Depreciation and amortisation expense	1,666.92	1,462.99
	Unrealised foreign exchange fluctuation (gain)	(55.49)	(86.49)
	(Gain) on disposal of property plant and equipment (net)	(5.46)	(0.13)
	Provision for doubtful debts, loans and advances written off	-	(3.01)
	Trade payables written off	-	(29.29)
	Amortisation of deferred income- government grant	(66.67)	(51.67)
	Dividend income	(0.02)	(0.22)
	(Gain)/loss on MTM foreign exchange fluctuation	156.37	(28.05)
	Interest paid	1,410.97	1,368.98
	ESOP Expense	164.31	43.21
	Remeasurement of defined benefit plan	-	(0.65)
	Interest from assets valued at amortised cost	(71.69)	(15.25)
	Operating profit before working capital changes (current and non- current)	**6,565.10**	**4,362.20**
	Inflow and outflow on account of :		
	Changes in trade receivables	(366.43)	285.89
	Changes in inventories	(1,291.45)	(1,254.92)
	Changes in other financial assets	148.12	312.12
	Changes in other assets	(396.68)	(525.45)
	Changes in financial assets-loans	8.70	4.93
	Changes in provisions	(8.79)	18.26
	Changes in trade and other payables	232.65	(809.91)
	Changes in other financial liabilities	(3.43)	524.48
	Changes in other liabilities	360.53	(148.66)
	Cash generated from operations before tax	**5,248.32**	**2,768.94**
	Income taxes paid (net)	(568.31)	(284.06)
	Net cash generated from operating activities [A]	**4,680.01**	**2,484.88**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods]	(9,622.30)	(2,818.57)
	Proceeds from sale of property plant and equipments	47.82	-
	Investments (made)/proceeds from sale of investment	(0.50)	0.51
	Interest received	71.69	15.25
	Other bank balances not considered as cash and cash equivalents [net]	(2,061.33)	(46.87)
	Dividend received	0.06	0.23
	Net cash used in investing activities [B]	**(11,564.56)**	**(2,849.45)**

Consolidated Statement of Cash Flows for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C	**Cash flow from financing activities**		
	Proceeds from long-term borrowings	4,836.15	2,248.79
	Repayment of long-term borrowings	(5,745.22)	(1,538.62)
	Repayment of Short-term borrowings (net)	(1,049.38)	
	Proceeds from government grant	-	300.00
	Proceeds from short-term borrowings (net)	-	808.09
	Finance cost paid	(1,678.80)	(1,528.00)
	Proceeds from preferential issue of equity shares (net of cost issuance expenses)	7,371.11	-
	Proceeds from share warrants	3,705.40	-
	Net cash generated from financing activities [C]	**7,439.26**	**290.26**
D	**Net (decrease)/increase in cash and cash equivalents [A+B+C]**	**554.71**	**(74.31)**
E	**Cash and cash equivalents at the beginning of the year**	134.76	209.07
	Closing balance of cash and cash equivalent [D+E]	**689.47**	**134.76**

	As at 31 March 2023	As at 31 March 2022
Components of cash and cash equivalents (refer note 16):		
Balances with banks	179.76	123.27
Cash on hand	9.63	11.49
Balances in deposit account with original maturity upto three months	500.08	-
	689.47	**134.76**

Notes 1 to 62 form an integral part of these consolidated financial statements

This is the Consolidated Statement of Cash Flow Statement referred to in our report of even date.

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 30 May 2023

For and on behalf of the Board of Directors of PTC Industries Limited

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2023

Consolidated statement of Changes in Equity as at 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

A Equity share capital

	No. of shares	Amount
Balance as at 1 April 2021	5,239,063	523.91
Changes in equity share capital during the year	-	-
Balance as at 1 April 2022	**5,239,063**	**523.91**
Changes in equity share capital during the year	8,143,194	814.32
Balance as at 31 March 2023	**13,382,257**	**1,338.23**

B Other equity

Particulars	Reserves and Surplus				Other reserve		Money received against Share warrants	Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Share Based payment Reserve Account	Equity instruments through other comprehensive income		
Balance as at 1 April 2021	**1.75**	**4,120.72**	**4,624.17**	**6,257.75**	**-**	**0.01**	**-**	**15,004.41**
Profit for the period	-	-	-	1,281.15	-	-	-	1,281.15
Remeasurement of defined benefit plan	-	-	-	(0.49)	-	-	-	(0.49)
Share Based payment expense	-	-	-	-	43.21	-	-	43.21
Balance as at 1 April 2022	**1.75**	**4,120.72**	**4,624.17**	**7,538.41**	**43.21**	**0.01**	**-**	**16,328.28**
Profit for the period	-	-	-	2,581.51	-		-	2,581.51
Share Based payment expense	-	-	-	-	163.95	-	-	163.95
Remeasurement of defined benefit plan	-	-	-	(7.75)	-	-	-	(7.75)
Money received against Share warrants	-	-	-	-	-	-	3,705.40	3,705.40
Securities premium	-	6,556.80	-	-	-	-	-	6,556.80
Balance as at 31 March 2023	**1.75**	**10,677.52**	**4,624.17**	**10,112.17**	**207.16**	**0.01**	**3,705.40**	**29,328.19**

Refer note 20 for nature of reserves.

Notes 1 to 62 form an integral part of these consolidated financial statements

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 30 May 2023

For and on behalf of the Board of Directors of
PTC Industries Limited

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2023

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

1. Group information

PTC Industries Limited (the 'Company') is a public limited Group incorporated in India. The registered office and corporate office of the Company is situated in Lucknow, Uttar Pradesh, India. The Company is a leading manufacturer of metal components for critical and super critical applications. The Company's shares are listed on the Bombay Stock Exchange (BSE) in India.

2. General information and statement of compliance with Ind AS

These consolidated financial statements of PTC Industries Limited ('the holding Company') and its subsidiary, Aerolloy Technologies Limited (the Holding company and its subsidiary together referred to as 'the Group') have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements of the Group have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The consolidated financial statements of PTC Industries Limited as at and for the year ended 31 March 2023 (including comparatives) were approved and authorised for issue by the Board of Directors on 30 May 2023.

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs and two decimals thereof, unless otherwise indicated.

3. Basis of preparation and presentation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The consolidated financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments) at fair value.
- Defined benefit liabilities are measured at present value of defined benefit obligation.

B) Basis of consolidation

Subsidiary is the entity over which the holding Company has control. Control exists when the holding Company has power over the entity, is exposed, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. The financial statements of subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the holding Company and the subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intragroup balances and intra-group transactions in accordance with Indian Accounting Standard (Ind AS) 110 -"Consolidated Financial Statements".

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

Consolidated financial statements include consolidated balance sheet, consolidated statement of profit and loss, consolidated cash flow statement, consolidated statement of changes in equity and the summary of significant accounting policies and other explanatory information that form an integral part thereof.

Consolidated subsidiary is having consistent reporting date of 31 March 2023.

Following are the details of the subsidiary consolidated in these financial statements.

Name of the entity	Country of incorporation	Principal Activities	Interest (in %)	
			31-03-2023	31-03-2022
Aerolloy Technologies Limited	India	Manufacturer of metal components	100%	100%

4. Summary of significant accounting policies

The consolidated financial statements have been prepared using the significant accounting policies and measurement basis summarized below.

a) Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

1) It is expected to be realised in, or is intended to be sold or consumed in, the Group's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is expected to be realised within twelve months after the reporting date; or

4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

1) It is expected to be settled in the Group's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is due to be settled within twelve months after the reporting date; or

4) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

b) Property, plant and equipment

Recognition, measurement and de-recognition

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.The Group identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Foreign currency exchange differences are capitalized as per the policy stated in note 4(h) below.

Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Based on technical assessment made by technical expert and management estimate, the Group have assessed the estimated useful lives of certain property, plant and equipment that are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives of items of property, plant and equipment are as follows:

Particulars	Management estimate of useful life (years)
Factory and non-factory Buildings	30 - 60
Plant and machinery	2 - 15
Furniture and fixtures	10
Vehicles	8 - 10

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Particulars	Management estimate of useful life (years)
Office equipment	5
Computers	3 - 6
Electrical installations	10

Leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.

c) Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

d) Intangible assets

Recognition, measurement and de-recognition

Intangible assets are stated at cost less accumulated amortisation and impairment losses (if any). Cost related to technical assistance for new projects are capitalised.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent expenditure

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Amortisation

Intangible assets include software that are amortised over the useful economic life of 6 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

e) Non-current assets held for sale

An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets, assets arising from employee benefits and deferred tax assets, continue to be measured in accordance with the Group's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

f) Impairment

(i) Impairment of financial assets

The Group recognises loss allowance for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract such as a default in payment within the due date;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The Group measures loss allowances at an amount equal to lifetime expected credit losses. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information. The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any) is held.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the Cash Generating Unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss. An asset is deemed impaired when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.

g) Inventories

Inventories are stated at the lower of cost and net realisable value.

Raw materials, packing material, stores and spares and loose tools: The cost of inventories is calculated on first in and first out basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Work-in-progress and manufactured finished goods: Cost includes raw material costs and an appropriate share of fixed production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item by item basis/contract basis depending on the nature of work.

h) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

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For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

i) Foreign exchange transactions

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary 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 assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All exchange differences relating to foreign currency items are dealt with in the Statement of Profit and Loss in the year in which they arise.

j) Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed/encashed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulation. The Group determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

k) Revenue

i. Sale of goods

Revenue arises mainly from the sale of goods. To determine whether to recognise revenue, the Group follows a 5-step process:

(i) Identifying the contract with a customer

(ii) Identifying the performance obligations

(iii) Determining the transaction price

(iv) Allocating the transaction price to the performance obligations

(v) Recognising revenue when/as performance obligation(s) are satisfied.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

ii. Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

iii. Dividend income

Dividend income is recognized at the time when the right to receive is established by the reporting date.

iv. Income from power generation:

Income from power generation from windmill located in district Kutch is recognised on the basis of the terms of the contract.

v. Export benefits/incentives

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

l) Borrowings

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

m) Government grants

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

Grants related to assets is recognized as deferred income which is recognized in the Statement of Profit and Loss on systematic basis over the useful life of the assets.

n) Right of use assets and lease liabilities

For all existing and new contract on or after 01 April 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

The Group as a lessee

Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

o) Financial instruments

i. Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

ii. Subsequent measurement

Financial assets

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. Financial assets at fair value

- Investments in equity instruments other than above –Investments in equity instruments which are held for trading are generally classified as at fair value through profit or loss ("FVTPL"). For all other equity instruments, the Group makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income ("FVOCI") or fair value through profit or loss FVTPL.

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If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss 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 43 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

p) Fair value measurement

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable -inputs)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

q) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the cash Management.

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r) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

s) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

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 with in the control of the Group 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 reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Group and requires interpretation of laws and past legal rulings.

t) Taxation

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

The Group's ability to recover the deferred tax assets is assessed by the management at the close of each financial year which depends upon the forecasts of the future results and taxable profits that Group expects to earn within the period by which such brought forward losses may be adjusted against the taxable profits as governed by the Income-tax Act, 1961. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date

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and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's Board of Directors assesses the financial performance and position of the Group, and makes strategic decision. The Board has been identified as the chief operating decision maker. The Group's business activity is organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Group's primary business segment is reflected based on principal business activities carried on by the Group. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Group operates in one reportable business segment i.e., manufacturing and selling of metal components for critical and super critical applications. The geographical information analyses the Group's revenue and trade receivables from such revenue in India and other countries. In presenting the geographical information, segment revenue and receivables has been based on the geographic location of customers. Refer note 47 for segment information presented.

v) Research and development costs

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred. Items of property, plant and equipment and acquired intangible assets utilized for research and development are capitalized and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

w) Derivative financial instruments

The Group holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms. Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred.

x) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 (now Schedule III of Companies Act, 2013), the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Group does not include depreciation and amortisation expense, finance costs and tax expense.

y) Significant accounting judgements, estimates and assumptions

When preparing the consolidated financial statements management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Significant judgements:

(i) Evaluation of indicators for impairment of non-financial assets

The evaluation of applicability of indicators of impairment of non-financial assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

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(ii) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised. The recognition of deferred tax assets and reversal thereof is also dependent upon management decision relating to timing of availment of tax holiday benefits available under the Income Tax Act, 1961 which in turn is based on estimates of future taxable profits.

(iii) Contingent liabilities

The Group is the subject of certain legal proceedings which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Sources of estimation uncertainty:

(i) Provisions

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding guarantees. However, the actual future outcome may be different from management's estimates.

(ii) Fair valuation of financial instruments

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

(iii) Recoverability of advances/receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

z) Recent accounting pronouncement

Ministry of Corporate Affairs ('MCA') notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

Ind AS 1 – Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 – Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and there is no impact on its financial statements.

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5. Property, plant and equipment

Particulars	Freehold land	Factory building	Plant and machinery	Computers	Mould and dies	Vehicles	Furniture and fixtures	Office equipments	Research and development assets: Plant and machinery	Research and development assets: Computers	Research and development assets: Mould and dies	Research and development assets: Vehicles	Total
As at 1 April 2021	**1,202.62**	**4,459.73**	**20,500.52**	**236.79**	**1,748.57**	**326.52**	**177.34**	**189.70**	**255.03**	**1.18**	**111.77**	**6.35**	**29,216.12**
Additions	-	264.62	3,551.24	9.25	215.66	32.98	5.39	8.13		-	-	-	4,087.29
Adjustment	1.61	-	-	-	-	-	-	-	-	-	-	-	1.61
Disposals/ assets written off	-	-	(51.45)	-	-	-	-	-	-	-	-	-	(51.45)
Balance as at 31 March 2022	**1,204.23**	**4,724.35**	**24,000.31**	**246.04**	**1,964.23**	**359.50**	**182.73**	**197.83**	**255.03**	**1.18**	**111.77**	**6.35**	**33,253.57**
Additions	397.70	8.26	125.95	15.42	173.43	66.46	0.06	11.79	-	-	-	-	799.09
Disposals/assets written off	-	-	(159.32)	-	-	(16.66)	-	-	-	-	-	-	(175.99)
Balance as at 31 March 2023	**1,601.93**	**4,732.61**	**23,966.94**	**261.46**	**2,137.66**	**409.30**	**182.79**	**209.63**	**255.03**	**1.18**	**111.77**	**6.35**	**33,876.67**
Accumulated depreciation													
As at 1 April 2021	**-**	**565.62**	**5,855.37**	**187.88**	**1,106.57**	**151.64**	**102.26**	**118.98**	**176.07**	**1.06**	**106.19**	**3.72**	**8,375.36**
Charge for the year	-	136.84	1,104.90	12.95	112.33	34.25	11.35	21.04	6.49	0.02	1.05	0.06	1,441.28
Adjustments for disposals	-	-	(7.08)	-	-	-	-	-	-	-	-	-	(7.08)
Balance as at 31 March 2022	**-**	**702.46**	**6,953.19**	**200.83**	**1,218.90**	**185.89**	**113.61**	**140.02**	**182.56**	**1.08**	**107.24**	**3.78**	**9,809.56**
Charge for the year		141.55	1,292.33	14.10	123.91	30.42	11.21	21.92	6.49	0.02	-	0.06	1,642.01
Adjustments for disposals	-	-	(117.79)	-	-	(15.83)	-	-	-	-	-	-	(133.62)
Balance as at 31 March 2023	**-**	**844.01**	**8,127.73**	**214.93**	**1,342.81**	**200.48**	**124.82**	**161.93**	**189.05**	**1.10**	**107.24**	**3.84**	**11,317.95**
Net block as at 31 March 2022	**1,204.23**	**4,021.89**	**17,047.12**	**45.21**	**745.33**	**173.61**	**69.12**	**57.82**	**72.47**	**0.10**	**4.53**	**2.57**	**23,444.01**
Net block as at 31 March 2023	**1,601.93**	**3,888.60**	**15,839.21**	**46.53**	**794.85**	**208.82**	**57.97**	**47.70**	**65.98**	**0.08**	**4.53**	**2.51**	**22,558.72**

Notes:

a) Refer note 49 "Assets pledged as security" for details regarding property, plant and equipment pledged as security.

b) Refer note 46(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c) Plant and machinery includes assets amounting to ₹ 1000 lakh was acquired under the Technology Acquisition and Fund Programme (TAFP) project. These assets have restricted use under their respective projects.

d) No proceeding has been initiated or pending against the company for holding any benami property under the Benami transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

6 Capital work-in-progress

Particulars	Amount
Balance as at 1 April 2021	**3,709.80**
Additions	1,680.05
Capitalisation during the year	(3,134.76)
Balance as at 31 March 2022	**2,255.09**
Additions	4,549.22
Capitalisation during the year	(140.45)
Balance as at 31 March 2023	**6,663.86**

Note:

1. Additions to capital work in progress include interest of ₹ 365.25 lakh (31 March 2022: ₹ 157.14 lakh) capitalised during the year.

2. There has been no CWIP which is overdue or has exceeded its cost compared to its original plan.

(a) Capital-work-in progress ageing schedule as at 31 March 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,408.77	1,020.65	1,154.10	80.34	6663.86

Capital-work-in progress ageing schedule as at 31 March 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1020.65	1154.10	63.39	16.95	2255.09

7. Investment Property

Particulars	Freehold land	Factory building	Total
Net carrying value			
Gross Block as on 31st March 2021	**125.59**	**151.77**	**277.36**
Additions	-	-	-
Gross Block as on 31st March 2022	**125.59**	**151.77**	**277.36**
Additions	-	-	-
Gross Block as on 31st March 2023	**125.59**	**151.77**	**277.36**
Accumulated depreciation			
As at 1 April 2021	**-**	**92.99**	**92.99**
Charge for the year	-	1.31	1.31
Balance as at 31 March 2022	**-**	**94.30**	**94.30**
Depreciation charge for the year	-	3.54	3.54
Balance as at 31 March 2023	**-**	**97.84**	**97.84**
Net block as at 31 March 2022	**125.59**	**57.47**	**183.06**
Net block as at 31 March 2023	**125.59**	**53.93**	**179.52**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Notes:

(i) Amount recognised in statement of profit and loss for investment property

	As at 31 March 2023	As at 31 March 2022
Rental income	48.40	45.00
Depreciation and amortisation expense	3.54	1.31
Profit from leasing of investment property	**44.86**	**43.69**

(ii) The aforementioned investment property is leased to a tenant under short term operating lease agreement with rentals payable monthly. However, lease can be terminated by either of the parties during the term, hence considered as cancellable and accordingly no lease disclosure given, as required by Ind AS 116 "Leases".

(iii) Fair value of investment property

	As at 31 March 2023	As at 31 March 2022
Fair value	1,464.00	1,458.46

The Group obtains independent valuations for its investment property. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources such as current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Fair value is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

8. Other intangible assets

Particulars	Software	Licenses	Research and development asset - Software	Total
Gross block				
At 1 April 2021	**207.35**	**39.70**	**4.72**	**251.77**
Additions	12.34			12.34
Balance as at 31 March 2022	**219.69**	**39.70**	**4.72**	**264.11**
Additions	38.56			38.56
Balance as at 31 March 2023	**258.25**	**39.70**	**4.72**	**302.67**
Accumulated amortisation				
At 1 April 2021	**131.25**	**39.70**	**4.44**	**175.39**
Charge for the year	20.40	-	-	20.40
Balance as at 31 March 2022	**151.65**	**39.70**	**4.44**	**195.79**
Charge for the year	21.37			21.37
Balance as at 31 March 2023	**173.02**	**39.70**	**4.44**	**217.16**
Net block as at 31 March 2022	**68.04**	**-**	**0.28**	**68.33**
Net block as at 31 March 2023	**85.23**	**-**	**0.28**	**85.51**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

9(a) Non-current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Unqouted equity shares		
Investment in equity instruments (at cost)		
Instrumentation Automation Surveillance & Communication Sector Skill Council Equity Fund 5,000 units of Rs. 10 each	0.50	-
	0.50	**-**
Aggregate amount of unquoted investments	0.50	-

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

9(b) Current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Quoted instruments		
Investment in mutual fund (at fair value through profit or loss)		
5,000 units (31 March 2022: 5,000 units:) of ₹ 10 each of UTI Equity Fund (Prev. Mastergain1992 of UTI)	7.18	7.21
	7.18	**7.21**
Aggregate amount of quoted investments and market value thereof	7.18	7.21

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

10 Current financial assets - loans

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Loan to employees*	59.86	68.56
	59.86	**68.56**

*No Loans and advances provided to promoters, directors & KMP.

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

11(a) Non-current financial assets - others

Particulars	As at 31 March 2023	As at 31 March 2022
Deposits with banks with maturity more than 12 months*	178.94	56.38
Security deposits	163.33	133.04
Interest Accrued on Deposit	6.62	-
	348.89	**189.42**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Note:

Refer note 43 for disclosure of fair values in respect of financial assets measured at cost.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

11(b) Current financial assets - others

Particulars	As at 31 March 2023	As at 31 March 2022
Export incentives receivable*	181.02	430.55
Other financial assets	-	58.05
	181.02	**488.60**

***Export Incentive receivable movement summary**

Particulars	Amount
Balance as at 1 April 2021	**459.06**
Income during the year	221.34
Amount utilised/refund received during the year	249.85
Balance as at 31 March 2022	**430.55**
Income during the year	386.31
Amount utilised/refund received during the year	635.84
Balance as at 31 March 2023	**181.02**

Note:

Refer note 43 for disclosure of fair values in respect of financial assets measured at cost.

12 Income tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance income-tax (net of provision for taxation)	364.81	347.45
	364.81	**347.45**

13 Other non-current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Capital advances	5,401.92	830.45
Prepaid expenses	51.92	-
	5,453.84	**830.45**

14 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
(Valued at lower of cost or net realisable value)		
Raw materials	2,488.53	1,541.40
Work-in-progress	4,109.50	4,073.20
Finished goods	45.02	45.02
Stores and spares	990.64	696.25
Loose tools	138.51	124.88
	7,772.20	**6,480.75**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

15 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good	6,568.73	6,149.82
Unsecured, considered doubtful	22.59	22.59
	6,591.32	**6,172.41**
Less: Provision for expected credit loss	(22.59)	(22.59)
	6,568.73	**6,149.82**

*Refer note-43 for ageing schedule of Trade receivables.

16 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks	179.76	123.27
Cash on hand	9.63	11.49
Balances in deposit account with original maturity upto 3 months*	500.08	-
	689.47	**134.76**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Note:

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

17 Other bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
Deposits with original maturity more than 3 months but remaining less than 12 months*	2,235.46	221.26
Interest accrued on deposits	86.28	39.15
	2,321.74	**260.41**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

18 Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	195.87	81.70
Balances with statutory and government authorities	1,173.13	1,121.11
Gratuity asset	12.28	-
Advance to suppliers	634.01	439.27
Other loans and advances	20.11	48.55
	2,035.40	**1,690.63**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

19 Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Authorised:				
Equity shares of ₹ 10 each	20,000,000	2,000.00	20,000,000	2,000.00
	20,000,000	**2,000.00**	**20,000,000**	**2,000.00**
Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 each	13,382,257	1,338.23	5,239,063	523.91
	13,382,257	**1,338.23**	**5,239,063**	**523.91**

*During the previous year, the Holding Company has increased the authorised share capital from INR 1,100.00 lacs to INR 2,000.00 lacs and also converted the authorised redeemable cumulative preference share capital into equity share capital.

a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	5,239,063	523.91	5,239,063	523.91
Add: Shares issued during the year :-				
i) Right issue of equity shares of ₹ 10 each (Refer note 59)	7,858,594	785.86	-	-
ii) Preferential issue of equity shares of ₹ 10 each (Refer note 58)	284,600	28.46	-	-
Outstanding at the end of the year	**13,382,257**	**1,338.23**	**5,239,063**	**523.91**

b) Terms and rights attached to equity shares

The Group has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% of the equity share capital:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	% of holding	Number	% of holding
Sachin Agarwal	2,855,491	21.34%	11,15,704	21.30%
Mapple Commerce Private Limited	1,599,985	11.96%	625,150	11.93%
Nirala Merchants Private Limited	1,177,818	8.80%	460,200	8.78%
Priya Ranjan Agarwal	987,914	7.38%	386,000	7.37%
Sachin Agarwal HUF	670,297	5.01%	261,900	5.00%

d) Information regarding issue of shares in the last five years

i) The Group has not issued any shares without payment being received in cash in the last five years.

ii) There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

e) Disclosure of Shareholding of Promoters

Shares held by promoters at the end of the year as on 31 March 2023			
Promoter Name	**No. of Shares**	**% of Total**	**% Change during the year ***
Sachin Agarwal	2,855,491	21.34%	155.94%
Mapple Commerce Private Limited	1,599,985	11.96%	155.94%
Nirala Merchants Private Limited	1,177,818	8.80%	155.94%
Priya Ranjan Agarwal	987,914	7.38%	155.94%
Sachin Agarwal HUF	670,297	5.01%	155.94%
Alok Agarwal	551,799	4.12%	155.94%
Viven Advisory Services Private Limited	433,325	3.24%	155.94%
Smita Agarwal	335,276	2.51%	155.94%
Anshoo Agarwal	159,448	1.19%	155.94%
Satish Chandra Agarwal HUF	77,805	0.58%	155.94%
Bina Agrawal .	71,483	0.53%	155.94%
Kanchan Agarwal	54,258	0.40%	155.93%
Kiran Arun Prasad	49,139	0.37%	155.93%
Manu Agarwal	25,593	0.19%	155.93%
Ritika Agarwal	25,593	0.19%	155.93%
Reena Agarwal	10,237	0.08%	155.93%
Arun Jwala Prasad	5,119	0.04%	155.95%
Total	**9,090,580**	**67.94%**	

* The significant increase in % change in number of shares during the year is on account of issue of right shares during the year, in the ratio of three new equity shares for every two equity shares of the Company held by the eligible shareholders on the record date.

Shares held by promoters at the end of the year as on 31 March 2022			
Promoter Name	**No. of Shares**	**% of Total**	**% Change during the year ***
Sachin Agarwal	1,115,704	21.30%	0.05%
Mapple Commerce Private Limited	625,150	11.93%	0.00%
Nirala Merchants Private Limited	460,200	8.78%	0.00%
Priya Ranjan Agarwal	386,000	7.37%	0.00%
Sachin Agarwal HUF	261,900	5.00%	0.00%
Alok Agarwal	215,600	4.12%	0.00%
Viven Advisory Services Private Limited	169,310	3.23%	0.00%
Smita Agarwal	131,000	2.50%	0.00%
Anshoo Agarwal	62,300	1.19%	0.00%
Satish Chandra Agarwal HUF	30,400	0.58%	0.00%
Bina Agrawal .	27,930	0.53%	0.00%
Kanchan Agarwal	21,200	0.40%	0.00%
Kiran Arun Prasad	19,200	0.37%	0.00%
Manu Agarwal	10,000	0.19%	0.00%
Ritika Agarwal	10,000	0.19%	0.00%
Reena Agarwal	4,000	0.08%	0.00%
Arun Jwala Prasad	2,000	0.04%	0.00%
Total	**3,551,894**	**67.80%**	

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

20 Other equity

	Particulars	As at 31 March 2023	As at 31 March 2022
a.	**Capital reserve**		
	Balance at the beginning of the year	1.75	1.75
	Add: Additions during the year	-	-
	Balance at the end of the year	**1.75**	**1.75**
b.	**Securities premium**		
	Balance at the beginning of the year	4,120.72	4,120.72
	Add: Additions during the year	6,556.80	-
	Balance at the end of the year	**10,677.52**	**4,120.72**
c.	**General reserve**		
	Balance at the beginning of the year	4,624.17	4,624.17
	Add: Additions during the year	-	-
	Balance at the end of the year	**4,624.17**	**4,624.17**
d.	**Retained earnings**		
	Balance at the beginning of the year	7,538.42	6,257.76
	Add: Profit during the year	2,573.76	1,280.66
	Balance at the end of the year	**10,112.18**	**7,538.42**
e.	**Other comprehensive income**		
	Balance at the beginning of the year	0.01	0.01
	Add: Profit during the year	-	-
	Balance at the end of the year	**0.01**	**0.01**
f.	**Share based payment reserve**		
	Balance at the beginning of the year	43.21	-
	Add: Profit during the year	163.95	43.21
	Balance at the end of the year	**207.16**	**43.21**
g.	**Share warrants (Refer note 58)**		
	Balance at the beginning of the year	-	-
	Add: Amount received during the year	3,705.40	-
	Balance at the end of the year	**3,705.40**	**-**
	Total	**29,328.19**	**16,328.28**

Nature and purpose of other reserves:

(a) Capital reserve

Capital reserve was created in respect of proceeds of forfeited shares.

(b) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(c) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(d) Retained earnings

Retained earnings refer to the net profit retained by the company for its core business activities.

(e) Share Based Payment Reserve(SBP)

This reserve has been created to meet the cost of Employee Stock Option Payment(ESOP) scheme.

(f) Share Warrants

Fully convertible warrants alloted to persons belonging to Non-Promoter category convertible into equivalent number of Equity Shares within a period of 13 months from the date of allotment.

21(a) Non-current borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Term loans from banks	10,516.74	10,781.07
Term loans from financial institutions	-	250.20
Vehicle loans from banks and financial institutions	145.80	117.35
Special letter of credit - from banks	93.26	516.25
Total Borrowings	**10,755.80**	**11,664.87**
Less: Current maturities of long term borrowings (refer note 21(b))	(1,117.36)	(2,298.79)
	9,638.44	**9,366.08**

Notes:

1. Term loans from banks and financial institutions carrying interest rate ranging from 7.25% to 11.20% p.a (P.Y. 8.25% to 10.75% p.a).
2. Term loans from banks are secured by way of equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) and first pari-passu charge on the plant and equipment of the Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) of the Company and second charge ranking pari-passu on the whole of the present and future current assets of the Company .
3. Further the term loans from banks and financial institutions are secured by way of personal guarantee of the few Directors of the Company.
4. Vehicle loans carry interest rates ranging from 7.25% to 12.50% p.a (P.Y 9.75% to 12.50% p.a) and are secured by way of absolute charge on respective assets thus purchased.
5. Special letter of credit - from banks carry interest rates ranging from 9.00% to 14.00% p.a (P.Y 9.00% to 14.00% p.a). Special letter of credit - from banks is secured by way of personal guarantee of the Directors of the Company.
6. Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

21(b) Current borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Loans repayable on demand- from banks	5,816.87	6,939.03
Current maturity of Long term debts	1,117.36	2,298.79
Un-Secured		
Bill Dicounted	1,092.11	1,019.32
	8,026.34	**10,257.14**

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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Notes:

1. Working capital facilities from banks carry interest rates ranging from 5.25% to 11.95% p.a.(P.Y 9.00% to 11.18% p.a) and are repayable on demand.These facilities are secured by way of first charge ranking pari-passu on the whole of the present and future current assets of the Company and further secured by second charge on equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) and first second pari-passu charge on plant and equipment of the Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) of the Company.

2. Cash credit facilities are secured by way of personal guarantee of the few Directors of the Company.

3. Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

4. The Company has borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

5. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Non-current borrowings	Current borrowings	Interest accrued
As at 1 April 2021	**10,932.07**	**7,172.90**	**120.65**
Add: Non cash changes due to-			
- Interest expense debited to statement of profit and loss	-	-	1,368.98
- Interest expense capitalised to capital work-in-progress	-	-	157.14
Add: Cash inflows during the year			
- Proceeds from non-current borrowings	2,271.42	-	-
- Proceeds from current borrowings	-	785.46	-
Less: Cash outflow during the year			
- Repayment of non-current borrowings	(1,538.62)	-	-
- Interest paid	-	-	1,527.97
As at 1 April 2022	**11,664.87**	**7,958.36**	**118.80**
Add: Non cash changes due to-			
- Interest expense debited to statement of profit and loss	-	-	1,410.97
- Interest expense capitalised to capital work-in-progress	-	-	149.03
Add: Cash inflows during the year			
- Proceeds from non-current borrowings	4,836.15	-	-
Less: Cash outflow during the year			
- Repayment of non-current borrowings	(5,745.22)	-	-
- Repayment of current borrowings	-	(1,049.38)	-
- Interest paid	-	-	(1,678.80)
Closing balance as on 31 March 2023	**10,755.80**	**6,908.98**	**(0.00)**

22 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposit	7.50	7.50
TDDP Grant (Non-current)	232.28	307.04
	239.78	**314.54**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Devlopment Corporation (NRDC) an enterprise of Deparment of Scientific & Industrial Reseacrh(DSIR). Refer note-61 for further details.

23 Provisions

Particulars	Non-current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Provision for employees benefits				
- Provision for gratuity	-	-	11.22	32.39
- Provision for compensated absences	90.54	75.88	20.32	12.29
	90.54	**75.88**	**31.54**	**44.68**

24 Deferred tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liability arising on account of:		
Difference between book balance and tax balance of property, plant and equipment	1,596.19	1,413.12
Provision for employee benefits	32.54	39.15
Tax impact on allowance under tax exemptions/deductions	32.13	(7.05)
Provision for doubtful debts	5.44	5.61
	70.11	**37.71**
Net deferred tax liability	**1,526.08**	**1,375.41**

A Movement in deferred tax liabilities:

Particulars	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2022
Deferred tax liability arising on account of:				
Difference between book balance and tax balance of property, plant and equipment	1,236.40	176.72	-	1,413.12
	1,236.40	**176.72**	**-**	**1,413.12**
Deferred tax asset arising on account of:				
Provision for employee benefits	29.84	9.15	0.16	39.15
Provision for doubtful debts	6.28	(0.84)	-	5.44
Tax impact on allowance under tax exemptions/deductions	(40.28)	33.22	-	(7.05)
Brought forward losses and unabsorbed depreciation	38.14	(38.14)	-	-
	33.98	**3.40**	**0.16**	**37.54**
Net deferred tax liability	**1,202.42**	**173.32**	**(0.16)**	**1,375.41**

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for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Movement in deferred tax liabilities:

Particulars	As at 1 April 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2023
Deferred tax liability arising on account of:				
Difference between book balance and tax balance of property, plant and equipment	1,413.12	183.07		1,596.19
	1,413.12	**183.07**	**-**	**1,596.19**
Deferred tax asset arising on account of:				
Provision for employee benefits	39.15	(9.17)	2.56	32.54
Provision for doubtful debts	5.44	-	-	5.44
Tax impact on allowance under tax exemptions/ deductions	(7.05)	39.18	-	32.13
	37.54	**30.01**	**2.56**	**70.11**
Net deferred tax liability	**1,375.41**	**153.06**	**(2.56)**	**1,526.08**

(B) Unrecognised deferred tax assets

Particulars	As at 31 March 2023		As at 31 March 2022	
	Gross amount	Tax effect	Gross amount	Tax effect
Brought forward long term capital losses	61.67	15.52	61.67	15.52
	61.67	**15.52**	**61.67**	**15.52**

25 Other non-current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred grant income	835.00	901.67
	835.00	**901.67**
(i) Reconciliation of deferred income		
Opening balance as at the beginning of the year	901.66	1,042.22
Add: Grant received during the year	-	300.00
Less: Released to the Statement of Profit and Loss	(66.67)	(51.67)
Less: Reclassed to other financial liability (Non current & current) (Refer Note-61)	(388.89)	(388.89)
Closing balance as at the end of the year	**835.00**	**901.66**

26 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Due to :		
Total outstanding dues of micro enterprises and small enterprises*	610.32	233.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,493.22	1,640.72
	2,103.54	**1,873.89**

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for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

*Dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), to the extent identified and information available with the Group pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below:

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year	610.32	233.17
The amount of interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

Trade Payables ageing schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	610.32				610.32
(ii) Others	1,440.93	43.54	8.75	-	1,493.22
Total	**2,051.25**	**43.54**	**8.75**	**-**	**2,103.54**

* There are no disputed payables

Trade Payables ageing schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	233.17		-	-	233.17
(ii) Others	1,577.85	62.87	-	-	1,640.72
Total	**1,811.02**	**62.87**	**-**	**-**	**1,873.89**

* There are no disputed payables

27 Current financial liabilities- others

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	-	118.80
TDDP Grant (Current)*	101.11	118.61
Others		
- towards creditors for capital goods	446.67	400.13
- towards employee related payables	280.89	305.03
- expenses payables	181.80	197.15
Other financial liability**	128.32	-
	1,138.79	**1,139.72**

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Devlopment Corporation (NRDC) an enterprise of Deparment of Scientific & Industrial Reseacrh(DSIR). Refer note-61 for further details.

** Other financial liability includes the forward contracts

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

28 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Revenue received in advance	827.37	325.47
Statutory dues payable	79.58	64.58
	906.95	**390.05**

29 Current tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Current years Laibilites net of advance tax and TDS	87.83	7.30
	87.83	**7.30**

30 Revenue from operations (Point in Time)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products	21,501.76	17,635.14
Other operating revenues (refer (a) below)	424.45	260.34
Revenue from operations	**21,926.21**	**17,895.48**
(a) Other operating revenues (Point in Time)		
Export incentives	386.31	221.34
Income from power generation	38.14	39.00
Total	**424.45**	**260.34**
Reconciliation of revenue recognised with contract price:		
Gross Revenue	21,926.21	17,936.26
Less: Rate difference adjustment	-	40.78
	21,926.21	**17,895.48**

31 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest		
- from bank deposits valued at amortised cost	71.69	15.25
Rent income from investment property and property plant equipment	49.40	45.70
Supply of services	3.42	55.13
Insurance claims received	-	64.90
Gain on foreign exchange fluctuation (net)	535.27	327.95
Dividend income(on investments carried at Fair value through Profit & Loss)	0.02	0.23
Mark to market gain on forward contracts measured at Fair value through PL	-	28.05
Amortisation of deferred income (refer note-25)	66.67	51.67

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit on sale of assets	5.46	0.13
Discount Received	-	3.54
Miscellaneous income	15.34	35.44
	747.27	**627.99**

32 Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw materials at the beginning of the year	1,541.40	1,232.12
Add: Purchases	6,422.63	5,441.18
Less: Closing stock	2,488.53	1,541.40
	5,475.50	**5,131.90**
Less: Raw material consumed for research and development	-	65.08
Cost of material consumed	**5,475.50**	**5,066.82**

33 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year		
Work-in-progress	4,073.20	3,313.73
Finished goods	45.02	45.02
	4,118.22	**3,358.75**
Inventories at the end of the year		
Work-in-progress	4,109.50	4,073.20
Finished goods	45.02	45.02
	4,154.52	**4,118.22**
Changes in inventories of finished goods and work-in-progress	**(36.30)**	**(759.47)**

34 Employee benefits expense*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	2,167.68	1,818.57
Contribution to provident and other funds	142.55	114.88
Gratuity expense (refer note 44)	42.01	39.47
Staff welfare expenses	70.73	69.03
Employee stock option payment expenses	164.31	43.21
	2,587.28	**2,085.16**

*Employee benefit expenses excludes ₹ 34.56 lakhs (31 March 2022: ₹ 32.09 lakhs) towards research and development expenses (refer note 35)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

35 Research and development expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw materials consumed	-	65.08
Materials, stores and spares consumed	-	84.77
Salary and wages	34.56	32.09
	34.56	**181.94**

36 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Manufacturing expenses		
Stores and spares consumed*	2,697.85	2,268.22
Power and fuel	1,353.04	1,485.74
Repairs and maintenance		
- plant and machinery	287.72	433.86
- building	24.36	34.33
Packing and general consumables	209.58	205.29
Processing and work charges	972.34	1,012.02
Freight Expenses	41.43	30.77
Outsourced services	87.34	102.66
Testing and inspection charges	371.04	308.27
Sub-total (A)	**6,044.70**	**5,881.16**
Administrative, selling and other expenses		
Rent	24.38	23.55
Rates and taxes	154.89	9.15
Insurance expenses	88.48	83.86
Security expenses	107.16	96.43
Legal and professional expenses	161.32	114.83
Payment to Auditors [refer note 37 (a)]	32.82	36.86
Travelling and conveyance	320.54	109.78
Vehicle running and maintenance	140.92	114.40
Communication expenses	30.33	21.80
Printing and stationery	17.19	19.93
Training and Recruitment	22.02	49.18
Seminar, Conferences and Exhibitions	31.35	53.87
Financial instruments measured at fair value	156.37	-
Freight and clearing	258.42	145.60
Claim settlement expenses	259.71	226.87
Late Delivery charges	6.55	-
Advertisement and promotion	7.89	6.40
Donation and charity	0.05	0.40
Computer expenses	43.64	32.40

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Corporate social responsibility expenses [refer note 37 (b)]	26.13	23.88
Business promotion expenses	22.77	12.21
Office upkeep and maintenance charges	31.45	37.93
Miscellaneous expenses	12.84	10.38
Sub-total (B)	**1,957.22**	**1,229.71**
Grand total (C=A+B)	**8,001.92**	**7,110.87**

*Stores and spares excludes Nil (31 March 2022: ₹ 84.77 lakh) towards research and development expenses (refer note 35)

37 (a) Payment to auditors

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor:		
- Statutory audit (including limited reviews)	28.13	26.00
In other capacity:		
- Certification	3.00	10.86
- Out of pocket expenses	1.69	-
	32.82	**36.86**

37 (b) Corporate social responsibility expenses

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
Gross amount required to be spent under section 135 of the Act		26.13	23.88
Amount spent during the year ended 31 March 2023:	In cash	Unspent amount	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	1.53	24.60	26. 13
	1.53	**24.60**	**26. 13**
Amount spent during the year ended 31 March 2022:			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	23.88	-	23.88
	23.88	**-**	**23.88**

Details of corporate social responsibility expenditure

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Amount required to be spent by the Group during the year	26.13	23.88
(ii) Amount of expenditure incurred	1.53	23.88
(iii) Shortfall at the end of the year	24.60	-
(iv) Total of previous years shortfall	-	-
(v) Amount deposited to special unspent CSR account u/s 135(6)	24.60	-
(vi) Net shortfall	-	-
(vii) Reason for shortfall	-	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
(viii) Nature of CSR activities	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livlihood enhancement projects	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livlihood enhancement projects
(ix) Details of related party transactions	-	-

38 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on borrowings measured at amortised cost		
- on working capital loans	552.55	478.35
- on term loans	803.17	857.18
Interest on others	55.25	33.45
Bank charges	166.77	147.60
	1,577.74	**1,516.58**

39 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment		
Depreciation on investment property	1,642.01	1,441.28
Amortisation on intangible assets	3.54	1.31
	21.37	20.40
	1,666.92	**1,462.99**

40 Exceptional items

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Remeasurement of TDDP grant valued amortised cost*	-	156.79
	-	**156.79**

TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Devlopment Corporation (NRDC) an enterprise of Deparment of Scientific & Industrial Reseacrh (DSIR). Refer note-61 for further details.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

41 Tax expense

(a) Income tax expenses recognised in profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax:		
Current tax	661.22	247.32
Current tax - earlier years	(29.93)	-
	631.29	**247.32**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	153.06	173.32
	153.06	**173.32**
Total tax expense recognised in profit and loss	**784.35**	**420.64**

(b) Income tax expenses recognised in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax:		
Re-measurement of defined benefit obligations	2.56	0.16
Total tax expense recognised in other comprehensive income	**2.56**	**0.16**

(c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group at 25.17% (31 March 2022: 25.17%) and the reported tax expense in the statement of profit and loss are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting profit before income-tax	**3,365.86**	**1,701.79**
At India's statutory income-tax rate of 25.17% (31 March 2022: 25.17%)	847.12	428.34
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non deductible expenses	21.95	20.78
Tax on income at different rates	(54.79)	(28.48)
Tax earlier years	(29.93)	-
	784.35	**420.64**
Basis of computing Company's statutory income-tax rate :		
Base rate	22.00%	22.00%
Add: Surcharge	2.20%	2.20%
	24.20%	**24.20%**
Add: Education cess	0.97%	0.97%
	25.17%	**25.17%**

42 Earnings per share

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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for the year attributable to equity shareholders	2,581.51	1,281.15
Weighted average number of equity shares (nos. in lakh)	131.68	52.39
Nominal value per share (₹)	10.00	10.00
Earnings per share - basic (₹) refer note 58	19.60	24.45
Weighted average number of equity shares for Diluted (nos. in lakh)	131.68	52.39
Add:- Potential Dilutive No.	0.44	0.04
Total Diluted Equity Share	**132.12**	**52.43**
Earnings per share - diluted (₹) refer note 58	19.54	9.81

The Company have dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company are as above.

43 Financial instrument and risk review

(A) Financial instruments

(i) Capital management

The Group manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 22(a) and 22(b); cash and cash equivalents and current investments and equity attributable to equity holders of the Group, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non-current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Group attributable to equity holders of the Group. The Group is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

The following table summarises the capital of the Group:

Particulars	As at March 31, 2023	As at March 31, 2022
Equity	**30,666.42**	**16,852.19**
Liquid assets (cash and cash equivalent and current investments) (a)	**696.65**	**141.97**
Current borrowings [note 21(b)]	8,026.34	10,257.14
Non- current borrowings [note 21(a)]	9,638.44	9,366.08
Interest accrued but not due on borrowings (refer note 27)	-	118.80
Total debt (b)	**17,664.78**	**19,742.02**
Net debt (c=(b) - (a))	**16,968.13**	**19,600.05**
Total capital (equity + net debt)	**47,634.55**	**36,452.24**
Gearing ratio		
Debt to equity ratio	0.58	1.17
Net debt to equity ratio	0.55	1.16

Loan Covenants

Notes to the Consolidated Financial Statements
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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Under the term of major borrowing facilities, the company is required to comply with the following covenants:

1. Total debt/ Adjusted Tangible net worth not to exceed 1.3 times.
2. Debt service coverage ratio not to fall below 1.25 times.
3. Asset coverage ratio to not to fall below 1.1 times
4. Interest coverage ratio not to fall below 2.8 times
5. Total debt/Net cash accruals not to exceed 8.0 times
6. Current Ratio to be not less than 1.10
7. Fixed Asset Coverage Ratio>=1.5X

The company has complied with these covenants throughout the reporting period.

(ii) Category of financial instruments

Particulars	Notes	As at March 31, 2023			As at March 31, 2022		
		Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI
Financial assets							
Investments*	9(b)	-	7.68	-	-	7.21	-
Loans	10	59.86	-	-	68.56	-	-
Trade receivables	15	6,568.73	-	-	6,149.82	-	-
Cash and cash equivalents	16	689.47	-	-	134.76	-	-
Other bank balances	17	2,321.74	-	-	260.41	-	-
Other financial assets	11(a),11(b)	529.91	-	-	649.98	28.05	-
Total financial assets		**10,169.71**	**7.68**	**-**	**7,263.53**	**35.26**	**-**
Financial liabilities							
Borrowings	21(a),21(b)	17,664.78	-	-	19,623.22	-	-
Trade payables	26	2,103.54	-	-	1,873.89	-	-
Other financial liabilities	22, 27	1,250.25	128.32	-	1,454.26	-	-
Total financial liabilities		**21,018.57**	**128.32**	**-**	**22,951.37**	**-**	**-**

* Investment in equity shares of subsidiary are measured at cost as per Ind AS 27, "Separate financial statements" and are not required to be disclosed here.

(iii) Fair value hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table

Particulars	As at March 31, 2023			As at March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets- measured at fair value						
Financial investment at FVTPL						
- Forward contract	-	-	-	-	28.05	-
- Quoted mutual fund	7.68	-	-	7.21	-	-
Financial liabilities- measured at fair value						
Financial investment at FVTPL						
- Forward contract	-	128.32	-	-	-	-
	7.68	**128.32**	**-**	**7.21**	**28.05**	**-**

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as

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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

follows:

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: This hierarchy includes financial instruments for which inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) have been used.

Level 3: This hierarchy includes financial instruments for which inputs used are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the years ended 31 March 2023 and 31 March 2022.

Valuation techniques and significant unobservable inputs:

Financial instruments measured at fair value

Type	Valuation technique
Mutual funds	Quoted closing NAV as at the reporting period
Foreign exchange forward contract	Basis the valuation received from the bank as at the reporting period

Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2023			As at March 31, 2022		
	Level	Carrying Value	Fair Value	Level	Carrying Value	Fair Value
Financial assets						
Loans	Level 3	59.86	59.86	Level 3	68.56	68.56
Trade receivables	Level 3	6,568.73	6,568.73	Level 3	6,149.82	6,149.82
Cash and cash equivalents	Level 3	689.47	689.47	Level 3	134.76	134.76
Other bank balances	Level 3	2,321.74	2,321.74	Level 3	260.41	260.41
Other financial assets	Level 3	529.91	529.91	Level 3	649.98	649.98
Total financial assets		**10,169.71**	**10,169.71**		**7,263.53**	**7,263.53**
Financial liabilities						
Borrowings	Level 3	17,664.78	17,664.78	Level 3	19,623.22	19,623.22
Trade payables	Level 3	2,103.54	2,103.54	Level 3	1,873.89	1,873.89
Other financial liabilities	Level 3	1,250.25	1,250.25	Level 3	1,454.26	1,454.26
Total financial liabilities		**21,018.57**	**21,018.57**		**22,951.37**	**22,951.37**

The carrying amounts of short-term trade and other receivables, trade payables, cash and cash equivalents, other bank balances, other financial liabilities and other financial assets are considered to be the same as their fair values, due to their short-term nature.

In respect of other long-term financial assets/liabilities stated above as measured at amortised cost, their carrying values are not considered to be materially different from their fair values.

(B) Financial risk management

In the course of its business, the Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Group is not engaged in speculative treasury activities but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

(i) Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Group is exposed to credit risk from trade receivables, cash and cash equivalents, short term investments, loans and advances and derivative financial instruments.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Trade receivables

The Group primarily sells cast metal components to selected customers comprising mainly in engineering industry in India and outside India. The Group extends credits to customers in normal course of the business. The Group considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Group monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Group has a policy of accepting only credit worthy counter parties and defines credit limits for the customer which are reviewed periodically. The Group does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

Cash and cash equivalents and deposits with bank

The Group considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally the balances are maintained with the institutions with which the Group has also availed borrowings. The Group does not maintain significant deposit balances other than those required for its day to day operations. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Loans and advances

The Group provides loans to its employees and furnishes security deposits to various parties for electricity, communication, etc. The Group considers that its loans have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations or its own employees from whom the risk of default is low.

Investments

The Group has invested in quoted equity instruments and mutual funds. The management actively monitors the performance of the funds which affect investments. The group does not expect the counterparty to fail to meet its obligations, and has not experienced any significant impairment losses in respect of any of the investments.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date are:

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Other non-current financial assets	348.89	189.42
Current investments	7.68	7.21
Cash and cash equivalents	689.47	134.76
Other bank balances	2,321.74	260.41
Current loans	59.86	68.56
Other current financial assets	181.02	488.60
	3,608.66	**1,148.96**
Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)		
Trade receivables	6,568.73	6,149.82
	6,568.73	**6,149.82**

Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets.

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for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The Group has customers with strong capacity to meet the obligations and therefore the risk of default is negligible in respect of outstanding from customers. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectable in full. However, the Group has recognised allowance for expected credit loss on the basis of its assessment of the credit loss from the past trend available with the Group.

Movement in the provision for expected credit loss

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	22.59	22.59
Add: Allowance provided during the year	-	-
Balance at the end of the year	**22.59**	**22.59**

Trade Receivables - Expected Credit Loss as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Gross Carrying amount - Trade Receivables	4,320.31	1,933.65	169.04	159.05	2.04	7.23	6,591.32
Expected Credit Loss rate	-	-	-	8.37%	100.00%	100.00%	-
Expected Credit Loss - Trade Receivables	-	-	-	13.32	2.04	7.23	22.59
Net Carrying amount - Trade Receivables	**4,320.31**	**1,933.65**	**169.04**	**145.73**	**-**	**-**	**6,568.73**

Trade Receivables - Expected Credit Loss as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Gross Carrying amount - Trade Receivables	3,998.85	1,734.46	331.52	87.05	13.99	6.54	6,172.41
Expected Credit Loss rate	-	-	-	2.37%	100.00%	100.00%	-
Expected Credit Loss - Trade Receivables	-	-	-	2.06	13.99	6.54	22.59
Net Carrying amount - Trade Receivables	**3,998.85**	**1,734.46**	**331.52**	**84.99**	**-**	**-**	**6,149.82**

Trade Receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4,320.31	1,933.65	169.04	145.73	-	-	6,568.73
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	13.32	2.04	7.23	22.59
Sub total	4,320.31	1,933.65	169.04	159.05	2.04	7.23	6,591.32
Less: Allowance for bad and doubtful debts							22.59
Total							**6,568.73**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Trade Receivables ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3,998.85	1,734.46	331.52	84.99	-	-	6,149.82
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	2.06	13.99	6.54	22.59
Sub total	3,998.85	1,734.46	331.52	87.05	13.99	6.54	6,172.41
Less: Allowance for bad and doubtful debts							22.59
Total							**6,149.82**

similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction.

*There are no disputed trade receivables

(ii) Liquidity risk

Liquidity risk reflects the risk that the Group will have insufficient resources to meet its financial liabilities as they fall due. The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, cash and cash equivalents and the cash flow that is generated from operations to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

As at 31 March 2023, the Company had a working capital of ₹ 7,340.61 lakh including cash and cash equivalents of ₹ 689.47 lakh. As at 31 March 2022, the Company had a working capital of ₹ 1,567.96 lakh including cash and cash equivalents of ₹ 134.76 lakh.

(a) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
Non- derivative financial liabilities		
Floating rate borrowings		
- Expiring within one year (bank overdraft and other facilities)	2,934.89	771.78
- Expiring beyond one year (term loan)	-	-
	2,934.89	**771.78**

(b) Maturities of financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, based on contractual undiscounted cash flows:

31 March 2023

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Non current borrowings	-	9,509.17	129.27	9,638.44
Current borrowings				
- Current maturities of Term Loans	1,117.36	-	-	1,117.36
- Working capital loans	5,816.87	-	-	5,816.87
- Buyers credit	1,092.11	-	-	1,092.11
Trade payables	2,103.54	-	-	2,103.54

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
TDDP Grant a/c	130.00	260.00	-	390.00
Creditors for capital goods	446.67	-	-	446.67
Employee related payable	280.89	-	-	280.89
Other payables non-current	-	7.50	-	7.50
Other financial liability	128.32	-	-	128.32
Other payables	181.80	-	-	181.80
	11,297.56	**9,776.67**	**129.27**	**21,203.50**

31 March 2022

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Non current borrowings	-	9,236.81	129.27	9,366.08
Current borrowings				
- Current maturities of Term Loans	2,298.79	-	-	2,298.79
- Working capital loans	6,939.03	-	-	6,939.03
Bills discounted	1,019.32	-	-	1,019.32
Trade payables	1,873.89	-	-	1,873.89
Interest accrued but not due	118.80	-	-	118.80
TDDP Grant a/c	130.00	390.00	-	520.00
Creditors for capital goods	400.13	-	-	400.13
Employee related payable	305.03	-	-	305.03
Other payables non-current	-	7.50	-	7.50
Other payables	197.15	-	-	197.15
	13,282.15	**9,634.31**	**129.27**	**23,045.73**

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group. The Group exports finished goods which are denominated in the currency other than the functional currency of the Group which exposes it to foreign currency risk. In order to minimise the risk, the Group executes forward contracts w.r.t sale made in currency other than functional currency.

(a) Currency risk

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuation arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. Exchange rate exposures are managed within approved policy parameters utilising foreign exchange forward contracts.

Particulars	Currency	In foreign currency		In INR	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Financial assets(Gross)*					
Trade receivables	USD	36.91	23.78	3003.70	1782.89
	EURO	32.86	38.74	2894.38	3219.15

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Particulars	Currency	In foreign currency		In INR	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	GBP	0.02	2.03	2.00	198.31
	JPY	-	0.06	-	0.03
Financial liabilities(Gross)*					
Letter of credit	JPY	-	(423.32)		(266.35)
Trade payables	USD	(1.10)	(0.02)	(91.05)	(1.84)
	EURO	(0.03)	(0.03)	(2.80)	(2.65)
	GBP	(0.28)	(0.06)	(29.00)	(6.25)
	JPY	(0.76)	(0.06)	(0.48)	(0.04)
Capital creditors	USD	(1.26)	(1.06)	(104.41)	(81.41)
	GBP	(0.64)	-	(66.68)	-
Foreign currency derivative contracts (Sell foreign currency-Forward contracts)	USD	55.00	37.00	4,475.35	2,773.89
	EURO	25.00	-	2,201.75	-
Net Foreign curreny receivable/(payable)**	USD	-	-	-	-
	EURO	7.83	38.71	689.82	3,216.50
	GBP	(0.91)	1.97	(93.67)	192.06
	JPY	(0.76)	(423.32)	(0.48)	(266.35)

* The amounts disclosed are gross of the exposure covered through forward contracts.

** The amounts disclosed are net-off the exposure covered through forward contracts.

Sensitivity analysis

The following table demonstrates the sensitivity of profit and equity in USD, EURO, JPY and GBP to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities are given below:

Particulars	Change in currency exchange rate	Effect on profit before tax	
		As at 31 March 2023	As at 31 March 2022
EURO	5%	34.49	160.83
	(5%)	(34.49)	(160.83)
JPY	5%	(0.02)	(13.32)
	(5%)	0.02	13.32
GBP	5%	(4.68)	9.60
	(5%)	4.68	(9.60)

(b) Interest rate risk

The Group is exposed to interest rate risk arising mainly from non-current and current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

At the reporting date the interest rate profile of the Group's interest-bearing financial liabilities is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate instruments		
Term loan from banks	10,516.74	10,781.07
Vehicle loan	145.80	117.35
Term loans from financial institutions	-	250.20
Working capital loan	5,816.87	6,939.03
Special letter of credit	93.26	516.25
Fixed rate instruments		
Bills Discounted	1,092.11	1,019.32
	17,664.78	**19,623.22**

Sensitivity analysis

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the interest rates is given below :

Particulars	Change in interest rate	Effect on profit before tax	
		As at 31 March 2023	As at 31 March 2022
Borrowings	50 bp	(88.32)	(98.12)
	(50) bp	88.32	98.12

(c) Price risk

Group's exposure to price risk arises from mutual funds and classified in the balance sheet either as fair value through OCI or at fair value through profit and loss.

To manage the price risk from quoted investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity analysis

Company's major quoted investment consists of investment in mutual funds which are measured at fair value through profit and loss. Investments made by the mutual fund includes investment in diversified instruments of Companies included in the market index.

The table below summarises the impact of sensitivity in the market index on the Group's profit for the year with all other variables held constant and the investment moved in line with the index.

Particulars	Change in Market index	Effect on profit before tax	
		As at 31 March 2023	As at 31 March 2022
Investment in mutual fund	5%	0.38	0.36
	(5%)	(0.38)	(0.36)

Profit for the period would increase/decrease as a result of gain/loss on investment classified as at fair value through profit and loss.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

44 Employee benefits

(i) Defined benefit plan

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Group makes contribution to recognised funds in India i.e. Life Insurance Corporation of India and Group Gratuity scheme.

Risk exposure:

(a) Discount rate: A decrease in discount rate in subsequent valuations can increase the plan's liability.

(b) Mortality rate: Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(c) Investment risk: In case of funded plans, actual investment return on planned assets lower than the discount rate assumed at the last valuation date can impact the liability.

(d) Attrition: Actual withdrawals proving higher or lower than assumed withdrawals at subsequent valuations can impact plan's liability.

Details of the Company's defined benefit plans are as follows:

A. Changes in the present value of obligations

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of the obligation at the beginning of the year	513.70	478.31
Recognised in profit and loss		
- Interest cost	37.24	34.68
- Current service cost	41.11	38.21
Recognised in other comprehensive income		
Remeasurement gains / (losses)		
- Actuarial (gain)/loss from changes in financial adjustments and experience adjustments	5.03	(4.68)
Benefits paid	(35.22)	(32.82)
Present value of the obligation at the end of the year	**561.86**	**513.70**

B. Changes in the fair value of planned assets:

Particulars	As at 31 March 2023	As at 31 March 2022
Fair value of plan assets at the beginning of the year	481.31	460.31
Expected return on plan assets	36.34	33.42
Contributions	83.59	25.73
Benefits paid	(35.22)	(32.82)
Actuarial gain/(loss) on plan assets	(5.28)	(5.33)
Fair value of plan asset at the end of the year	**560.74**	**481.31**

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for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

C. Net asset/(liability) recognised in the balance sheet

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of the obligation at the end of the year	561.86	513.70
Fair value of plan assets at end of year	(560. 74)	(481. 31)
Net liability/(asset) recognised in balance sheet (refer note 18 and 23)	**1.12**	**32.39**

D. Expenses recognised in Profit and Loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest cost	37.24	34.68
Current service cost	41.11	38.21
Expected return on plan asset	(36.34)	(33.42)
Amount recognised in profit and loss (refer note 34)	**42.01**	**39.47**

E. Expenses recognised in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial (gain)/loss on obligation	5.03	(4.68)
Actuarial (gain)/loss on plan assets	5.28	5.33
	10.31	**0.65**

F. Major category of plan asset as a % of total plan assets

Category of asset (% allocation)	As at 31 March 2023		As at 31 March 2022	
	(%)	Amount	(%)	Amount
Insurance policies	100	560.74	100	481.31

G. Actuarial assumptions

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	7.50%	7.25%
Expected rate of return	7.50%	7.25%
Salary growth rate	6.00%	6.00%
Withdrawal rate (per annum)		
18 - 30 years	5.00%	5.00%
31 - 44 years	3.00%	3.00%
45 - 58 years	2.00%	2.00%
Normal retirement age (years)	58	58
Mortality	IALM 2012-14	IALM 2012-14

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

H. Sensitivity analysis

Particulars	As at 31 March 2023		As at 31 March 2022	
	Change in assumption	Effect on obligation	Change in assumption	Effect on obligation
Discount rate	1.00%	(41.11)	1.00%	(31.73)
	(1.00%)	47.04	(1.00%)	36.23
Salary growth rate	1.00%	47.27	1.00%	36.31
	(1.00%)	(42.03)	(1.00%)	(32.37)
Withdrawal rate	1.00%	3.92	1.00%	2.39
	(1.00%)	(4.41)	(1.00%)	(2.70)

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the balance sheet.

I. Expected maturity profile of defined benefit obligation (undiscounted cash flows)

Period	31 March 2023	31 March 2022
Less than 1 year	59.71	42.65
Between 1-2 years	26.44	40.18
Between 2-5 years	112.22	98.66
Over 5 years	363.50	332.19

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (as at 31 March 2022 is 10 years). Expected contribution to defined benefit plans in the next year is ₹ 50.17 lakh (31 March 2022: ₹ 45.51 lakh).

(ii) Other long-term benefits

(A) Compensated absences- unfunded

Particulars	As at 31 March 2023	As at 31 March 2022
Amounts recognised in balance sheet		
Current (refer note 23)	20.32	12.29
Non-current (refer note 23)	90.54	75.88
	110.86	**88.17**

(iii) Defined contribution plan

The Group makes fixed contribution towards Employee provident fund and Employee state insurance(ESI) to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. Similarly, the contribution is made in ESI at a specified percentage of payroll cost.

The Group recognised ₹ 142.55 lakh (31 March 2022: ₹ 114.88 lakh) in respect of provident fund contributions and ESI contribution in the Statement of Profit and Loss and included in ""Employee benefits expense"" in note 35. The contribution payable to these plans by the Group is at rates specified in the rules of the schemes.

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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

45 Leases

Group as a lessee

The Group has entered into operating leases for its guest houses and employees' residences that are renewable on a periodic basis and are cancellable at Group option. Total lease payments recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 24.38 lakh (31 March 2022: ₹ 23.55 lakh)

A The total rent expense amount recognised in profit or loss for the year ended 31 March 2023 was ₹ 24.38 lakh (31 March 2022: ₹ 23.55 lakh), pertains to the short term leases.

B Total cash outflow for leases for the year ended 31 March 2023 was ₹ 24.38 lakh (31 March 2022: ₹ 23.55 lakh) .

C The Group does not have any liability to make variable lease payments.

D The Group has not sublet any of the assets.

E The Group has not entered into any sale and leaseback transactions

F The Group does not have any ROU Assets in the books as on 31 March 2023 as well as 31 March 2022

Group as a lessor

The Group has entered into operating leases for part of its premises at Plant 1, Lucknow; that is renewable and is cancellable at either party's option. Total lease receipts recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 49.40 lakh (31 March 2022: ₹ 45.70 lakh).

46 Contingent liabilities and commitments

(i) Capital commitment:

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	**6,382.76**	**50.31**

(ii) Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Guarantees excluding financial guarantees:		
In respect of non fund-based working capital facilities from banks:		
- Bank guarantees	1676.20	1,294.49
Other contingent liabilities		
Disputed amounts for sales tax and entry tax [gross of amount paid under protest amounting to NIL]*	-	0.83
Disputed amounts for goods and service tax [gross of amount paid under protest amounting to ₹ 14.89 lakh]*	16.59	16.59

*In respect of the above matters pending at various authorities(GST cases are pending at appelate authority & sales tax case is pending at sales tax tribunal) represents the demands received under the respective demand / show cause notices / legal claims, wherever applicable. Based on management assessment, the Group believes that it has a good chance of success in all the above mentioned cases.

Notes to the Consolidated Financial Statements

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(All amounts in Lakh of Indian Rupees, unless otherwise stated)

47 Segment information

The Chairman and Managing Director has been identified as the Chief Operating Decision Maker ('CODM') as they monitors the results for the purpose of making decisions about resource allocation and performance assessment and responsible for all major decisions w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisitions, and expansion of new facility. Accordingly, there is only one reportable segment for the Group which is ""Engineering and allied activities"", hence no specific disclosures have been made.

Entity wide disclosures:

(a) Information about products and services

The Group is engaged in the business of manufacturing and selling of high precision metal castings. Group operates in one product line, therefore product wise revenue disclosure is not applicable.

(b) Information about geographical area

The Groups's sales to its customers includes sales to customers which are domiciled in India and outside India. Below is the details of Group's revenue from customers domiciled in India and outside India:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from external customers		
- domiciled in India	1,716.60	3,350.68
- domiciled outside India	19,785.16	14,284.46
	21,501.76	**17,635.14**

(c) Information about major customers

Revenues of ₹ 4635.97 lakh, ₹ 4164.77 lakh and ₹ 2699.90 lakh (31 March 2022: ₹ 2454.48 lakh, ₹ 2396.43 lakh and ₹ 1447.93 lakh) are derived from three external customers.

48 Related party disclosures

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

(i) Name of the related parties and description of relationship:

Relationship	Name of related party
Entities controlled by KMPs and/or their relatives	Sachin Agarwal HUF
Key Management Personnel ("KMP")	Mr. Sachin Agarwal, Chairman and Managing Director
	Mr. Priya Ranjan Agarwal , Director
	Mr. Alok Agarwal, Director
	Mr. Ashok Kumar Shukla, Director
	Ms. Smita Agarwal, Director and CFO
	Mr. Brij Lal Gupta, Independent Director
	Mr. Ajay Kashyap, Independent Director
	Mr. Rakesh Chandra Katiyar, Independent Director
	Mr. Krishna Das Gupta, Independent Director
	Mr. Vishal Mehrotra, Independent Director
	Mrs. Prashuka Jain, Independent Director
	Mrs.Pragati Gupta Agarwal,Company Secretary

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Relationship	Name of related party
Relatives of Key Management Personnel	Ms. Kanchan Agarwal
	Mrs. Anshoo Agarwal
	Mrs. Reena Agarwal
	Mrs. Sangita Shukla

(ii) Disclosure of related parties transactions#:

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Key management personnel (KMP)	Relatives of KMPs	Key management personnel (KMP)	Relatives of KMPs
Transactions during the year				
1. Rent paid	-	9.00	-	9.00
Amounts paid during the year to KMP's and relatives of KMP's				
1. Managerial remuneration *	444.78	-	325.85	-
2. Salary and allowances	-	48.05	-	46.28
3. Sitting fees to independent directors	3.46	-	2.93	-

* Exclusive of provision for future liability in respect of gratuity and leave encashment which is based on actuarial valuation done on Company as a whole.

All the transactions with the related party are at Arm's length price.

(iii) Balance outstanding at the year end:

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding balance (Amount payable)		
Key management personnel		
Managerial remuneration	46.77	35.01
Relative of KMP's		
Salary and allowances	8.34	10.17
Rent	0.68	0.68
Entities controlled by KMPs and/or their relatives		
Amount recoverable on sale of property	-	35.00

(iv) Compensation to Key Managerial Personnel (KMP)

The details of compensation to the members of key managerial personnel during the year was as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Short-term employee benefits (refer note a)	436.04	316.15
Post-employment benefits		
- Defined contribution plan (refer note b)	12.20	12.63
- Defined benefit plan	*refer note (c)	*refer note (c)
- Other long-term benefits	*refer note (c)	*refer note (c)
	448.24	**328.78**

Note (a) Includes salary, commission, sitting fees and any other perquisites on accrual basis.

Note (b) Including contribution to provident fund and any other benefit

Note (c) As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

49 Assets pledged as security:

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current borrowings:		
Equitable mortgage		
Land	1,254.25	1,254.25
Building	3,765.18	3,891.05
First charge		
Other movable property, plant and equipment	15,837.24	16,711.25
Second charge		
Current assets*	19,635.60	15,280.74
	20,856.67	**21,856.55**
Current borrowings:		
First charge		
Current assets*	19,635.60	15,280.74
Second charge		
Land	1,254.25	1,254.25
Building	3,765.18	3,891.05
Other movable property, plant and equipment	15,837.24	16,711.25
	40,492.27	**37,137.28**
	61,348.94	**58,993.83**

*The quarterly returns or statements of current assets filed with banks or financial institutions are in agreement with the books of accounts.

50. Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

i) Identify the contract(s) with customer;

ii) Identify separate performance obligations in the contract;

iii) Determine the transaction price;

iv) Allocate the transaction price to the performance obligations; and

v) Recognise revenue when a performance obligation is satisfied

a) Disaggregation of revenue

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Revenue from operations	31-Mar-23			31-Mar-22		
	Goods	Other operating revenues	Total	Goods	Other operating revenues	Total
Revenue by geography						
Domestic	1,716.60	38.14	1,754.74	3,350.68	39.00	3,389.68
Export	19,785.16	386.31	20,171.47	14,284.46	221.34	14,505.80
Total	**21,501.76**	**424.45**	**21,926.21**	**17,635.14**	**260.34**	**17,895.48**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

b) Assets and liabilities related to contracts with customers

Revenue from operations	31-Mar-23		31-Mar-22	
	Non Current	Current	Non Current	Current
Trade receivables	-	6,568.73	-	6,149.82
Revenue received in advance	-	827.37	-	325.47
Total	**-**	**7,396.10**	**-**	**6,475.29**

51 Key Financial Ratios

Particular	Formula	2022-23	2021-22	Percentage Change	Reasons where change more than 25%
(i) Debtors Turnover	Net Credit Sales/ Average Account Receivable	3.45	2.87	20.22%	
(ii) Inventory Turnover	Cost of goods sold/ Average Inventory	2.39	2.56	-6.56%	
(iii) Interest Coverage Ratio*	EBITDA/ Total Interest	4.69	3.53	32.57%	Increase in ratio is on account of higher operational EBITDA
(iv) Current Ratio	Current Asset/ Current Liability	1.60	1.11	43.32%	The variance is due to decrease in current liabilities (Borrowings) on account of repayment and increase in liquidity due to preferential issue of shares.
(v) Debt Equity Ratio	Total Liability/ Shareholders fund	0.58	1.16	-50.53%	The variance is due to the infusion of equity funds through right issue and preferential allotment and repayment of borrowings..
(vi) Operating Profit Margin*** (%)	Operating Profit/ Total Sales Revenue	22.55	17.98	25.37%	The increase is due to the increase in revenue resulting in economies of scale leading to higher operational profit and also due to effective utilisation of material manpower and resources.
(vii) Net Profit Margin (%)	Net Income/ Total Sales Revenue	11.77	7.16	64.46%	The increase is due to change in product mix and higher revenue resulting in higher operational profit and also due to more effective utilisation of material manpower and resources.
(viii) Debt Service Coverage Ratio**	EBITDA/ Total Interest+Principal	0.92	1.66	-44.49%	The decline is due to the advance repayment of EMI's for term loans.
(ix) Return on Equity Ratio (%)****	EBIT/Capital employed	16.17	19.18	-15.70%	

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Particular	Formula	2022-23	2021-22	Percentage Change	Reasons where change more than 25%
(x) Net Capital turnover ratio	Revenue from opration/ Total Current assets-total current liabilities	2.99	11.41	-73.83%	The variance is due to decrease in current liabilities (Borrowings) on account of repayment and increase in liquidity due to preferential issue of shares
(xi) Creditor turnover ratio	Purchase of materials & stock-in-trade/Average trade payables	3.23	2.38	35.63%	The variance is due to the decrease in trade payables as the company pays MSME creditors using M1 Exchange portal i.e reverse factoring facility wherein the banks pay the MSME creditors immediately and the company pays back the banks as per the agreed credit period.

*EBIT= Earning before Interest and tax

**EBITDA= Earning before Interest Tax Depreciation and amortization

***Operating Profit=Revenue-Cost of goods sold-Operating expenses-Depriciation and Amortization

**** Capital employed = Tangible net worth*+deferred tax liabilities

52 Share based payments

(a) Scheme details

During the previous financial year 2021-22, the Group had adopted 'PTC Employees Stock Option Scheme 2019 ('Plan') in shareholders Annual General Meeting on September 28, 2019, and obtained an in-principal approval from BSE limited on 7 September 2021 for 1,57,170 Equity shares of Rs. 10/- each. The Compensation Committee (Nomination and Remuneration Committee) of the Holding Company at its meeting held on September 15, 2021, had approved grant of 10,965 Stock Options (convertible into 10,965 Equity shares of the Holding Company, upon exercise) (Tranche-1) to certain Eligible Employees in terms of the Plan. Vesting will be made in maximum of four years (FY 2023 to FY 2026), after the statutory period of one year from the date of grant of option. In the current financial year 2022-23, the Compensation Committee (Nomination & Remuneration Committee) of the Holding Company at its meeting held on 11 June 2022 had approved grant of 2,255 (convertible into 2,255 Equity shares of the Holding Company, upon exercise) (Tranche-2) to certain Eligible Employees in pursuance of the ESOS Plan.

On 30 August 2022, The Compensation Committee (Nomination & Remuneration Committee) of the Holding Company at its meeting had approved the adjustment in the plan, pursuant to the right issue of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("rights equity shares") of the Holding Company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 lakh on a rights basis to the eligible equity shareholders of the Holding Company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of the Holding Company on the record date, that is, on July 22, 2022, in the following manner:

Details	Existing	Adjustment pursuant to the Rights Issue	Total Employees Stock Option after adjustment
Total Pool	1,57,170	2,35,755	3,92,925
Exercise price	990/-	402/-	402/-

The Compensation committee had also approved the below mentioned adjustments in respect of previous grants:

(i) Adjustment in number of options granted

Options	Existing	Adjusted pursuant to the Rights Issue	Total Employees Stock Option after adjustment
Tranche -1	10,965	16,448	27,413
Tranche -2	2,255	3,382	5,637

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(ii) The exercise price shall be adjusted to Rs. 402/- per share instead of Rs. 990/- per share on account of rights issue of equity shares.

(iii) Other terms: other terms shall remain same.

Further on 30 August 2022, the Compensation Committee had approved grant of 12,500 (convertible into 12,500 Equity shares of the Holding Company, upon exercise) to certain Eligible Employee in pursuance of the ESOS Plan at the exercise price of 402/- per share.

Particulars	Number of options outstanding (Refer above)	Grant date	Vesting date	Exercise period	Exercise price (Refer above)	Fair value on grant date
Category A	10,187	15-Sep-21	15-Oct-23	1 Month from the date of vesting	402.00	750.88
	10,187	15-Sep-21	15-Oct-24		402.00	785.08
	658	11-Jun-22	15-Oct-23		402.00	1,239.93
	628	11-Jun-22	15-Oct-24		402.00	1,274.36
Category B	1,282	15-Sep-21	15-Oct-23	1 Month from the date of vesting	402.00	750.88
	1,282	15-Sep-21	15-Oct-24		402.00	785.08
	2,503	15-Sep-21	15-Oct-25		402.00	821.35
	693	11-Jun-22	15-Oct-23		402.00	1,239.93
	688	11-Jun-22	15-Oct-24		402.00	1,274.36
	1,370	11-Jun-22	15-Oct-25		402.00	1,305.81
Category C	330	15-Sep-21	15-Oct-23	1 Month from the date of vesting	402.00	750.88
	330	15-Sep-21	15-Oct-24		402.00	785.08
	658	15-Sep-21	15-Oct-25		402.00	821.35
	650	15-Sep-21	14-Sep-26		402.00	857.56
	268	11-Jun-22	15-Oct-23		402.00	1,239.93
	268	11-Jun-22	15-Oct-24		402.00	1,274.36
	470	11-Jun-22	15-Oct-25		402.00	1,305.81
	598	11-Jun-22	14-Sep-26		402.00	1,334.60
Category D	2,083	30-Aug-22	15-Oct-23	1 Month from the date of vesting	402.00	1,909.19
	2,083	30-Aug-22	15-Oct-24		402.00	1,936.51
	3,125	30-Aug-22	15-Oct-25		402.00	1,967.29
	5,209	30-Aug-22	14-Sep-26		402.00	1,994.69

(b) Compensation expenses arising on account of the share based payments

Particulars	As at 31 March 2023	As at 31 March 2022
Expenses arising from equity – settled share-based payment transactions	164.30	**43.21**
Total	**164.30**	**43.21**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(c) Fair value on the grant date

The fair value at grant date is determined using "Black Scholes Pricing Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.The following inputs were used to determine the fair value for options granted on September 15,2021, on June 11, 2022 and on August 30, 2022.

Options granted as on 15 September 2021

Description	Vest 1	Vest 2	Vest 3	Vest 4
Number of options outstanding	11,799.00	11,799.00	3,161.00	650.00
Grant date	15-Sep-21	15-Sep-21	15-Sep-21	15-Sep-21
Financial year of vesting	2023-24	2024-25	2025-26	2026-27
Share price on grant date (in INR)	2,755.95	2,755.95	2,755.95	2,755.95
Expected life (in years)	2.1	3.1	4.1	5
Price volatility of company's share *	60.36%	59.18%	60.51%	62.85%
Risk free interest rate	4.39%	4.88%	5.28%	5.61%
Exercise price (in INR)	402.00	402.00	402.00	402.00
Dividend yield	0.00%	0.00%	0.00%	0.00%
Fair value of option (in INR)	750.88	785.08	821.35	857.56

Options granted as on 11 June 2022

Description	Vest 1	Vest 2	Vest 3	Vest 4
Number of options outstanding	1,619	1,584	1,840	598
Grant date	11-Jun-22	11-Jun-22	11-Jun-22	11-Jun-22
Financial year of vesting	2023-24	2024-25	2025-26	2026-27
Share price on grant date (in INR)	3,794.05	3,794.05	3,794.05	3,794.05
Expected life (in years)	1.3	2.3	3.3	4
Price volatility of company's share *	46.22%	56.96%	55.75%	56.10%
Risk free interest rate	5.94%	6.47%	6.82%	7.07%
Exercise price (in INR)	402.00	402.00	402.00	402.00
Dividend yield	0.00%	0.00%	0.00%	0.00%
Fair value of option (in INR)	1,239.93	1,274.36	1,305.81	1,334.60

Options granted as on 30 August 2022

Description	Vest 1	Vest 2	Vest 3	Vest 4
Number of options outstanding	2,083.00	2,083.00	3,125.00	5,209.00
Grant date	30-Aug-22	30-Aug-22	30-Aug-22	30-Aug-22
Financial year of vesting	2023-24	2024-25	2025-26	2026-27
Share price on grant date (in INR)	2,238.40	2,238.40	2,238.40	2,238.40
Expected life (in years)	1.1	2.1	3.1	4
Price volatility of company's share *	48.25%	53.29%	56.37%	56.92%
Risk free interest rate	5.95%	6.44%	6.74%	6.92%
Exercise price (in INR)	402.00	402.00	402.00	402.00
Dividend yield	0.00%	0.00%	0.00%	0.00%
Fair value of option (in INR)	1,909.19	1,936.51	1,967.29	1,994.69

* The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on BSE over these years.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

(d) Fair value on the grant date

Description	Number of options	Weighted average exercise price
Outstanding as on 01 April 2021	-	-
Options granted during the year	10,965	990.00
Options forfeited/lapsed/expired during the year	-	-
Options exercised during the year	-	-
Options outstanding as at 31 March 2022 ^#	10,965	990.00
Exercisable at the end of the period.	-	-
Outstanding as on 01 April 2022	10,965	402.00
Options granted during the year	14,755	402.00
Adjustment pursuant to the Rights issue*	19,830	402.00
Options forfeited/lapsed/expired during the year	-	-
Options exercised during the year	-	-
Options outstanding as at 31 March 2023 ^#	45,550	402.00
Exercisable at the end of the period.	-	-

* Refer above

^ The weighted average remaining contractual life of the share options outstanding at the end of current year is 1.65 years (previous year 2.27 years).

The weighted average fair value of share options outstanding at the end of current year is Rs. 2,062.61 per share option (previous year Rs.1940.64).

53 Group Information

The Parent's subsidiary at 31 March 2023 and 31 March 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Parent, and the proportion of ownership interests held equals the voting rights held by the Parent. The country of incorporation or registration is also their principal place of business.

Name of the Entity	Principal Activities	Country of Incorporation	Ownership interest held by the Group		Ownership interest held by Non-controlling interest	
			31 March 2023 %	31 March 2022 %	31 March 2023 %	31 March 2022 %
Aerolloy Technologies Limited	Manufacture of Metal and Components for critical and super critical applications	India	100	100	-	-

54 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

As on 31 March 2023

Name of the Entity	Share in Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount (₹)	As % of Consolidated Profit & Loss	Amount (₹)	As % of Consolidated other comprehensive income	Amount (₹)	As % of Consolidated total comprehensive income	Amount (₹)
Parent								
PTC Industries Limited	97.07%	29,766.72	77.88%	2,010.47	94.72%	(7.35)	77.83%	2,003.14
Subsidiary								
Aerolloy Technologies Limited	24.08%	7,385.50	22.12%	571.04	5.28%	(0.41)	22.17%	570.62
Add/(Less) : Intra group eliminations	-21.15%	(6,485.80)	0.00%	-	0.00%	-	0.00%	-
Total		**30,666.42**		**2,581.51**		**(7.75)**		**2,573.76**

As on 31 March 2022

Name of the Entity	Share in Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount (₹)	As % of Consolidated Profit & Loss	Amount (₹)	As % of Consolidated other comprehensive income	Amount (₹)	As % of Consolidated total comprehensive income	Amount (₹)
Parent								
PTC Industries Limited	98.05%	16,522.75	74.12%	949.65	334.69%	(1.64)	74.02%	948.01
Subsidiary								
Aerolloy Technologies Limited	14.95%	2,518.93	25.84%	330.99	-261.22%	1.28	25.95%	332.26
Add/(Less) : Intra group eliminations	-12.99%	(2,189.99)	0.04%	0.51	26.53%	(0.13)	0.03%	0.39
Total		**16,852.19**		**1,281.15**		**(0.49)**		**1,280.66**

55(a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Company has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

56 On October 20, 2022, the Board of Directors of the Holding Company had considered and approved the Preferential Issue of up to 2,89,600 Equity Shares of face value of Rs. 10/- per share and 6,30,170 Fully Convertible Warrants at an issue price of Rs. 2,349/- per Equity Share and per Warrant respectively to persons belonging to Non-Promoter Category which was subsequently approved by the members through special resolution in Extra-ordinary general meeting dated November 19, 2022.

Subsequently on December 07, 2022 Listing Committee of the Board of Directors of the Holding Company has issued and allotted 2,84,600 Equity Shares of face value of Rs. 10/- per Equity Share at an issue price of Rs. 2,349/- per Equity Share aggregating to INR 6,685.25 lacs, on a preferential basis to the persons belonging to the Non-Promoter category. The Holding Company has received an amount of INR 6,685.25 lacs against 2,84,600 Equity Shares allotted to persons belonging to the Non-Promoter category at an issue price of Rs. 2,349/- per Share.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Further on December 07, 2022 Listing Committee of the Board of Directors of the Holding Company have issued and allotted 6,30,170 Fully Convertible Warrants at an issue price of Rs. 2,349/- per Warrant aggregating to INR 14,802.69 lacs, convertible into equivalent number of Equity Shares of face value Rs. 10/- each within a period of 13 months from the date of allotment, on a preferential basis to the persons belonging to the Non-Promoter category. The Company has received an amount of INR 3,705.39 lacs with respect to 25% upfront against 6,30,170 Fully Convertible Warrants to persons belonging to Non-Promoter category at an issue price of Rs. 2,349/- per Warrant."

57 On March 30, 2022 the Listing Committee of Board of Directors (""the Committee"") had approved for issue of three new equity shares, at its face value of Rs 10/- each, on a right basis, for every two equity shares of the Holding Company held by the eligible shareholders on the record date. Subsequently, in its meeting held on July 15, 2022, the Committee had fixed the record date as July 22, 2022 for the purposes of determining the names of eligible shareholders to apply for right issue. Up to 78,58,594 Fully Paid-Up Equity Shares, Face Value of Rs 10/- each, for cash at a price of Rs 10/- each aggregating up to INR 785.85 lacs have been offered on a right basis to the eligible equity shareholders of the company in the ratio of 3 (Three) right shares for every 2 (Two) fully paid-up equity shares held by the eligible shareholders on the record date, that is, on July 22, 2022 during the issue period between August 3, 2022 to August 12, 2022.Consequently, pursuant to Ind AS 33, basic and diluted earning per share for the periods presented in the audited consolidated financial results have been adjusted after giving the impact for the bonus element in respect of the aforesaid rights issue.

58 In terms of Employee stock option scheme and employee stock purchase scheme of SEBI and other relevant provisions issued by the SEBI and as per terms of PTC ESOS Scheme 2019, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on August 30, 2022 approved the adjustment in the ESOP, pursuant to the rights issue in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares. Pursuant to this adjustment, ESOP pool of the Holding Company has been increased by 2,35,755 options and exercise price has also been reduced to INR 402 from INR 990.

59 During the current year, the Compensation Committee (Nomination & Remuneration Committee) of the Holding Company at its meeting held on June 11, 2022 and August 30, 2022 has approved grant of 2,255 and 12,500 Stock Options respectively to certain eligible employees under PTC ESOS Scheme 2019. These stock options will be vested over the period of four years (FY 2023 to FY 2026). The additional stock option expenses recognised during the quarter ended 31 March 2023 amounts to INR 32.59 lacs and year ended 31 March 2023 amounts to INR 84.26 Lacs.

60 The Company had received a grant in September 2011 with some conditions. During the year, the Company has received request from NRDC for the repayment of the original amount of grant along with Royalty of 26% of original grant amount. The Company has computed present value of grant and royalty liability and the difference between carrying value of grant and present value has been charged to profit and loss account and disclosed as Exceptional Items.

61 Consequent to the outbreak of Covid-19 pandemic, the Indian government had announced lockdown in March 2020 and subsequently, the lockdown was lifted by the government in a phased manner. During the year, there is no significant impact of Covid-19 and management don't expect any further impact due to this pandemic. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these audited consolidated financial results and don't expect any impact on the financial position of the Company.

62 The figures for the previous period have been re-classified/re-grouped wherever necessary, the impact of such restatements/ regroupings are not material to Financial Statements

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 30 May 2023

For and on behalf of the Board of Directors of
PTC Industries Limited

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2023

Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts in Lakh of Indian Rupees, unless otherwise stated)

Five Years At A Glance

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
REVENUE FROM OPERATIONS(NET)	21,926.21	17,895.48	16,334.99	16,812.69	15,124.80
EARNINGS BEFORE INTEREST, DEPRECIATION, EXCEPTIONAL ITEMS & TAXES	6,610.53	4,838.14	4,010.86	3,549.97	2,835.02
FINANCE COSTS	1,577.75	1,516.58	1,343.26	1,138.93	921.36
DEPRECIATION	1,666.92	1,462.99	1,438.35	1,021.23	909.42
PROFIT BEFORE TAX	3,365.86	1,701.78	1,229.25	1,389.81	1,004.24
TAXES, NET OF MAT CREDIT ENTITLEMENT	784.35	420.63	793.76	339.23	-149.11
NET PROFIT	2,581.52	1,281.14	435.50	1,050.58	1,153.35
SHARE CAPITAL	1,338.23	523.91	523.91	523.91	523.91
RESERVE & SURPLUS	29,328.19	16,328.28	15,004.41	14,544.64	12,427.97
NET WORTH	30,666.42	16,852.19	15,528.32	15,068.55	12,951.88
EARNINGS PER SHARE	19.29	24.45	8.31	20.05	22.01
BOOK VALUE (RS.)	229.16	321.66	296.39	287.62	247.22
TOTAL OUTSIDE LIABILITIES/ TANGIBLE NET WORTH	0.80	1.53	1.56	1.35	1.39
CURRENT ASSETS/CURRENT LIABILITIES	1.60	1.11	1.12	1.07	1.01
OPERATING PROFIT MARGIN	30.1%	27.0%	24.6%	21.1%	18.7%
NET PROFIT MARGIN	11.8%	7.2%	2.7%	6.2%	7.6%

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 60th Annual General Meeting of the members of PTC Industries Limited will be held on Friday, September 22, 2023 at 03.00 P.M through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility to transact following business: to transact the following businesses:

ORDINARY BUSINESS

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

1. **To consider and adopt (a) the audited financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors' and Auditors' thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and the report of the Auditors thereon and in this regard and if thought fit, to pass, the following resolutions as an Ordinary Resolutions:**

   (a) "**RESOLVED THAT**, the audited standalone financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors' and Auditors' thereon laid before this meeting, be and are hereby considered and adopted."

   (b) "**RESOLVED FURTHER THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and the report of the Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. **To appoint a director in place of Ms. Smita Agarwal, who retires by rotation and being eligible, offers herself for re-appointment and if thought fit, to pass, the following resolutions as an Ordinary Resolutions:**

   "**RESOLVED THAT Ms. Smita Agarwal** (DIN: 00276903), who retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and being eligible, be and is hereby re-appointed as director of the Company and is liable to retire by rotation."

3. **Appointment of M/s. S. N. Dhawan & CO. LLP, Chartered Accountants, as Statutory Auditor of the Company and if thought fit, to pass, the following resolutions as an Ordinary Resolutions:**

   RESOLVED THAT pursuant to Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the audit committee and the Board of Directors of the Company, M/s S. N. Dhawan & CO. LLP, Chartered Accountants (FRN:000050N/ N500045) be and are hereby appointed as the Statutory Auditors of the Company for a term of five consecutive years, from the conclusion of this 60th AGM till the conclusion of the 65th AGM to be held in the year 2028, at such remuneration as may be determined by the Board of Directors of the Company (including its committees thereof).

   RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.

For **PTC Industries Limited**

Pragati Gupta Agrawal
Company Secretary and Compliance Officer

Date: August 12, 2023

GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE 60th AGM THROUGH VC/OAVM FACILITY

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ptcil.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on Tuesday, September 19, 2023 at 09:00 am and ends on Thursday, September 21, 2023 at 05:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, September 15, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/**

websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	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 to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
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 no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

iv. The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

v. It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

vi. Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; companysecretary@ptcil.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company at companysecretary@ptcil.com or RTA email id at rnt.helpdesk@linkintime.co.in.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

   If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

By order of the Board for
PTC Industries Limited

Pragati Gupta Agrawal
Company Secretary
and Compliance Officer

Place: Lucknow
Date: August 12, 2023

EXPLANATORY STATEMENT UNDER SECTION 102

Item No. 2

Presently, the Board of Directors of the Company comprises of 11 Directors, including six Independent Directors and and one Managing Director who are not liable to retire by rotation. The remaining four Directors viz., Smita Agarwal, Alok Agarwal, Priya Ranjan Agarwal and Ashok Kumar Shukla are Directors who retire by rotation. Between them, Ms. Smita Agarwal will retire by rotation at this meeting as per the provisions of the Act. The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, has recommended the re-appointment of Ms. Smita Agarwal as Director, as Director liable to retire by rotation at this meeting.

Details of Director retiring by rotation, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India:

Sr. No	Particulars	Details
1.	DIN	00276903
2.	Date of Birth/ Age	April 15, 1976 / 47 Years
3.	Date of first appointment on the Board	June 01, 2019
4.	Brief resume of the director	Ms. Smita Agarwal, Director and Chief Financial Officer of PTC Industries Limited, brings a wealth of expertise and experience to her role. As a qualified Chartered Accountant and with her background at Price Waterhouse Coopers, she possesses a deep understanding of financial management and strategic planning. Additionally, her completion of a Diploma in Information Systems Audit from ICAI further strengthens her capabilities in IT-related domains. Throughout her tenure at PTC, Smita has been instrumental in driving the accounting and finance functions within the company. She has spearheaded many key initiatives, including the recent listing of PTC on the National Stock Exchange (NSE). Her expertise in financial reporting, cash flow management, and investor relations has been invaluable in successfully navigating the listing process and enhancing the company's visibility and credibility in the market. Ms. Smita has played a pivotal role in driving the implementation of efficient systems and processes in the company. With a strong focus on continuous improvement, Smita ensures that PTC leverages the latest technology and IT infrastructure to optimize productivity and drive innovation. Also leading the HR function in PTC, Ms. Smita oversees the development and implementation of comprehensive HR strategies and policies. She recognizes the importance of cultivating a positive and inclusive work culture, which supports employee growth and engagement. Through effective workforce planning and development programs, she fosters a high-performing and motivated workforce, enabling PTC to achieve its strategic objectives. Ms. Smita is a founding member of e.Soft Technologies Limited, a prominent software development and business process consultancy company with offices in New York, Mumbai, and Lucknow. Her remarkable achievements in the corporate realm have been recognized through prestigious awards. In 2017, she was honoured with the Women Achiever Award in the Corporate category by LMA. Additionally, she was acknowledged by NITI Aayog as one of the top 60 women entrepreneurs in the country at the Women Transforming India Awards in 2018 Ms. Smita's association with CII (Confederation of Indian Industry) has been extensive, holding multiple key roles within the organization. She has served as a member of the CII National Council and held the Chairperson position for the Indian Women Network and the CII Women Empowerment Committee for 2022-23. Furthermore, she is a Past National Chairperson of CII Young Indians, a prestigious youth organization with over 5,000 members and a nationwide presence. In this capacity, she played a pivotal role in fostering youth leadership and nation-building initiatives, earning commendation from the Honourable Prime Minister, Shri Narendra Modi, for the significant impact created by CII Young Indians through their programs and community initiatives. Smita is currently the Vice Chairperson for CII Uttar Pradesh taking on a leadership role working with industry and government and contributing to the industrial growth and development of the state.

Sr. No	Particulars	Details
5.	Nature of his expertise in specific functional areas	Ms. Smita has been instrumental in driving the accounting and finance functions within the company. She has spearheaded many key initiatives, including the recent listing of PTC on the National Stock Exchange (NSE). Her expertise in financial reporting, cash flow management, and investor relations has been invaluable in successfully navigating the listing process and enhancing the company's visibility and credibility in the market. Also leading the HR function in PTC, Ms. Smita oversees the development and implementation of comprehensive HR strategies and policies.
6.	Remuneration last drawn	37.46 Lakhs in FY 2022-23
7.	Shareholding in the Company as on March 31, 2023	3,35,276
8.	Number of Board meetings attended during the year	6 out of 6
9.	List of other directorships as on March 31, 2023	• Aerolloy Technologies Limited • Precision Overseas Private Limited • Nirala Merchants Private Limited • Homelike Motels And Resorts Private Limited • Mapple Commerce Private Limited • Viven Advisory Services Private Limited
10.	Disclosure of relationships between directors inter-se	Ms. Smita Agarwal and Mr. Sachin Agarwal are related as spouse
11.	Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years;	Nil

Ms. Smita Agarwal and Mr. Sachin Agarwal (as spouse) are interested in the resolutions set out as Item No. 2. Except the above, none of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution as set out as Item No. 2 of the Notice for the approval of the members of the Company.

Item No.3

The 10 years term of M/s Walker Chandiok Co & LLP, Chartered Accountants as Statutory Auditors of the Company will complete at the conclusion of 60th Annual General Meeting of the Company. The Board of Directors of the Company (the "Board"), on the recommendation of the Audit Committee (the "Committee"), have recommended for the approval of the members, the appointment of S. N. Dhawan & CO. LLP, Chartered Accountants (FRN:000050N/N500045), as the Auditors of the Company, in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 for a period of five years, from the conclusion of this AGM till the conclusion of the 65th AGM of the company, at a remuneration as may be determined by the Board of Directors. S. N. Dhawan & CO. LLP, Chartered Accountants, have given their consent to act as Statutory Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

The details required to be furnished as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 are as under:

(a) Proposed fees payable to the statutory auditor(s) along with terms of appointment and in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:

The proposed fee for the new auditors and the fee paid to the outgoing auditors is given herein below –

Amount in Rs.

Walker Chandiok Co & LLP (Retiring Auditors)			S. N. Dhawan and Co LLP (Proposed Auditors)		
Limited Reviews	**Statutory Audit**	**Total**	**Limited Reviews**	**Statutory Audit**	**Total**
13,50,000	11,00,000 (including consolidation fees)	24,50,000	9,00,000	10,00,000 (including consolidation fees)	19,00,000

The fee payable to the proposed auditors is based on experience, exposure and reputation of the proposed auditors.

(b) The basis for recommending this appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed:

M/s. S.N. Dhawan & Co. LLP is a member firm of Mazars, a leading international audit, tax, and advisory firm. The firm provides services nationally and internationally; Audit & Assurance, Risk & Advisory, Financial Advisory and Tax & Regulatory Services.

M/s. S.N. Dhawan & Co. LLP (Firm Registration No. 000050N/N500045) ('the Firm') is registered with the Institute of Chartered Accountants of India and the firm is empaneled with the Comptroller and Auditor General of India and the Reserve Bank of India. The firm was established in 1944 and is associated with large corporate houses across various sectors with in-depth experience in Defence, Aerospace, Energy, Oil and Gas, Construction, Retail, Infrastructure, FMCG, IT Real Estate, ITES, and e-Commerce Sectors, etc.

The Board of Directors of the Company, on the recommendation of the Audit Committee (the "Committee"), recommends for the approval of the members, the appointment of S. N. Dhawan & Co., LLP. as Statutory Auditors of the Company.

The Committee considered various parameters like the professional, qualification, educational background and certifications, industry knowledge, firm's capability to serve the diverse and understanding of specific industry challenges of the Company, years of experience as a statutory auditor, auditing experience, its reputation and references, standing, adherence to ethical standards, independence, competitiveness, reasonable fees and found it best-suited for its statutory audit needs.

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

The Board recommends the Ordinary Resolution as set out as Item No. 3 of the Notice for the approval of the members of the Company.

Notes

PTC INDUSTRIES

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