



THE YASH BIRLA GROUP

Birla Precision Technologies Limited




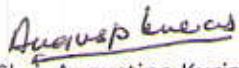
26th Annual Report

2012 - 13

BPT
BIRLA
PRECISION

**ISO 9001 : 2000 &
ISO 14001 : 2004
CERTIFIED**

FORM A

1	Name of the company	Birla Precision Technologies Limited
2	Annual financial statements for the year ended	2012-13
3	Type of Audit observation	NIL
4	Frequency of observation	Not Applicable
5	<p>To be signed by-</p> <p><input type="checkbox"/> CEO/Managing Director</p> <p><input type="checkbox"/> CFO</p> <p><input type="checkbox"/> Auditor of the company</p> <p><input type="checkbox"/> Audit Committee Chairman</p>	<p> M.S Arora (Managing Director)</p> <p> Suresh Karkare (CFO)</p> <p> Thakur, Vaidyanath Aiyar & Co. C.V. Parameswar (Auditor of the company)</p> <p> Shri. Augustine Kurias (Audit Committee Chairman)</p>



**BIRLA PRECISION TECHNOLOGIES LIMITED****Registered Office**

B-15/4, M.I.D.C., Waluj, Aurangabad – 431 133 (M.S.) Tel. No.: (0240) 2554300, +91-022-66158392

Visit us at: www.birlaprecision.in Email id: einward.ris@karvy.com

Corporate identity Number (CIN): L29220MH1986PLC041214

Scrip Code (BSE): 522105

BOARD OF DIRECTORS

- : Shri Yashovardhan Birla - Chairman (Resigned w.e.f. 27th May 2013)
- Shri M.S. Arora - Managing Director
- Shri P.V.R. Murthy - Director (Resigned w.e.f. 27th May 2013)
- Shri Shailesh Sheth - Director
- Shri M.S. Adige - Director
- Shri Augustine Kurias - Director
- Smt. Avanti Birla - Director

COMPANY SECRETARY

- : Ms. Lovelina Cecil Faroz (Resigned w.e.f. 30th June 2013)

AUDITORS

- : M/s. Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
11-B Vatsa House, (RPI House),
Janmabhoomi Marg,
Fort, Mumbai - 400001

BANKERS

- : ICICI Bank Limited
Bank of Maharashtra
Bank of Baroda
Oriental Bank of Commerce
HDFC Bank Limited

REGISTERED OFFICE

- : B-15/4, M.I.D.C.,
Waluj, Aurangabad – 431 133 (M.S.)

PLANT LOCATIONS

- : Tool Holder Division:
B- 15/4, M.I.D.C., Waluj, Aurangabad – 431 133
Tool Division:
B-15/3/1, M.I.D.C., Waluj, Aurangabad – 431 133
62/63, M.I.D.C., Satpur, Nashik – 422 007
Foundry Division:
B-15/3/2, M.I.D.C., Waluj, Aurangabad – 431 133

**REGISTRAR & SHARE
TRANSFER AGENTS**

- : M/s. Karvy Computershare Private Limited
17-24, Vittalrao Nagar, Madhapur,
Hyderabad – 500 081 (A.P.)

Contents	Page No.
Notice	2
Directors' Report	9
Management Discussion & Analysis Report	12
Corporate Governance Report and Certificate	14
Auditor's Report	23
Balance Sheet	27
Statement of Profit and Loss	28
Cash Flow Statement	29
Notes to the Financial Statement	31

26th Annual General Meeting

at 11.30 a.m.

at Registered Office of the Company at

B-15/4, M.I.D.C., Waluj,

Aurangabad - 431 133 (M.S.)

NOTICE OF THE 26TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 26th ANNUAL GENERAL MEETING OF BIRLA PRECISION TECHNOLOGIES LIMITED will be held on Friday 27th September, 2013 at 11.30 a.m., at the Registered Office of the Company at B-15/4, M.I.D.C., Waluj, Aurangabad - 431 133 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss for the year ended on that date together with the Report of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Augustine Kurias, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri M.S. Adige, who retires by rotation, and being eligible offers himself for re-appointment
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Thakur, Vaidyanath Aiyer & Co., Chartered Accountants, (Registration no. 000038N) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Statutory Auditors be paid such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors, plus reimbursement of out of pocket expenses.”

SPECIAL BUSINESS:

5. WAIVER OF RECOVERY OF EXCESS REMUNERATION:

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

“RESOLVED THAT subject to the approval of the Central Government, approval be and is hereby accorded for waiver of recovery of excess remuneration of an amount ₹ 55.23 lacs paid to Shri. M. S. Arora, Managing Director of the Company during the financial year 2012-13.

6. TO CONSIDER AND APPROVE THE ISSUE OF WARRANTS OF THE COMPANY TO THE PROMOTER AND PROMOTER GROUP ON PREFERENTIAL ALLOTMENT BASIS :-

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

“RESOLVED THAT pursuant to the provisions of Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment(s) thereto or any statutory modification(s) or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI Regulations”) as in force, the regulations/guidelines, if any, issued by the Government of India, the Reserve Bank of India and any other applicable laws, rules and regulations (including any amendment(s) thereto or re-enactment(s) thereof for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Company and Listing Agreement entered into by the Company with the Stock Exchanges where shares of the Company are listed, and subject to such approvals, consents, permissions and sanctions as may be required from the Government of India, the Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges and any other relevant statutory, governmental authorities or departments, institutions or bodies (“Concerned Authorities”) in this regard and further subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of the Concerned Authorities while granting such approvals, sanctions and permissions as may be necessary (“Approvals”) and any such conditions and / or modifications as may be prescribed, stipulated or imposed by any such Approvals and / or which may be agreed to or considered necessary by the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), the consent, permission and approval of the Company be and is hereby accorded to the Board to create, issue, offer and allot, from time to time in one



or more tranches, on a preferential allotment basis, upto 26,32,588/- (Twenty six Lakhs Thirty Two thousands Five Hunderd Eighty Eight) warrants to the Promoter and Promoter Group of the Company (hereinafter referred to as “allottees”) entitling the warrant holders to subscribe in one or more tranches for one equity share of the face value of ₹ 2/- each fully paid up, at a price calculated in accordance with Regulation 76(1) of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 which shall be higher of the following:

- I. The average of the weekly high and low of the closing prices of the related shares quoted on the Stock Exchanges during the 26 weeks preceding the relevant date.
- OR
2. The average of the weekly high and low of the closing prices of the related shares quoted on the Stock Exchanges during the two weeks preceding the relevant date.

The allottees being as follows:

Promoter and Promoter Group:

S. No.	Name of Promoter	No. of Warrants
1.	Asian Distributors Private Limited	13,16,294
2.	Birla Bombay Private Limited	13,16,294
	Total	26,32,588

RESOLVED FURTHER THAT:

- I. The Equity Shares to be issued and allotted by the Company on conversion of warrants in the manner aforesaid shall be subject to the provisions of the Memorandum and Articles of Association of the Company.
- II. The Equity Shares shall rank pari passu in all respects with the existing Equity Shares of the Company, including entitlement to dividend.

RESOLVED FURTHER THAT:

- I. The warrant holders shall be entitled to apply for and obtain in their sole discretion for every warrant, one equity share of ₹ 2/- each fully paid up at a price calculated in accordance with Regulation 76(1) of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, which option shall be exercised by the warrant holder at any time before the expiry of 18 months (“term of the warrants”) of such issue by giving a notice of at least 10 days.
- II. The warrant holders are entitled to exercise the warrants in full or in part or may decline to exercise the option to convert the warrants, in which case the unexercised warrants shall be deemed to have lapsed at the end of their term.
- III. In consideration of the warrants being subscribed, the aforesaid allottees shall pay to the Company an amount representing 25 % of the issue price of the Equity Shares at the time of allotment of the Warrants. The balance 75% shall be payable at the time of allotment of the Equity Shares pursuant to the exercise of the option of conversion of the warrants. The Board shall forfeit such amount in respect of any such warrants in respect of which the allottees do not exercise their option to convert the same into Equity Shares.
- IV. The warrant by itself shall not give the holder thereof any rights of shareholder of the Company. Further, these warrants are non-transferable and shall not be listed on the Stock Exchange(s).
- V. The Board shall be entitled to determine, vary, modify or alter any of the terms and conditions of the issue and allotment of Equity Shares and warrants, including reduction of the size of the issue, as it may deem expedient.

RESOLVED FURTHER THAT the Relevant Date for the preferential issue, in relation to the Warrants, for the purpose of determining the issue price of Equity Shares (to be allotted on exercise / conversion of the warrants) will be the date thirty days prior to the date of the Annual General Meeting which is in accordance with Regulation 71 of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient including in relation to the issue or allotment of aforesaid securities and (including the equity shares arising on exercise of the warrants) and listing thereof with the Stock Exchange(s) as appropriate and to resolve and settle all question, doubts and difficulties that may arise in the proposed issue, offer and allotment of any of the securities, utilization of the issue proceeds and to do all such acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to any committee of directors or any other officer or officers of the Company to give effect to the aforesaid resolution.”

By Order of the Board of Directors

Place: Mumbai

Date: 3rd September, 2013

M. S. Arora
Managing Director

NOTES

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under Item No. 4 set out above is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The Proxy Form as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS (48 hours) before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization.
3. Pursuant to Clause 49 of the Listing Agreement, the details of the Directors seeking re-appointment at the ensuing Annual General Meeting is provided in the Corporate Governance Report.
4. The Register of Members and Share Transfer Books of the Company will be closed from Thursday 5th September, 2013 to Friday 13th September, 2013 (both days inclusive).
5. Pursuant to the provisions of the Companies Act, 1956 dividend declared at the Annual General Meeting of the Company held on September 27, 2007, September 18, 2008 and September 30, 2009 if not claimed within seven years of such declaration respectively will be transferred to Investor Education and Protection Fund (IEPF). Members who have not encashed their dividend warrants for the aforesaid years are advised to send requests for issuance of duplicate dividend warrants (in case they have not received the Dividend Warrants) and / or revalidation of unencashed Dividend Warrants still held by them, to the Registrars and Transfer Agents of the Company under the heading “Dividend Revalidation”. It may also be noted that once the unclaimed dividend is transferred to IEPF, as above, no claim shall lie in respect thereof.
6. Pursuant to the provisions of Section 205A (5) and 205C of the Companies Act, 1956, the details of the Dividend paid by the Company to the Investor Education and Protection Fund (IEPF), if they remain unclaimed by the shareholders is given below:

Date of Declaration of Dividend	Dividend for the year	Due Date of Transfer
July 25, 2006	2005-06	August 23, 2013

7. Members are requested to:-
 - a. bring their copies of the Annual Report at the time of attending the Annual General Meeting
 - b. complete the attendance slip and deliver the same at the entrance of the meeting hall



- c. send their questions atleast 10 days in advance before the Annual General Meeting about any further information on accounts or other related topics in the Annual Report so as to enable the Company to answer their question satisfactorily.
8. Members holding shares in physical form may be aware that trading of the Equity Shares of the Company has to be in demat form. In view of this and several other benefits of holding shares in demat mode, you are requested to have your shares dematerialized to avail the benefits of electronic form of trading.
9. Members are requested to promptly notify immediately any change in their addresses to the Company's Registrars and Share Transfer Agents for shares held in physical form and to their respective Depository Participants for shares held in electronic form. This will help the Company and its Registrars and Share Transfer Agents to provide efficient and better service to the Members.
10. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail address with M/s. Karvy Computershare Private Limited -Registrar and Transfer Agents of the Company.

By Order of the Board of Directors

Place: Mumbai

Date: 3rd September, 2013

Registered Office:

B-15/4, M.I.D.C., Waluj,
Aurangabad – 431 133

M. S. Arora

Managing Director

ANNEXURE TO NOTICE

The following Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956 (the Act), sets out all material facts relating to the business mentioned at Item No. 5 and 6 of the accompanying Notice:

Item No. 5

Waiver of Recovery of excess remuneration:

During the financial year 2012-13, Shri. M.S. Arora, Managing Director, was entitled to remuneration, perquisites and commission not exceeding ₹ 75 lacs p.a. as per the shareholders resolution. However, the actual amount of remuneration, perquisites and commission paid/provided to Shri. M. S. Arora during the financial year 2012-13 was ₹ 102.61 lacs. As a result, excess remuneration paid/provided to Shri. M. S. Arora during the financial year 2012-13 was ₹ 55.23 lacs, and hence requires approval of the shareholders for waiver of recovery of excess remuneration paid. As the total remuneration paid to Shri. M.S Arora during the financial year 2012-13 has exceeded the limits as specified in Section 309(3) of the Companies Act, 1956, the waiver of recovery of excess remuneration paid is also subject to the approval of Central Government.

None of the Directors except Shri M.S. Arora, are concerned or interested in the said resolution.

The Board recommends the resolution as mentioned in Item no. 5 of the notice.

Item No. 6

Issuance of equity share warrants of the Company to the Promoter(s) and Promoters Group on preferential allotment basis:

It is proposed to allot upto 26, 32,588 (Twenty Six lakhs Thirty Two Thousand Five Hundred Eighty Eight) equity share warrants to the Promoter and Promoter Group of the Company on a Preferential basis. The proceeds of the issue are proposed to be utilized to part finance Company's capital expenditure for expansion and modernization activities and working capital requirements for the

expansion and modernization projects. The proposed preferential issue is in accordance with the Regulations for Preferential Issue contained in Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, entitling the warrant holders to apply for equivalent number of fully paid equity shares of the Company having a face value of ₹ 2 per share.

The issue of equity shares will be at a price not less than the higher of the following:

- (i) the average of the weekly high and low of the closing prices of the Company's shares quoted on Exchanges during the twenty six weeks preceding the 'Relevant Date'.

OR

- (ii) The average of the weekly high and low of the closing prices of the Company's shares quoted on Exchanges, during the two weeks preceding the 'Relevant Date'.

The 'Relevant Date' for determining the issue price of the equity shares will be the date thirty days prior to the date of declaration of results of Postal Ballot which is in accordance with Regulation 71 of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

An upfront payment of 25% of the price of warrant shall be paid by the allottees before the allotment of the convertible warrants and the same will be adjusted against the issue price of the respective equity shares at the time of conversion.

The said Warrants shall be converted within a period not exceeding eighteen months from the date of allotment of the Warrants, in one or more tranches, in accordance with the SEBI Regulations and other relevant guidelines as may be prevailing at the time of allotment of shares, and that the Warrants so issued or allotted shall give rise (on conversion/ exercise of right) to not more than 26, 32,588 (Twenty Six lakhs Thirty Two Thousand Five Hundred Eighty Eight) Equity Shares of Rs. 2/- each fully paid-up. If the entitlement against the warrants to apply for the equity shares is not exercised within the specified period of 18 months, such entitlement shall lapse and the amount paid on allotment of such warrants shall stand forfeited pro-rata. The proposed allottees have given a letter to apply for the allotment of warrants when they are issued.

The shares to be issued shall be subject to the lock in period as set out in the Regulations. However, the locked in equity shares may be transferred to and amongst the Promoter and Promoter group subject to conditions of lock-in in the hands of transferees for the remaining period and after complying with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as may be applicable.

Disclosures pursuant to SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009:

i. Object of Issue:

The funds raised through the proposed issue of equity share Warrants shall be used for meeting Company's long term working capital requirements, capital expenditure for expansion and modernization activities and other corporate purposes, as may be required from time to time.

ii. Intention of the Promoter and Promoter Group to subscribe to the issue:

Promoter and Promoter Group intends to subscribe upto 26, 32,588 (Twenty Six lakhs Thirty Two Thousand Five Hundred Eighty Eight) Equity Share Warrants. The names of the Promoter and Promoter Group and the number of warrants agreed to be subscribed by them are provided in the resolution.

**iii. Pre and Post Shareholding Pattern:**

The shareholding pattern of the Company, before and after the preferential issue assuming allotment of equity shares upon full conversion of all the Warrants, shall be as under:

Category	Pre-Issue Shareholding Pattern*		Shareholding Pattern post conversion of Warrants*	
A. Promoter and Promoter Group	2,58,12,761	49.03	2,84,45,349	51.45
B. Public Shareholding				
Financial Institutions/Bank/Mutual Funds	57,963	0.12	57,963	0.10
Foreign Institutional Investors	2,400	-	2,400	-
Bodies Corporate	1,07,96,606	20.50	1,07,96,606	19.53
Resident Individuals	1,45,53,567	27.64	1,45,53,567	26.33
Clearing Member	19,364	0.04	19,364	0.04
NRI	14,08,232	2.67	14,08,232	2.55
Trusts	863	-	863	-
Shares underlying GDRs	-	-	-	-
Total	5,26,51,756	100	5,52,84,344	100

* Based on the beneficiary positions in the shares of the Company as of 23th August, 2013, as provided by the Depositories. Post-Issue Shareholding Pattern may change due to change in the beneficiary position.

iv. Proposed time within which the allotment shall be completed:

As required under the SEBI Regulations, the allotment of warrants shall be completed within 15 days of the date of passing of the above resolution. Provided that where the allotment is pending on account of pendency of any approval from any regulatory authority or Central Government, the allotment would be completed within 15 days from the date of such approval.

v. Identity of the Allottees:

Name of the proposed allottees	Pre-Issue Equity Shareholding		Post-Issue Equity Shareholding	
	No. of Shares	% of holding	No. of Shares	% of holding
Asian Distributors Private Limited	98,828	0.19	14,15,122	2.56
Birla Bombay Private Limited	3,14,105	0.60	16,30,399	2.95

The aforesaid proposed allottees belong to promoter and Promoter Group. The issue of equity shares as aforesaid will not result in any change in the Management/Control of the Company.

vi. Lock-in-requirements:

In terms of the SEBI Regulations for Preferential Issues, the Equity Shares allotted on exercise of the option of conversion of the Warrants proposed to be allotted to the Promoter and Promoter Group shall be locked-in for a period of three years from the date of their allotment or such other period as prescribed in the SEBI Regulations, provided that in any case, not more than 20% of the total capital of the Company, including capital brought in by way of preferential issue, shall be subject to lock-in of three years from the date of allotment.

Further, the entire pre-preferential allotment shareholding of the proposed allottees, shall also be under lock-in from the relevant date upto a period of six months from the date of preferential allotment.

vii. Other terms of Issue of Warrants

1. The proposed allottee of the Warrants shall on or before the date of allotment of Warrants, pay an amount equivalent to at least 25% of the total consideration per Warrant.
2. The holder(s) of each Warrant will be entitled to apply for and obtain allotment of one equity share against such Warrant at any time after the date of allotment of warrants but on or before the expiry of 18 months from the date of allotment of

warrants, in one or more tranches. At the time of exercise of entitlement, the Warrant holder shall pay the balance of the consideration towards the subscription to each equity share.

3. If the entitlement against the Warrants to apply for equity shares is not exercised within the aforesaid period, the entitlement of the Warrant holders to apply for the equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrants shall stand forfeited.
4. Upon receipt of the requisite payment as above, the Board (or a Committee thereof) shall allot one equity share against each Warrant by appropriating Rs.2/- per equity share towards equity share capital and the balance amount paid against each Warrant towards the securities premium amount.
5. The Warrant by itself till converted into equity shares, does not give to the holder(s) thereof any rights of shareholder of the Company.
6. The equity shares issued as above shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing fully paid up equity shares of the Company.

The allotment of Warrants does not require making of a public offer in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. The aforesaid allottee(s) shall be required to comply with the relevant provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable, consequent to the allotment of shares on conversion of Warrants as proposed above.

In view of the above, it is proposed to issue upto 26,32,588 (Twenty Six lakhs Thirty Two Thousand Five Hundred Eighty Eight) number of Warrants (convertible into equivalent number of equity shares of Rs. 2/- each fully paid-up) to the Promoter and Promoter Group, on a preferential basis, at a price including premium determined in accordance with the criteria given under the SEBI Regulations.

A copy of the certificate from the Statutory Auditors of the Company, M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, certifying that the issue of the Warrants is being made in accordance with the requirements of SEBI Regulations for Preferential Issues, will be available for inspection at the Registered Office of the Company situated at B-15/4, M.I.D.C., Waluj, Aurangabad - 431 133, during the office hours on all working days (except Saturdays) between 11.00 a.m. and 1.00 p.m. upto 27th September, 2013.

The consent of the Shareholders is being sought pursuant to the provisions of Section 81 (IA) and other applicable provisions of the Companies Act, 1956, if any, and in terms of the provisions of the Listing Agreements executed by the Company with the Stock Exchanges in India where the Company's shares are listed.

The Board recommends the resolution for your approval. None of the Directors, except Smt Avanti Birla, are interested in the said resolution.

By Order of the Board of Directors

Place: Mumbai
Date: 3rd September, 2013

M. S. Arora
Managing Director

Registered Office:
B-15/4, M.I.D.C., Waluj,
Aurangabad – 431 133



DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2013

To the Members,

Your Directors are pleased to present the Twenty Sixth Annual Report on the business and operations of the Company together with the Audited Statements of Accounts for the year ended March 31, 2013.

FINANCIAL RESULTS:

(₹ in Lakhs)

Particulars	2012-13	2011-12
Net sales including other Income	17323.86	20213.59
Profit before Interest, Depreciation and Tax	2631.38	3630.52
Less: Interest & Financial Charges	846.57	785.15
Less: Depreciation & Amortisation	863.30	879.64
Profit before taxation	921.51	1965.73
Less: Provision for taxation	(99.69)	760.42
Profit for the year	1021.20	1205.31

PERFORMANCE REVIEW

The Sales and Other Income of the Company for the financial year 2012-13 stood at ₹ 17323.86 Lakhs as against last year's ₹ 20213.59 Lakhs. The Profit before tax is reduced to ₹ 921.51 Lakhs as against ₹ 1965.73 Lakhs of last year. Profit after tax stood at ₹ 1021.20 Lakhs as against ₹ 1205.31 Lakhs of last year.

DIVIDEND

Your Directors have not recommended dividend for the year ended March 31, 2013 considering the fund requirement for future business expansion.

SUBSIDIARY COMPANY

Your Company does not have any Subsidiary Company.

PUBLIC DEPOSIT

Your Company has not accepted any fixed deposit from the public. As such, no amount of principal or interest is outstanding as on the Balance Sheet date.

DIRECTORS

Shri Yashovardhan Birla - Chairman, resigned from the Board of Directors w.e.f. 27th May, 2013. The Board places on record its appreciation for the valuable services rendered by him during his tenure as a Chairman of the Company.

Shri P.V.R Murthy - Director, resigned from the Board of Directors w.e.f. 27th May, 2013. The Board places on record its appreciation for the valuable services rendered by him during his tenure as a Director of the Company.

Shri Augustine Kurias, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri M. S. Adige, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

The Company is in compliance with various accounting and financial reporting requirements in respect of the financial statement for the period under review. Pursuant to Section 217(2AA) of the Companies Act, 1956, and in respect of the annual accounts for the period under review, the Directors hereby confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.

- II) Appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- III) Proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities have been taken to the best of their knowledge and ability;
- IV) The annual accounts have been prepared on a “going concern basis”.

STATUTORY AUDITORS

M/s. Thakur, Vaidyanath Aiyer & Co., Chartered Accountants, Mumbai the Statutory Auditors of the Company retire at the ensuing Annual General Meeting. They have confirmed their eligibility and willingness for re-appointment. The Directors recommend their re-appointment to the members at the forthcoming Annual General Meeting.

COST AUDITORS

The Ministry of Corporate Affairs (MCA) has introduced The Companies (Cost Audit Report) Rules, 2011 vide its notification no. GSR 430(E) dated June 3, 2011. These rules make it mandatory for industries to appoint a Cost Auditor within 90 days of the commencement of the financial year.

Based on the Audit Committee recommendations at its meeting held on May 27, 2013, the Board has approved the re-appointment of Mr. Jayant Galande as the Cost Auditor of the Company for the financial year 2013-14, subject to the approval of the Central Government.

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

Company has taken effective steps at every stage to reduce energy consumption and conserve energy in all phases of operation. Your Company has been continuously upgrading facilities in order to minimize power consumption, maximizing on power factors at its manufacturing locations.

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed as Annexure 'A'.

PARTICULARS OF EMPLOYEES

During the year under review, there was no employee covered under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

MANAGEMENT DISCUSSION & ANALYSIS REPORT & CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion and Analysis Report, Corporate Governance Report and practicing company secretary's certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

HUMAN RESOURCE & INDUSTRIAL RELATIONS

Industrial relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation to the co-operation extended by all employees in maintaining cordial relations.

INSURANCE

All properties and insurable interests of the Company including Building and Plant & Machinery have been adequately insured.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all Investors, Clients, Vendors, Banks, Regulatory and Government Authorities and Stock Exchange for their continued support. The Directors also wish to place on record their appreciation for the contribution made by business partners / associates at all levels.

For and on behalf of Board of Directors

Place: Mumbai
Date: 14th August, 2013

M.S. Arora	A.P. Kurias
Managing Director	Director

**ANNEXURE 'A' TO DIRECTORS' REPORT**

(Information under Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended March 31, 2013).

A. CONSERVATION OF ENERGY:**a) Energy conservation measures taken.**

The Company has taken following measures for energy conservation at the factories, namely:

- 1) Grinding section air conditioner in Tool Division in Aurangabad converted to Air Cooled System resulting in saving of water and power by 25%.
- 2) Tree plantation done in extended premises of Tool Division and workers colony.
- b) Further R & D work is being carried on for reduction of time cycle of the Process.
- c) Impact of measures of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

The above measures have resulted in energy saving and consequent decrease in the cost of production.

- d) Details regarding Total Energy Consumption and Energy Consumption per unit of production is not applicable to any units of the Company.

B. TECHNOLOGY ABSORPTION: Research & Development.**1. Specific Areas in which R& D carried out by the Company:**

Development of new types of jelly filled Hydraulic chucks, ER Sealed collets, ER Tap collets, spacers in precision components was undertaken during the year.

2. Benefit derived as a result of the above R&D:

Meet market demand of new generation tooling, which are import substitute items and export products to overseas countries.

3. Future Plan of action:

Future development of products such as various types of Hydraulic Reduction Sleeves, ER small bore collets of different sizes, Tap adaptors on ER collets, Oil filled Hydraulic Chucks is being taken up.

4. Expenditure on R&D:

- | | | |
|--|---|-----------------|
| a) Capital | } | Not Quantified. |
| b) Recurring | | |
| c) Total | | |
| d) Total R&D Expenditure as a Percentage of total turnover | | |

5. **Technology Absorption, Adaptation and innovation:** Process of Technology transfer continued in the areas mentioned above.

C. FOREIGN EXCHANGE EARNING AND OUTGO:**1. Activities relating to export, initiatives taken to increase exports:**

Company exports AT3 Class Tool Holders, collets and precision components to U.S.A., Europe & Asia Pacific Countries.

2. Total foreign exchange used and earned:

	2012-13	2011-12
	(₹ in Lakhs)	(₹ in Lakhs)
Total Foreign Exchange Used	951.93	1054.51
Total Foreign Exchange Earned	2256.00	2236.49

MANAGEMENT DISCUSSION & ANALYSIS REPORT

GLOBAL ECONOMY

The global economic environment continues deterioration in the second half of 2012 with concerns over fiscal sustainability in Europe. Overall global economy grew sluggish last year. Hardening credit constraints and risk aversion have transferred financial sector difficulties to the real economy. For developing countries in general, with higher funding costs, sharply weakened capital flows. Global economic conditions still showing great uncertainty as to how markets will evolve over the medium term.

INDIAN ECONOMY

The Indian economy continued it's slowing down in F.Y. 2012-13. The slowdown in GDP growth witnessed over the last two quarters is likely to extend into the coming fiscal year because of the weakness in investment. In FY 2011-12 and FY 2012-13, GDP growth forecast was to reach around 7-7.5 percent and 6.5 percent respectively, significant slowdown from the 9-10 percent growth. The slowdown is partly caused by structural problems (power projects facing delays due to the lack of coal and gas feedstock, mining and the telecom sectors hit by corruption scandals, unavailability of land and infrastructure). Tighter macroeconomic policies, slow growth in the core OECD (Organization for Economic Co-operation & Development) countries and worries about another global recession, and the base effect of high growth in FY 2010-11 in agriculture also weigh down on growth.

INDUSTRY STRUCTURE & OPPORTUNITIES

Your Company is engaged in the business of manufacturing of wide range of precision cutting tools like Masonry Drills , TSTD, Taps , Reamers, AT3 Class tool holders, HSK tooling, Expanding Mandrels, Shell Molded Castings and Shells Molded Machined Casting besides advanced products like hydro grip and shrink fit CNC tooling. These products are mainly used by automobile and engineering sectors.

The future of Cutting Tools, Castings and Tool Holder industry largely depends on the growth of commercial automobile and general engineering sector. As India is emerging as one of the key auto and engineering centers in the world, the demand for Cutting Tools and Tool Holders will increase.

THREATS / RISKS & CONCERNS

The major risks and concerns attributed to the performance of the Company are:

1. Increase in raw material costs, change in tax structure, change in government policies, development and stability of Indian economy against the negative external and internal forces may also impact the overall performance of the Company.
2. Profitability may be affected on account of competition from existing manufacturers of the Company's products. Increase of competition in unorganized sector is also a cause of concern.
3. The Company is exposed to risks from market fluctuation of foreign exchange.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Your Company has identified two business segments in line with accounting segments on segment reporting. These are Tools and precision components and Casting and Machining . The segment wise performance in detail is given in the notes to the accounts.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has placed considerable emphasis and efforts on internal control systems. The internal control system ensures optimum use of the resources and its protection. The Company has an internal audit system, which carries out independent periodic reviews. The prime objective of such audit is to evaluate the functioning and quality of internal controls and provide assurance of its adequacy and effectiveness. The scope of internal audit covers a wide variety of operational and financial matters and includes a follow-up review of corrective actions agreed for implementation.

The adequacy of the internal control system as well as the internal audit report is reviewed by the audit committee of the Board of Directors. The adequacy of the internal control system has also been reported by the statutory auditors of the Company in their report as required under the Manufacturing & Other Companies (Auditors Report) Order, 2003.



MATERIAL DEVELOPMENT IN HUMAN RESOURCES

Your Company continues to lay emphasis on qualitative growth of its human resources by providing congenial and constructive work environment, in consonance with its strong belief that the real strength of its organization lies in its employees. In addition to this, formal training is also conducted from time to time in acquiring domain knowledge and imbibing the corporate quality culture.

None of the Senior Management Personnel have any material financial and commercial transaction where they have personal interest that may have potential conflict with the interest of the Company at large.

FINANCIAL HIGHLIGHTS

The Sales and Other Income of the Company for the financial year 2012-13 stood at ₹ 17323.86 Lakhs as against ₹ 20213.59 Lakhs of last year. Profit after tax stood at ₹ 1021.20 Lakhs as against ₹ 1205.31 Lakhs of last year.

Cautionary Statement

Statements in this report on Management's Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. However actual results may differ materially from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company remains committed to good Corporate Governance by attainment of the highest levels of transparency, accountability and integrity to all its Shareholders, Customers, Employees, the Government and other Business Associates.

Its core values are based on integrity, emphasis on product quality and transparency in its dealings with all the stakeholders. Your Company's policies are targeted to ensure that high standard of ethical conduct is met throughout the Organization.

The Company complies with the requirements regarding Corporate Governance as stipulated under Clause 49 of the Listing Agreement of the Stock Exchange where its shares are listed.

II. BOARD OF DIRECTORS

- a) The Company's Board of Directors comprises of Five (5) Directors, out of which One (1) is Executive Director, one (1) is Non-Executive Non Independent, Three (3) are Independent Directors.

The Company is in compliance with Clause 49 of the Listing Agreement pertaining to the Composition of the Board.

The Board Composition is as under:

Name of Director	Category
Shri M.S. Arora	Managing Director
Shri Shailesh Sheth	Non-Executive, Independent
Shri Mohan Das Shenoy Adige	Non-Executive, Independent
Shri Augustine Kurias	Non-Executive, Independent
Smt. Avanti Birla	Non-Executive, Non -Independent

Notes:

1. Shri Yashovardhan Birla ceased to be Chairman w.e.f. May 27, 2013
2. Shri P.V.R Murthy ceased to be Director w.e.f. May 27, 2013
3. None of the other Directors are related to each other.

b) **Board procedure and Access to information**

The Board of Directors is responsible for the management of the business of the Company and meets regularly for discharging its role and functions.

The Board of Directors of the Company reviews all information provided periodically for discussion and consideration at its meetings in terms of Clause 49 of the Listing Agreement. Functional heads are usually invited to remain present during the meeting to apprise all the Directors about the developments in the Company.

The Board meets at least once in a quarter to review the quarterly results and other items on the agenda. Additional meetings are held as and when necessary. The meetings of the Board are generally scheduled to be held at the Company's Corporate office at Dalamal House, 1st Floor, Nariman Point, Mumbai – 400 021.

- c) Four Board meetings were held during the period April 1, 2012 to March 31, 2013 on the dates mentioned below:

(1) May 30, 2012 (2) August 13, 2012 (3) November 9, 2012 (4) February 12, 2013

- d) The following table gives attendance and composition of Board of Directors of the Company:

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which he is a Director. The necessary disclosures regarding the Committees have been made by the Directors.



Name of the Director	No. of Board Meetings Attended	Attendance at the last AGM	No. of Directorship in other Public Ltd. Companies \$	No. of Membership of other Board Committees *
Shri Yashovardhan Birla #	2	No	7	1 (as Chairman)
Shri M.S. Arora	4	No	0	2
Shri P.V.R. Murthy ##	3	No	4	7
Shri Shailesh Sheth	2	No	3	2
Shri Mohandas Shenoy Adige	3	Yes	9	4(1 as Chairman)
Shri Augustine Kurias	3	No	1	2(as Chairman)
Smt. Avanti Birla	3	No	2	-

Ceased to be Director w.e.f. May 27, 2013

Ceased to be Director w.e.f. May 27, 2013

* Includes only Audit Committee and Shareholder Grievance Committee of Public Limited Companies.

\$ Excludes Foreign Companies, Private Companies and Alternate Directorships

As on March 31, 2013, Shri Yashovardhan Birla holds 35,197 shares of the Company and Shri M.S. Arora holds 5 shares of the Company.

Brief notes on the background and the functional expertise of the Director proposed for re-appointment and for regularization are furnished below, along with details of Companies in which they are Directors and the Board Committee of which they are member:

- Shri Augustine Kurias** is a Chartered Accountant and MBA by academic qualification. He has almost 30 years of experience in the finance sector. He has worked as a part of the Top Management with various companies over a span of 16 years in the capacity of Managing Director, Director, CEO and Advisor prior to joining the Yash Birla Group (YBG) of Companies. At Yash Birla Group, he is looking after Financial Resource Management, Business restructuring, Disinvestments, Merger & Acquisitions, MIS, Management, Internal and Statutory audit, Integrated ERP systems, etc.

Details of his other directorship in public companies and committee membership are as under:

Sr. No.	Name of the Company	Committee Memberships
1.	Zenith Birla (India) Limited	Audit Committee Share transfer and Investor Grievance Committee

- Shri Mohandas Shenoy Adige** B.Sc(ME), M. Met from Sheffield University and Diploma holder in Operational & Financial Mgt. from JBIMS, has 40 years of cross functional experience in metal industry with exposure to various functional areas including techno-commercial areas of project management. He is a member of regional council of Confederation of Indian Industry (CII), All India Management Association, Bombay Management Association (BMA), Indian Institute of India Foundrymen and Indian Institute of Materials Management. He has retired as the Managing Director of Nagpur Power and Industries Limited.

Shri Mohandas Shenoy Adige was appointed as a member of Audit committee and Chairman of Shareholders/Investors Grievance Committee of the Company on 8th May, 2008.

Details of his other directorship in public companies and committee membership are as under:

Sr. No.	Name of the Company	Committee Memberships
1.	Nagpur Power & Industries Limited	-
2.	Artefact Projects Limited	-
3.	Birla Cotsyn (India) Limited	Audit Committee and Shareholders/Investors Grievance Committee.
4.	Birla Shloka Edutech Limited	Audit Committee
5.	Melstar Information Technologies Limited	Audit Committee
6.	Birla Energy Infra Limited	-
7.	Birla Pacific Medspa Limited	-
8.	Facor Steels Limited	-
9.	Birla Edutech Limited	-

III BOARD COMMITTEES

Audit Committee

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the Stock Exchange, read with Section 292A of the Companies Act, 1956 and includes such other functions as may be assigned to it by the Board from time to time.

Composition of the Audit Committee:

Shri Augustine Kurias	- Chairman
Shri P.V.R. Murthy *	- Member
Shri Shailesh Sheth	- Member
Shri Mohandas Shenoy Adige	- Member

* Ceased to be member w.e.f. May 27, 2013

The Company Secretary acts as the secretary to the Committee.

During the year under review, four meetings of the Audit Committee were held on the dates mentioned below:

(1) 29th May, 2012 (2) 13th August, 2012 (3) 9th November, 2012 (4) 12th February, 2013

The attendances of the members at the Audit Committee Meetings held during the year 2012-13 are as below:

Name of Director	Number of Meetings held	Number of Meetings Attended
Shri Augustine Kurias	4	3
Shri P.V.R. Murthy	4	3
Shri Shailesh Sheth	4	2
Shri Mohandas Shenoy Adige	4	4

Joint President, General Manager-F&A, Internal Auditor and the Statutory Auditors are invitees to the meeting.

Remuneration Committee

Composition of remuneration committee:

Shri Mohandas Shenoy Adige	- Chairman
Shri Yashovardhan Birla *	- Member
Shri P.V.R. Murthy *	- Member

* Ceased to be member w.e.f. May 27, 2013

The board terms of reference of Remuneration Committee are to determine and recommend to the Board, compensation payable to Directors and Managerial Personnel.

Non-Executive Directors were paid sitting fees @ ₹ 7000/- per meeting for attending the meetings of the Board of Directors and ₹ 3000/- for attending the Committee meetings.

No Remuneration Committee meeting was held during the year.

Details of sitting fees paid to Non-Executive Directors for attending the meetings of Board and its committees during the year under review are as under:

Name of member	Sitting Fees (Amt. in ₹)
Shri Yashovardhan Birla	14,000
Shri P.V.R. Murthy	30,000
Shri Shailesh Sheth	20,000
Shri Mohandas Shenoy Adige	33,000
Shri Augustine Kurias	30,000
Smt. Avanti Birla	21,000

**Managing Director:**

(₹ in Lakhs)

Name	Salary	Perquisites and Allowances	Commission
Shri M.S. Arora	75.00	Nil	27.61

Shareholders'/ Investors Grievance Committee:

Composition of Shareholders/Investors Grievance Committee:

- Shri Augustine Kurias - Chairman
Shri M. S. Arora - Member
Shri P.V.R Murthy * - Member

* Ceased to be member w.e.f. May 27, 2013

The Company Secretary acts as the secretary to the Committee.

During the year under review, four meetings of the Shareholders'/Investor Grievance Committee were held on the dates mentioned below:

(1) May 30, 2012 (2) August 13, 2012 (3) November 9, 2012 (4) February 12, 2013

The Company received 76 complaints during the year 2012-13 and all the complaints were redressed. There were no outstanding complaints as on March 31, 2013.

IV. GENERAL BODY MEETINGS

The details of the last 3 Annual General Meetings held:

Date	Venue	Time
September 28, 2010	At registered Office : B-15/4, M.I.D.C. Waluj, Aurangabad- 431 133	3.30 p.m.
September 30, 2011	At registered Office : B-15/4, M.I.D.C. Waluj, Aurangabad- 431 133	3.00 p.m.
September 26, 2012	At registered Office : B-15/4, M.I.D.C. Waluj, Aurangabad- 431 133	3.30 p.m.

Details of Special resolutions passed in last three Annual General Meetings:

AGM dated September 26, 2012

Revision in the terms of Appointment of Shri M.S. Arora, Managing Director of the Company

AGM dated September 30, 2011

- Revision in the terms of Appointment of Shri M.S. Arora, Managing Director of the Company
- Raising of Funds through further issue of Securities

No Special Resolutions were passed in the AGM held on September, 28, 2010.

No Special Resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting.

V. SUBSIDIARY COMPANY

The Company does not have any subsidiary company.

VI. CODE OF CONDUCT

The Company has laid down a code of conduct for all board members and senior management personnel of the Company. The code of conduct is available on the website of the Company i.e. www.birlaprecision.in. The declaration of Managing Director is given below:

To the Shareholders of Birla Precision Technologies Limited

Sub: Compliance with Code of Conduct

I hereby declare that all the board members and senior management personnel have affirmed with the Code of Conduct as adopted by the Board of Directors.

Mumbai, May 27, 2013

M.S. Arora
Managing Director

VII. The Board of Directors has received the certificate issued by the Managing Director and the General Manager-F&A, in their capacity as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) respectively of the Company as envisaged in Clause 49 (V) of the Listing Agreement.

VIII. DISCLOSURES

a. Related party Transactions:

During the year, the Company has not entered into any transaction of material nature with the promoters, directors, their relatives or management, which is in conflict with the interests of the Company at large.

The transactions with the related parties of routine nature have been reported in the notes to the accounts in the financial statements in the annual report as per Accounting Standard 18 (AS 18) issued by the Institute of Chartered Accountants of India.

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

b. Compliances by the Company

The Company has complied with all the requirements of the Stock Exchange(s) or Securities and Exchange Board of India on matters related to capital markets, as applicable from time to time.

- c. There are no penalties imposed or strictures passed against the Company by the Stock Exchanges or SEBI or any statutory authorities on any matter related to capital markets during last 3 years in this regard.
- d. The Company has placed before the Audit Committee the statement of utilization of funds raised through public issues/ preferential issue on quarterly/ annual basis.
- e. The Company follows the Accounting Standards issued by the Institute of Chartered Accountants of India and Company (Accounting Standards) Rules, 2006. The Company has not adopted a treatment different from that prescribed in any Accounting Standard, in the preparation of financial statements.
- f. The Managing Director and Chief Financial Officer of the Company have certified to the Board on financial and other matters in accordance with Clause 49(V) of the Listing Agreement for the financial year ended March 31, 2013.
- g. Presently the Company does not have a Whistle Blower Policy. However all employees of the Company are free to approach any Management Member for any Grievance.
- h. The Board of Directors of the Company evaluates and assesses the major risks and the risk minimization procedures and the implementation of the same.
- i. The Company has complied with applicable mandatory requirements in terms of Clause 49 of the Listing Agreement. The non-mandatory requirement such as the constitution of Remuneration / Compensation Committee, have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

**IX. MEANS OF COMMUNICATION**

Financial Results	Quarterly and Annual Results are published in newspapers viz Lokmat Times (English) and Gavkari (Marathi) – Aurangabad Edition in the format prescribed by the BSE where the shares of the Company are listed. The results are also posted on the Company's Website: www.birlaprecision.in
Website	The Company's website viz. www.birlaprecision.in provides information about its business. The Section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience.
Annual Report	Annual Report is circulated to all the members in the required time frame.

X. GENERAL SHAREHOLDER INFORMATION**Date, time and venue of the Annual General Meeting:**

Friday – September 27, 2013 at 11.30 a.m. at the Registered Office at B-15/4, M.I.D.C., Waluj, Aurangabad- 431 133 (M.S.)

Financial calendar (tentative)

First Quarter results	14 th August, 2013 (actual)
Second Quarter results	On or before 15 th November, 2013
Third Quarter results	On or before 15 th February, 2014
Audited Results	On or before 31 st May, 2014

Dates of book closure

The register of members will be closed from Thursday - September 05, 2013 to Friday - September 13, 2013 (both days inclusive)

Listing on Stock Exchange

The shares of the Company are listed on the Bombay Stock Exchange Limited. The Company has paid the Annual Listing fee to Bombay Stock Exchange Limited for the financial year 2013-14.

Stock code

Bombay Stock Exchange Limited – 522105

Plant Locations:

Tool Holder Division:

1. B-15/4, M.I.D.C., Waluj, Aurangabad – 431 133

Tool Divisions:

1. B-15/3/1, M.I.D.C., Waluj, Aurangabad – 431 133

2. 62/63, M.I.D.C., Satpur, Nashik – 422 007

Foundry Division:

1. Plot No. B-15/3/2, M.I.D.C. Area, Waluj, Aurangabad – 431 133

Registrar and Share Transfer Agents

Work related to both physical / demat Shares is handled by M/s. Karvy Computershare Private Limited at its address given below:-

M/s. Karvy Computershare Private Limited
Plot No. 17-24, Vittal Rao Nagar, Madhapur,
Hyderabad -500 081
Tel: 040-23420815 to 820
Fax No.: 040-23420814
E-mail : singh.us@karvy.com

Contract Person: Shri U. S. Singh

Investor's correspondence may be addressed to above address.

Investors Grievance ID – einward.ris@karvy.com

Share transfer system

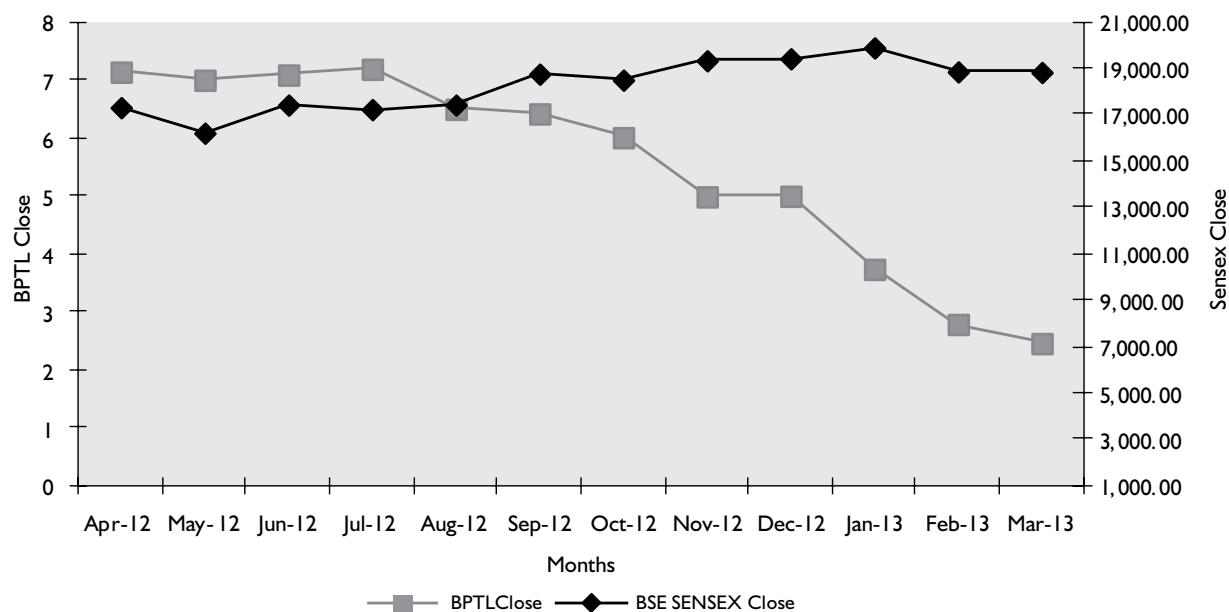
The Company's shares being in compulsory demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar and Share Transfer Agent and approved by the Share Holders'/ Investor Grievance Committee. Share Transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are complete in all respects.

Stock Market price data for the year 2012-13

Monthly high and low of market prices of the Company's equity shares traded at the Bombay Stock Exchange Limited during the financial year 2012-13 along with the BSE SENSEX:

Month	Birla Precision Technologies Limited			BSE SENSEX		
	High	Low	Close	High	Low	Close
April, 2012	8.41	6.01	7.14	17,664.10	17,010.16	17,318.81
May, 2012	7.50	6.00	7.00	17,432.33	15,809.71	16,218.53
June, 2012	7.75	6.31	7.09	17,448.48	15,748.98	17,429.98
July, 2012	8.46	6.57	7.19	17,631.19	16,598.48	17,236.18
August, 2012	7.60	6.35	6.50	17,972.54	17,026.97	17,429.56
September, 2012	6.99	5.81	6.42	18,869.94	17,250.80	18,762.74
October, 2012	7.15	5.92	6.01	19,137.29	18,393.42	18,505.38
November, 2012	7.25	4.97	4.99	19,372.70	18,255.69	19,339.90
December, 2012	6.82	5.00	5.00	19,612.18	19,149.03	19,426.71
January, 2013	5.82	3.61	3.74	20,203.66	19,508.93	19,894.98
February, 2013	3.85	2.65	2.79	19,966.69	18,793.97	18,861.54
March, 2013	3.18	1.86	2.46	19,754.66	18,568.43	18,835.77

Performance of Company's Equity Shares in comparison to BSE Sensex on the basis of closing price:



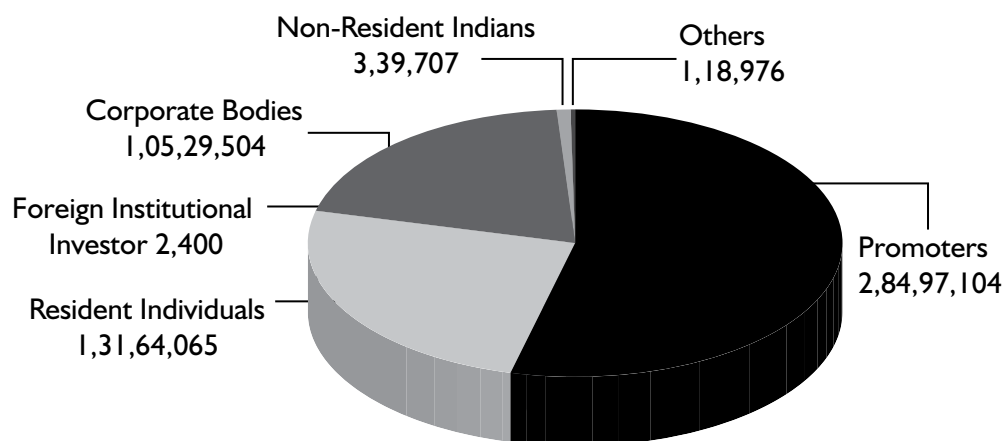
**Distribution of shareholding**

Class-wise distribution of Equity Shares as on March 31, 2013

No of Shares	No.of Shareolders	Shareholding %	No.of Shares held	Shareholding %
1 - 500	65331	95.77	3111379	5.91
501 - 1000	1462	2.14	1104734	2.10
1001 - 2000	687	1.01	1025654	1.95
2001 - 3000	206	0.30	525288	1.00
3001 - 4000	123	0.18	438952	0.83
4001 - 5000	77	0.11	362557	0.69
5001 - 10000	148	0.22	1082613	2.05
10001 and above	180	0.27	45000579	85.47
TOTAL:	68214	100.00	52651756	100.00

Shareholding pattern as on March 31, 2013

Sr. No.	Category	No. of Shares	Percentage
1.	Promoters	2,84,97,104	54.12
2.	Resident Individuals	1,31,64,065	25.00
3.	Foreign Institutional Investor	2,400	0.00
4.	Corporate Bodies	1,05,29,504	20.00
5.	Non-Resident Indians	3,39,707	0.65
6.	Others	1,18,976	0.23
	Total	5,26,51,756	100.00

**Dematerialization of shareholding**

The Company's shares are admitted into both the depositories viz National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) and the ISIN allotted for the equity shares of the Company is INE 372E01025. As on March 31, 2013, total 3,89,13,658 shares representing 73.90% of the Company's shares are held in demat form in the depositories.

COMPLIANCE CERTIFICATE

Certificate by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) pursuant to Clause 49 of the Listing Agreement on the Audited Financial Statement for the year 2012-13

We, M.S. Arora – Managing Director and Suresh Karkare – General Manager (F&A), in our capacity as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) respectively of the Company hereby certify that:-

- a) We have reviewed the Financial Statements and Cash Flow Statement for the year ended on March 31, 2013 and that 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 & fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Statutory Auditors, Internal Auditors and Audit Committee:
 - I. significant changes in internal control over financial reporting during the year;
 - II. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - III. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For Birla Precision Technologies Limited

Place : Mumbai
Date : 27th May, 2013

M. S. Arora
Managing Director

Suresh R. Karkare
General Manager (F&A)

Certificate on compliance of conditions of Corporate Governance as per Clause 49 of the Listing Agreement

To
The Members of
Birla Precision Technologies Limited

We have examined the compliance of conditions of Corporate Governance by Birla Precision Technologies Limited, for the year ended on 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange Limited, Mumbai.

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 statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has generally complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

We further 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 had conducted the affairs of the Company.

For N. V. & Associates
Practicing Company Secretary

Nisha Verma
ACS No. 24487
CP No. 9037

Place: Mumbai
Date: 27th May, 2013



INDEPENDENT AUDITOR'S REPORT

To the Members of

BIRLA PRECISION TECHNOLOGIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of BIRLA PRECISION TECHNOLOGIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.;

- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.;
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For THAKUR VAIDYANATH AIYAR & CO.
Chartered Accountants
Firm Reg. No. 000038N

Place: Mumbai
Date: 27th May, 2013

C. V. Parameswar
Partner
Mem. No. 11541

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE.

- 1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year under a programme of verification laid down and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- 2. (a) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of inventory records, in our opinion, the Company is maintaining proper records of inventory. As informed to us no material discrepancies were noticed on physical verification.
- 3. (a) The Company has granted unsecured loans to three companies covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year was Rs. 2678 lacs and year end balance was Rs. 2044.34 lacs.
- (b) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
- (c) In respect of the aforesaid loans, the principal amount and interest are payable on demand and there is no repayment schedule stipulated.



- (d) In respect of the said loans, the same are repayable on demand and therefore the question of overdue amount does not arise.
- (e) The Company has taken unsecured loans from a company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year was Rs. 410 lacs and the year end balance was Rs. 410 lacs.
- (f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and condition of the loan taken by the company are not prima facie prejudicial to the interest of the company.
- (g) The principal amounts and interest are repayable on demand and there is no repayment schedule stipulated.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rs five lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits under the provisions of section 58A and 58AA of the Act or any other relevant provisions of the Act and the rules framed there under.
7. The Company has an in house internal audit system. In our opinion, the Company's internal audit system is commensurate with its size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. (a) According to the records of the company, undisputed statutory dues, including Provident Fund, Employees Statute Insurance Dues, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, and other material statutory dues have generally been regularly deposited, by the Company during the year with appropriate authorities in India. According to the information and explanation given to us no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2013 for a period of more than six months from the date of becoming payable, except for dues in respect of income-tax as mentioned below:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which amount relates	Due Date	Date of payment
Income Tax Act, 1961	Income Tax	155.48	F.Y. 2010-11	-	Not paid till date.

- (b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Service Tax, Custom Duty, Wealth Tax, Excise duty and Cess which have not been deposited on account of any dispute other than the following:

Name of the Statute	Nature of the dues	Amount (Rs.in lacs)	Period to which amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Central Sales tax	57.83	2004-05	Joint Commissioner of sales Tax (Appeal)
Bombay Sales Tax Act, 1959	Sales Tax	12.25	2004-05	Joint Commissioner of Sales Tax (Appeals)
Income Tax Act, 1961	Income Tax	6.77	1994-95	Deputy Commissioner of Income Tax.

10. The Company has no accumulated losses as at March 31, 2013 and it has not incurred any cash loss in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore clause 4(xiii) of the Companies (Auditor's report) Order, 2003 is not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. The Company has given a corporate guarantee for a loan taken by a group Company from banks. The terms and condition of the guarantee are not prejudicial to the interest of the Company.
16. In our opinion the term loans have been applied for the purpose for which they were raised.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been used for long-term investment during the year.
18. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debentures during the year, and does not have any debenture outstanding as at the year end.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For THAKUR VAIDYANATH AIYAR & CO.
Chartered Accountants
Firm Reg. No. 000038N

Place: Mumbai
Date: 27th May, 2013

C. V. Parameswar
Partner
Mem. No. 11541

**BALANCE SHEET AS AT 31ST MARCH, 2013**

(₹ in Lakh)

	Note	As at 31st March, 2013	As at 31st March, 2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	1,053.04	640.56
Share Suspense (Refer Note No. 2 (2.4))		-	412.48
Reserves and Surplus	3	11,739.86	10,718.66
		<u>12,792.90</u>	<u>11,771.70</u>
Non-Current Liabilities			
Long Term Borrowings	4	763.36	1,030.69
Deferred Tax Liabilities (Net)	5	259.13	302.50
Long Term Provisions	6	146.37	135.45
		<u>1,168.86</u>	<u>1,468.64</u>
Current Liabilities			
Short Term Borrowings	7	3,824.01	3,600.80
Trade Payables	8	2,891.94	2,763.80
Other Current Liabilities	9	1,806.52	1,740.73
Short Term Provisions	10	1,002.55	1,500.76
		<u>9,525.02</u>	<u>9,606.09</u>
TOTAL		<u><u>23,486.78</u></u>	<u><u>22,846.43</u></u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	5,422.78	5,226.67
Intangible Assets	11	13.53	21.01
Capital Work-in-Progress	11	31.44	365.51
Intangible Assets under Development	11	-	4.55
Long Term Loans and Advances	12	677.23	609.22
		<u>6,144.98</u>	<u>6,226.96</u>
Current Assets			
Inventories	13	3,922.05	3,996.60
Trade Receivables	14	6,459.49	4,580.85
Cash and Cash Equivalents	15	914.52	1,724.42
Short Term Loans and Advances	16	5,297.76	5,890.75
Other Current Assets	17	747.98	426.85
		<u>17,341.80</u>	<u>16,619.47</u>
TOTAL		<u><u>23,486.78</u></u>	<u><u>22,846.43</u></u>

Significant Accounting Policies and Notes to Accounts
form an integral part of the Financial Statements

I to 42

As per our attached report of even date

For THAKUR,VAIDYANATH AIYAR & CO.
Chartered Accountants
Firm Registration No. 000038N

C. V. Parameswar
Partner
Membership No. 11541

Place: Mumbai
Date : 27th May, 2013

For and on behalf of Board of Directors

M. S. Arora
Managing Director

M. S. Adige
Director

A. P. Kurias
Director

Lovelina Cecil Faroz
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lakh)

	Note	For the year ended 31st March, 2013	For the year ended 31st March, 2012
INCOME:			
Revenue from Operations	18	16,714.23	19,342.86
Other Income	19	609.63	870.73
Total Revenue		17,323.86	20,213.59
EXPENDITURE:			
Cost of Raw Materials and Components Consumed	20	6,639.17	7,373.39
Purchases of Stock-in-Trade	21	189.53	250.23
Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	22	(499.88)	(116.89)
Employee Benefit Expense	23	3,153.03	3,033.01
Finance Cost	24	846.57	785.15
Depreciation and Amortisation Expenses	25	863.30	879.64
Other Expenses	26	5,210.63	6,043.33
Total Expenses		16,402.35	18,247.86
Profit Before Tax		921.51	1,965.73
Tax Expense:			
Current Tax		420.00	650.00
Deferred Tax		(43.37)	109.16
Excess provision of earlier period		(476.32)	1.26
		(99.69)	760.42
Profit for the year		1,021.20	1,205.31
Earnings per equity share of face value of ₹ 2 each			
Basic EPS (₹)	27	1.94	3.76
Diluted EPS (₹)		1.94	2.29

Significant Accounting Policies and Notes to Accounts form an integral part of the Financial Statements

I to 42

As per our attached report of even date

For THAKUR,VAIDYANATH AIYAR & CO.
Chartered Accountants
Firm Registration No. 000038N

C. V. Parameswar
Partner
Membership No. 11541

Place: Mumbai
Date : 27th May, 2013

For and on behalf of Board of Directors

M. S. Arora
Managing Director

M. S. Adige
Director

A. P. Kurias
Director

Lovelina Cecil Faroz
Company Secretary



Cash Flow Statement for the year ended 31st March 2013

(Pursuant to Clause 32 of the Listing Agreement)

(₹ in Lakh)

Sr. No.	Particulars	2012-13		2011-12	
A.	CASH FLOW FROM OPERATING ACTIVITIES:				
	Net profit before taxation and prior period adjustments		921.51		1,965.73
	Adjustments for:				
	Depreciation and Amortization	863.30		879.64	
	(Profit)/Loss on sale of Fixed Assets	11.19		0.25	
	Miscellaneous Income	(0.34)		-	
	Provision for Doubtful Debts	13.71		23.82	
	Provision for Gratuity and Leave Salary	129.35		128.98	
	Bad Debts Written off	2.96		-	
	Provision no longer required Written Back	(5.74)		(165.76)	
	Sundry Balances written back	(113.84)		(56.82)	
	Exchange difference on translation (Net)	83.96		47.98	
	Finance Costs	846.57		785.15	
	Interest Income Received	(395.37)		(471.93)	
	Sub-total		1,435.75		1,171.31
	Operating Profit Before Working Capital Changes		2,357.26		3,137.04
	Adjustments for changes in working capital :				
	Inventories	74.55		181.54	
	Trade and Other Receivables	(1,873.07)		(77.38)	
	Loans and Advances	541.28		(1,252.32)	
	Trade Payables and Other Liabilities	442.71		(485.58)	
	Direct Taxes Paid (Net of Refund)	(470.66)		(236.12)	
	Sub-total		(1,285.19)		(1,869.86)
	Net Cash Flow From Operating Activities..... (A)		1,072.07		1,267.18
B.	CASH FLOW FROM INVESTING ACTIVITIES:				
	Addition to Fixed Assets (including CWIP)	(741.22)		(1,119.85)	
	Sale of Fixed Assets	17.09		-	
	Sale of current investment	-		0.01	
	Interest Received	74.25		183.97	
	Sub-total		(649.88)		(935.87)
	Net Cash used for Investing Activities..... (B)		(649.88)		(935.87)

Sr. No.	Particulars	2012-13		2011-12	
C.	CASH FLOW FROM FINANCING ACTIVITIES:				
	Proceeds from Long Term Borrowings	40.66		157.00	
	Repayment of Long Term Borrowing	(555.21)		(572.82)	
	Short Term Borrowings (Net)	149.03		789.67	
	Interest Paid	(866.57)		(754.18)	
	Sub-total		(1,232.09)		(380.33)
	Net Cash used for Financing Activities.....(C)		(1,232.09)		(380.33)
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		(809.90)		(49.02)
	Cash and Cash Equivalents as at 01.04.2012	959.36		693.04	
	Add: (Increase) / Decrease in Fixed Deposit accounts kept as margin money with banks	524.37		81.71	
	Add: Decrease in Dividend accounts with bank	0.29		-	
	Add: On Amalgamation of BACL	-		187.50	
	Add: On Amalgamation of BMTL	-		46.13	
		1,484.02		1,008.38	
	Cash and Cash Equivalents as at 31.03.2013	674.12		959.36	
			674.12		959.36
	Reconciliation of Cash and Bank Balances given in Note No. 15 of Balance Sheet is as follows:				
	Cash and Bank Balances		914.52		1,724.42
	Less:				
	Balance in Fixed Deposit accounts with banks having a maturity period of more than three months		99.96		121.06
	Balance in Fixed Deposit accounts kept as margin money with banks		137.16		640.43
	Balance with Dividend accounts with banks		3.28		3.57
	Cash and Cash Equivalents as at 31.03.2013		674.12		959.36

As per our attached report of even date

For THAKUR,VAIDYANATH AIYAR & CO.
Chartered Accountants
Firm Registration No. 000038N

C. V. Parameswar
Partner
Membership No. 11541

Place: Mumbai
Date : 27th May, 2013

For and on behalf of Board of Directors
M. S. Arora
Managing Director

M. S. Adige
Director

A. P. Kurias
Director

Lovelina Cecil Faroz
Company Secretary



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

I. Significant accounting policies

(A) Basis of preparation of financial statements:

The financial statements have been prepared on accrual basis under historical cost convention and in compliance in all material aspects with the applicable Accounting Principles in India, the applicable Accounting Standards notified under Section 211(3C) and the relevant provisions of the Companies Act, 1956.

(B) Use of estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made by the management that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are crystallized.

(C) Revenue recognition:

- (a) Revenue from the sale of goods is recognized upon the passage of title to the customers, which generally coincides with delivery. Sales are inclusive of excise duty and net of adjustments for discounts and sales tax.
- (b) Export sales are accounted based on the dates of Bill of Lading.
- (c) Interest Income is accrued on time proportion basis over the period of loan / deposit / investment.

(D) Fixed Assets and Depreciation / Amortization:

- (a) Fixed assets are stated at cost, net of modvat / cenvat / value added tax and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing cost till commencement of commercial production, net charges of foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.
- (b) Leasehold Land is amortized over the period of lease.
- (c) Computer Software and Technical Know-How are amortized over a period of 3 years from the date of acquisition.
- (d) Depreciation

I. Precision Components Division:

- (i) Depreciation on fixed assets acquired prior to 01.04.2003 is provided on 'Straight Line Method' at the rates prescribed in Schedule XIV to the Companies Act, 1956 proportionately for the period for which the assets were in use.
- (ii) Depreciation on additions to fixed assets on or after 01.04.2003 is provided on 'Straight Line Method' at the rates worked out on the basis of useful life estimated by the management which is as follows:

Particulars	Useful Life
Plant and Machinery (except Shop Tooling Fixtures and Second Hand Machines)	10 Years
Second Hand Plant and Machinery	3 Years
Shop Tooling Fixtures	2 Years
Vehicles	10 Years
Furniture, Fixture and Office Equipments	5 Years
Data Processing Equipments	5 Years
Others	Schedule XIV Useful Life Rate

- (iii) Depreciation on impaired assets is provided by adjusting the depreciation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

II. Tools and Casting and Machining Division:

The Company provides depreciation on all its assets on the Straight Line Method, at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

(E) Capital Work in Progress:

Expenditure during construction period including development cost incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of commercial production.

(F) Impairment of Fixed Assets:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss, if any, is charged to statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(G) Valuation of Inventory:

- (a) Raw Materials and components, semi-finished goods, finished goods, stores and spares, goods for trade are valued at cost or net realizable value whichever is lower. Finished goods at factory premises and branches are valued inclusive of excise duty. Cost formula used is weighted average cost. Cost comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition.
- (b) Goods / Materials in Transit are valued at cost to date.
- (c) Scrap is valued at its estimated realizable value.
- (d) Adequate provisions are made for obsolete inventory based on technical estimates made by the Company.

(H) Foreign Currency Transactions:

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

(I) Employee Benefits:

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Post employment benefits:

(i) Defined contribution plans: Company's contribution to the provident fund scheme is recognized during the year in which the related service is rendered.

(ii) Defined benefit plans: The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains or losses on such valuation are recognized immediately in the statement of profit and loss. The fair value of the plan assets of the fund / trust administered by the Company, is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on a net basis.

(iii) Long Term compensated absences are provided on the basis of an actuarial valuation.

(J) Research and Development Costs:

Revenue expenditure, including overheads on research and development, is charged as an expense through the natural heads of account in the year in which incurred. Expenditure, which results in the creation of capital assets, is capitalized and depreciation is provided on such assets as applicable.

(K) Investments:

Current investments are carried at lower of cost or quoted / fair value. Long term investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

(L) Borrowing Cost:

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(M) Taxation:

Income tax expense comprises Current tax and Deferred tax charge or credit. Provision for Current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax.

Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The deferred tax asset and/or deferred tax liability is calculated by applying substantively enacted rate as at balance sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation is recognized if and only if there is virtual certainty backed by convincing evidence of its realization. At each balance sheet date, carrying amount of deferred tax assets is reviewed to reassure realization.

(N) Share Issue Expenses:

Issue expenses are adjusted against the Share Premium.

(O) Government Grants:

Capital grants for project capital subsidy are credited to capital reserves.

(P) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**2. SHARE CAPITAL****(₹ In Lakh)**

	As at 31st March, 2013	As at 31st March, 2012
Authorised Share Capital		
60,00,00,000 Equity Shares of ₹ 2/- each	12,000.00	12,000.00
	12,000.00	12,000.00
Issued, Subscribed and Fully Paid-up:		
5,26,51,756 Equity Shares of ₹ 2/- each fully paid up	1,053.04	640.56
(Previous year 3,20,27,996 Equity Shares of ₹ 2/- each fully paid up)		
TOTAL	1,053.04	640.56

2.1 3,66,51,756 Equity Shares issued, subscribed and fully paid up share capital were allotted in the last five years pursuant to the scheme of merger and amalgamation without payment being received in cash (1,60,27,996).

2.2 The reconciliation of the number of shares outstanding is set out below:

Equity Shares	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	32,027,996	640.56	32,027,996	640.56
Issued during the year	20,623,760	412.48	-	-
Outstanding at the end of the year	52,651,756	1,053.04	32,027,996	640.56

The Company has only one class of equity shares having a par value of ₹ 2/- Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividend if any, in Indian rupees. The dividend proposed if any, 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 any of the 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.

2.3 The details of Shareholders holding more than 5% shares:

	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	% held	No. of Shares	% held
Equity shares of ₹ 2/- each fully paid				
Shearson Investment and Trading Company Private Limited	11,569,290	21.97	8,742,586	27.30
Nirved Traders Private Limited	6,388,329	12.13	2,943,338	9.19
Vedant Consultancy Private Limited	4,607,663	8.75	-	-

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

2.4 As per the approved Scheme of Amalgamation total of 2,06,23,760 equity shares of ₹ 2/- each were allotted on 20th July 2012 to the shareholders of Birla AccuCast Limited and Birla Machining and Toolings Limited. (Refer Note No. 30)

3. RESERVES AND SURPLUS

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Capital Reserve		
Capital Investment Subsidy	15.02	15.02
State Investment Subsidy	5.00	5.00
	20.02	20.02
Securities Premium Reserve		
As per Last Balance Sheet	2,308.74	210.00
Add: On account of amalgamation (Refer Note No. 30)	-	2,098.74
	2,308.74	2,308.74
General Reserve on merger of Tool Division		
As per last Balance Sheet	893.15	2,218.26
Less: On account of amalgamation (Refer Note No. 30)	-	1,325.11
	893.15	893.15
General Reserve		
As per last Balance Sheet	2,070.16	370.65
Add: On account of amalgamation (Refer Note No. 30)	-	1,699.51
	2,070.16	2,070.16
Surplus / (deficit) in the statement of profit and loss		
As per last Balance Sheet	5,426.59	4,198.87
Add: Profit for the year	1,021.20	1,205.31
Add: Net surplus for the year ended 31st March, 2011 transferred from BAL and BMTL on account of amalgamation (Refer Note No. 30)	-	22.41
	6,447.79	5,426.59
TOTAL	11,739.86	10,718.66

4. LONG TERM BORROWINGS

(₹ In Lakh)

	As at 31st March, 2013		As at 31st March, 2012	
	Non Current	Current	Non Current	Current
Secured				
Rupee Term Loan from bank (Refer note (a) below)	158.64	158.11	316.75	158.11
Foreign Currency Term Loan from financial institution (Refer note (b) below)	-	-	65.33	261.33
Car Loan from banks (Refer note (c) , (d) and (e) below)	28.04	57.46	49.23	48.89
	186.68	215.57	431.31	468.33
Unsecured				
Sales Tax Deferred Payment Loan (Refer note (f) below)	576.68	16.10	599.38	10.55
	576.68	16.10	599.38	10.55
TOTAL	763.36	231.67	1,030.69	478.88

- (a) Rupee Term Loan of ₹ 316.75 Lakhs (Previous Year ₹ 474.86 Lakhs) first charge by way of hypothecation of company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, ranking pari-passu with existing bankers. Exclusive First charge by way of hypothecation of all Plant and Machinery and other movable fixed assets of the company to be funded of the term loan from the bank.



Interest rate is linked to Banks' Prime Lending Rate / Base Rate plus margin is repayable in twenty quarterly installments starting from June 2010 and ending in March, 2015.

- (b) Foreign Currency Term Loan of ₹ Nil (Previous Year ₹ 326.66 Lakhs) first charge created by mortgage of entire movable fixed assets both present and future and the immovable properties situated at Plot No. B - 15/4, MIDC, Waluj Industrial Area, within village limit of Kamlapur, Taluka Gangapur District, Aurangabad, Maharashtra shall rank pari-passu charge.

Interest rate is linked to LIBOR plus margin and is repayable in sixteen quarterly installments starting from September 2009 and fully repaid in December 2012.

- (c) The Car Loan of ₹ 22.31 Lakhs (Previous Year ₹ 43.69 Lakhs) is secured by hypothecation of the car.
Interest is payable @ 12.15% p.a. and is repayable in sixty monthly installments starting from March, 2009 and ending in February 2014.
- (d) The Car Loan of ₹ 57.94 Lakhs (Previous Year ₹ 54.43 Lakhs) is secured by hypothecation of the car.
Interest is payable @ 8.74% & 10.50% p.a. and is repayable in thirty six and sixty monthly installments starting from March, 2011 and July 2012 and ending in February 2014 and June 2017.
- (e) The Car Loan of ₹ 5.25 Lakhs (Previous Year ₹ Nil) is secured by hypothecation of the car.
Interest is payable @ 11.58% p.a. and is repayable in thirty six monthly installments starting from September 2012 and ending in August 2015.
- (f) Sales Tax deferred payment loan of ₹ 11.23 Lakhs (Previous Year ₹ 19.48 Lakhs) is interest free and payable in thirteen yearly installments starting from May 2003 and ending in May 2015.

Sales Tax deferred payment loan of ₹ 581.55 Lakhs (Previous Year ₹ 590.45 Lakhs) is interest free and installments schedule is not yet received from the department.

5. DEFERRED TAX LIABILITIES (Net)

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Deferred Tax Liability		
Related to fixed assets etc.	541.24	584.78
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961	282.11	282.28
TOTAL	259.13	302.50

6. LONG TERM PROVISIONS

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Provision for Employee Benefits		
Gratuity	35.77	28.68
Leave benefits	110.60	106.77
TOTAL	146.37	135.45

7. SHORT TERM BORROWINGS

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Secured		
Working Capital Loans From Banks		
Foreign Currency Loan (Refer note (a) and (d) below)	1,711.08	1,537.30
Rupee Loan (Refer note (b),(c) and (d) below)	1,253.62	914.12
	2,964.70	2,451.42
Unsecured		
From Bodies Corporates	733.31	1,149.38
From Others	126.00	-
	859.31	1,149.38
TOTAL	3,824.01	3,600.80

Security and Salient Terms:

- (a) Foreign currency loan of ₹ 1711.08 Lakhs (Previous Year ₹ 1537.30 Lakhs) first charge by way of hypothecation of company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, ranking pari-passu with existing bankers. Exclusive First charge by way of hypothecation of all Plant and Machinery and other movable fixed assets of the company to be funded from the term loan from the Bank.
- (b) Rupee loan of ₹ Nil (Previous Year ₹ 75.94 Lakhs) first charge by way of hypothecation of company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, ranking pari-passu with existing bankers. Exclusive First charge by way of hypothecation of all Plant and Machinery and other movable fixed assets of the company to be funded from the term loan from the Bank.
- (c) Rupee loans of ₹ 1253.62 Lakhs net (₹ 1269.36 less ₹ 15.74), (Previous Year ₹ 838.18 Lakhs) first charge by way of hypothecation of company's entire current assets on pari passu basis with other working capital bankers and second pari passu charge over the entire fixed assets of the Company to be shared with other working capital bankers.
- (d) The rates of interest for foreign currency loan ranges from 7.04% p.a. to 7.90% p.a. and 12% p.a. to 19% p.a. for rupee loans.

8. TRADE PAYABLES

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Micro, Small and Medium Enterprises	294.59	277.21
Others	2,597.35	2,486.59
TOTAL	2,891.94	2,763.80

Disclosures relating to amounts payable as at the year end together with interest paid/payable to Micro and Small Enterprises have been made in the accounts, as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status and the required disclosure are give below:

Particulars	As at 31st March, 2013	As at 31st March, 2012
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

9. OTHER CURRENT LIABILITIES

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Current maturities of long term debt (Refer Note No. 4)	231.67	478.88
Interest accrued but not due on borrowings	0.16	3.25
Interest accrued and due on borrowings	-	16.91
Unpaid Dividend #	3.27	3.57
Advances from Customers	535.77	147.44
Payable to employees	254.11	255.48
Statutory Liabilities	207.29	105.75
Security Deposit from dealers / others	27.28	26.93
Provision for expenses	546.97	702.52
TOTAL	1,806.52	1,740.73

This figure does not include any amounts due and outstanding, to be credited to Investor Education and Protection Fund.

**10. SHORT TERM PROVISIONS**

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits		
Gratuity (Refer Note No. 34)	317.62	394.43
Leave benefits	32.72	23.89
	350.34	418.32
Other provisions		
Income tax (Net of advance payment of tax)	652.21	1,082.09
Wealth tax (Net of advance payment of tax)	-	0.35
Fringe benefit tax (Net of advance payment of tax)	-	-
	652.21	1,082.44
TOTAL	1,002.55	1,500.76

11. FIXED ASSETS

(₹ In Lakh)

Description	Gross Block					Depreciation / Amortisation					Net Block	
	As at 01-04-2012	Addition due to amalgamation	Additions	Deductions / Adjustments	As at 31-03-2013	Upto 31-03-2012	Addition due to amalgamation	For the year	Deductions / Adjustments	Upto 31-03-2013	As at 31-03-2013	As at 31-03-2012
TANGIBLE ASSETS :												
Leasehold Land	357.90	-	-	-	357.90	43.78	-	5.65	-	49.43	308.47	314.12
Buildings	1,200.44	-	506.93	-	1,707.37	379.93	-	41.09	-	421.02	1,286.35	820.51
Plant & Machinery	8,283.79	-	505.39	263.35	8,525.83	4,539.08	-	736.39	234.32	5,041.15	3,484.68	3,744.71
Furniture, Fixtures	114.09	-	1.89	-	115.98	74.34	-	9.54	-	83.88	32.10	39.75
Office Equipments	166.50	-	6.84	-	173.34	106.61	-	13.47	-	120.08	53.26	59.89
Vehicles	400.44	-	50.56	5.58	445.42	152.75	-	38.20	3.45	187.50	257.92	247.69
	10,523.16	-	1,071.61	268.93	11,325.84	5,296.49	-	844.34	237.77	5,903.06	5,422.78	5,226.67
INTANGIBLE ASSETS												
Technical Knowhow	50.39	-	-	-	50.39	50.39	-	-	-	50.39	-	-
Fee												
Software	92.64	-	11.48	-	104.12	71.63	-	18.96	-	90.59	13.53	21.01
	143.03	-	11.48	-	154.51	122.02	-	18.96	-	140.98	13.53	21.01
Total	10,666.19	-	1,083.09	268.93	11,480.35	5,418.51	-	863.30	237.77	6,044.04	5,436.31	5,247.68
Previous Year	6,743.81	3,065.66	863.96	7.24	10,666.19	2,961.00	1,584.86	879.64	6.99	5,418.51	5,247.68	
Capital Work-in-Progress											31.44	365.51
Intangible Assets under Development											-	4.55

12. LONG TERM LOANS AND ADVANCES

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Unsecured and considered good unless otherwise stated		
Capital advances	530.58	564.09
Loans to employees	1.11	3.24
Loan to others	20.00	20.00
Advance income-tax and tax deducted at source (Net of provisions for tax)	12.60	19.56
Advance fringe benefit tax (Net of provisions for tax)	2.17	2.33
MAT Credit Entitlement	110.77	-
TOTAL	677.23	609.22

13. INVENTORIES

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Raw Materials and Components	1,361.32	1,830.05
Semi-Finished Goods	1,040.54	925.21
Finished Goods	1,136.40	727.27
Stock-in Trade	60.44	85.02
Stores, Cutting Tools and Packing Materials	323.35	336.04
Goods in Transit	-	93.01
TOTAL	3,922.05	3,996.60

14. TRADE RECEIVABLES

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	1,406.13	250.10
Considered doubtful	83.11	79.05
Less: Provision for doubtful debts	(83.11)	(79.05)
	<u>1,406.13</u>	<u>250.10</u>
Other considered good	5,053.36	4,330.75
TOTAL	6,459.49	4,580.85

15. CASH AND CASH EQUIVALENTS

(₹ In Lakh)

	As at 31st March, 2013	As at 31st March, 2012
Cash and Cash Equivalents:		
Balances with Banks in:		
i. Current accounts	600.04	909.01
ii. Fixed Deposits	99.96	121.06
Cash on hand (Includes cheques on hand ₹ 68.75 Lakhs (Previous Year ₹ 42.63 Lakhs))	74.08	50.35
Other Bank Balances:		
Unpaid dividend	3.28	3.57
In Margin Money Accounts*	137.16	640.43
TOTAL	914.52	1,724.42

* Balance in Margin Money Accounts includes deposit of ₹ Nil (Previous Year ₹ 563.13 Lakhs) with maturity of more than 12 months.

**16. SHORT TERM LOANS AND ADVANCES****(₹ In Lakh)**

	As at 31st March, 2013	As at 31st March, 2012
Unsecured and considered good unless otherwise stated		
Security deposit	131.97	133.71
Loans and advances to related parties (Refer Note No.36)	2,817.25	3,143.77
Prepaid expenses	126.03	272.07
Balances with statutory/government authorities	44.00	193.78
Cenvat Credit and export incentive receivable	654.22	636.17
Less: Provision for doubtful receivable	(137.73)	(132.08)
	516.49	504.09
Maharashtra Value Added Tax Credit	527.00	566.15
Others #	1,190.94	1,133.10
Less: Provision for doubtful receivable	(55.92)	(55.92)
	1,135.02	1,077.18
TOTAL	5,297.76	5,890.75

Includes loan to employee, advance to suppliers, advance to others, etc.

17. OTHER CURRENT ASSETS**(₹ In Lakh)**

	As at 31st March, 2013	As at 31st March, 2012
Interest accrued on fixed deposits and others	747.98	426.85
TOTAL	747.98	426.85

18. REVENUE FROM OPERATIONS**(₹ In Lakh)**

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Sale of Products	17,844.80	20,382.99
Sale of Services	9.75	14.95
Other operating revenue	353.40	338.64
Revenue from operations	18,207.95	20,736.58
Less: Excise duty	1,493.72	1,393.72
TOTAL	16,714.23	19,342.86
PARTICULARS OF SALE OF PRODUCTS		
Machine Tool Accessories	1,411.36	1,744.13
Precision Components	333.35	435.36
Cutting Tools	10,053.00	10,432.83
Castings	5,730.53	7,415.19
Others	316.56	355.48
TOTAL	17,844.80	20,382.99

19. OTHER INCOME

(₹ In Lakh)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Interest:		
From Bank deposits	30.03	90.84
From Others	365.34	381.09
	395.37	471.93
Exchange rate difference (Net)	48.99	120.75
Sundry balances written back (Net)	113.84	56.82
Miscellaneous Income	43.62	55.47
Profit on sale of fixed assets	2.07	-
Provision no longer required written back (₹ 15.39 less bad debts written off ₹ 9.65)	5.74	165.76
	214.26	398.80
TOTAL	609.63	870.73

20. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

(₹ In Lakh)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Inventory at the beginning of the year	1,830.05	2,062.74
Add : Transfer on account of amalgamation	-	200.75
Add : Purchases	6,170.44	6,939.95
	8,000.49	9,203.44
Less : Inventory at the end of the year	1,361.32	1,830.05
Cost of Raw Materials and Components Consumed	6,639.17	7,373.39

20.1 PARTICULARS OF RAW MATERIALS AND COMPONENTS CONSUMED

(₹ In Lakh)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Particulars		
Alloy Steels	320.22	487.94
Sub-Assembly Components	171.85	146.31
HSS Steels	3,022.11	2,744.83
Alloys / Ferro / ORM Scrap	3,124.99	3,994.31
TOTAL	6,639.17	7,373.39

20.2 INVENTORY OF RAW MATERIALS AND COMPONENTS

(₹ In Lakh)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Alloy Steels	80.32	139.38
Sub-Assembly Components	74.76	63.34
HSS Steels	1,009.25	1,452.82
Alloys / Ferro / ORM Scrap	196.99	174.51
TOTAL	1,361.32	1,830.05

**21. PURCHASES OF STOCK-IN-TRADE****(₹ In Lakh)**

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Files	189.53	250.23
TOTAL	189.53	250.23

22. CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE**(₹ In Lakh)**

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Inventories at the end of the year		
Finished Goods	1,136.40	727.27
Semi-Finished Goods	1,040.54	925.21
Stock-in-Trade	60.44	85.02
	2,237.38	1,737.50
Inventories at the beginning of the year		
Finished Goods	727.27	616.16
Semi-Finished Goods	925.21	697.79
Stock-in-Trade	85.02	47.24
	1,737.50	1,361.19
Add: Transfer on account of amalgamation	-	259.42
	1,737.50	1,620.61
Change in Inventories		
Finished Goods	(409.13)	(111.11)
Semi-Finished Goods	(115.33)	32.00
Stock-in-Trade	24.58	(37.78)
TOTAL	(499.88)	(116.89)

PARTICULARS OF INVENTORIES**(₹ In Lakh)**

Particulars	As at 31st March, 2013	As at 31st March, 2012
Finished Goods		
Machine Tool Accessories	95.57	52.27
Precision Components	4.07	3.65
Cutting Tools	1,036.76	671.35
TOTAL	1,136.40	727.27
Semi-Finished Goods		
Machine Tool Accessories	7.97	33.01
Precision Components	41.77	46.68
Cutting Tools	653.45	491.39
Castings	337.35	354.13
TOTAL	1,040.54	925.21
Stock-in-Trade		
Machine Tool Accessories	-	33.34
Files	85.02	51.68
TOTAL	85.02	85.02

23. EMPLOYEE BENEFITS EXPENSE

(₹ In Lakh)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Salaries, Wages and Bonus	2,624.73	2,517.80
Contribution to Provident and Other Funds	278.47	284.00
Staff Welfare Expenses	249.83	231.21
TOTAL	3,153.03	3,033.01

24. FINANCE COST

(₹ In Lakh)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Interest Expenses:		
Fixed Loan	120.60	254.29
Other	327.16	114.07
Bank charges	295.17	312.50
Applicable loss on foreign currency transactions and translations	103.64	104.29
TOTAL	846.57	785.15

25. DEPRECIATION AND AMORTISATION EXPENSES

(₹ In Lakh)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Depreciation on Tangible Assets	844.34	834.88
Amortisation of Intangible Assets	18.96	44.76
TOTAL	863.30	879.64

26. OTHER EXPENSES

(₹ In Lakh)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Manufacturing Expenses:		
Stores, cutting tools and packing materials consumed	1,205.69	1,406.74
Sub-contracting expenses	697.79	945.89
Increase / (decrease) of excise duty on finished goods	82.97	17.64
Power, fuel and water	1,069.66	1,196.57
Repairs and maintenance:		
Buildings	32.86	24.84
Plant and machinery	131.95	136.93
	3,220.92	3,728.61



Administrative, Selling and Other Expenses:		
Rent	16.19	18.38
Rates and taxes	7.27	8.02
Postage and telephone	46.83	50.69
Printing and stationery	60.75	46.48
Insurance	18.73	19.52
Travelling and conveyance	117.26	170.66
Foreign travelling expenses	27.77	21.15
Vehicle expenses	35.37	31.17
Advertisement , publicity etc.	154.01	212.19
Sales promotion and other selling expenses	507.81	588.14
Sales commission	24.23	17.58
Freight on sales	225.38	326.80
Training and welfare expenses	42.55	27.68
Directors' sitting fees	1.48	3.77
Auditors' remuneration:		
Audit fee	12.00	11.00
For certification	3.70	4.89
Provision for Doubtful Debts	13.71	23.82
Bad debts written off	2.96	-
Legal and professional fees	406.73	512.23
Security services	26.66	22.12
Software maintenance expenses	3.34	12.09
Merger expenses	0.56	10.07
Loss on sale of Fixed Assets	13.26	0.25
Exchange rate variation loss (net)	7.13	-
Miscellaneous expenses	214.03	176.02
	1,989.71	2,314.72
TOTAL	5,210.63	6,043.33

27. Computation of profit for earnings per share:**(₹ In Lakh)**

Particulars	31st March, 2013	31st March, 2012
Net Profit / (Loss) after tax attributable to Equity Shareholders (A)	1021.20	1205.31
No. of Equity Shares outstanding during the year for calculating Basic EPS (B)	52651756	32027996
No. of Equity Shares outstanding during the year for calculating Diluted EPS (C)	52651756	52651806
Nominal Value of Equity Shares (₹)	2/-	2/-
Basic EPS (₹) (A / B)	1.94	3.76
Diluted EPS (₹) (A / C)	1.94	2.29

28. Valuation of Finished Goods and Semi finished Goods at Tool Division:

Till the previous year the cost of finished goods and goods under process at the Tool Division of the Company was being determined using the retail method, whereby the cost is computed by reducing from the sales value of inventory the global gross margins.

As this method is not in accordance with Accounting standard -2 (AS-2) the Company has during the current year reworked the value of finished goods and goods under process at the Tool Division in accordance with the AS-2.

Consequently due to reworking the impact on closing inventory of finished goods is ₹ 1,67,52,525/- (Opening stock of finished goods is ₹ -1,28,57,536/-) and goods under process is ₹ 1,66,65,346/- (Opening goods under process is ₹ 1,27,64,176/-). The net impact on statement of profit and loss of the year is ₹ 87,179/-loss.

The inventory valuation is now in compliance with the requirement of AS-2.

29. Contingent liabilities:

(a) Estimated amount of contracts remaining to be executed (net of advances), not provided for:

(₹ In Lakh)

Particulars	31st March, 2013	31st March, 2012
Capital Commitments:		
Tangible Assets	405.06	575.67
Intangible Assets	0.00	9.49

(b) Contingent liabilities not provided for in respect of:

(₹ In Lakh)

Particulars	31st March, 2013	31st March, 2012
(i) Amount of duty saved under EPCG Scheme against export obligations	481.14	634.04
(ii) Sales Tax Demands in Appeals	76.94	76.94
(iii) Entry Tax Demands in Appeals	110.54	110.54
(iv) Income Tax Demands in Appeals	99.76	99.76
(v) Excise and Service Tax Demands in Appeals	45.80	15.70
(vi) Claim on account of PF not acknowledged as debts	4.01	4.01
(vii) Bank Guarantees / Letters of Credit	698.62	632.66
(viii) Claims against Company not acknowledged as debts	30.61	20.88

(c) The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of the proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.

30. The Scheme of Amalgamation (SoA) of Birla Accucast Limited (BAL) and Birla Machining and Toolings Limited (BMTL) with Birla Precision Technologies Limited (the Company).

All assets and properties, both movable and immovable, industrial and other licenses, all other interests, rights and powers of every kind, etc. and all debts, liabilities, duties and obligations of BAL and BMTL has been transferred to and vested in the Company retrospectively with effect from 1st April, 2010 (the appointed date). The SoA has accordingly been given effect to in these accounts.

The amalgamation of BAL and BMTL with the Company has been accounted as per SoA approved by the Honorable High Court of judicature at Bombay, vide its order dated, 30th March, 2012. Accordingly the assets, liabilities, debts and obligations of the BAL and BMTL have been taken over at their book values as on 1st April, 2010 as stipulated in the SoA. The amalgamation has resulted in transfer of assets, liabilities, debts and obligations in accordance with the terms of the SoA at the following summarized values:

(₹ In Lakh)

Particulars	BAL	BMTL	Total
Fixed Assets (Net)	1,564.60	77.25	1,641.85
Investment	0.01	-	0.01
Capital Work in progress	39.71	949.20	988.91
Current Assets, Loans and Advances	1,749.69	2,139.51	3,889.20
Profit and loss account (Debit balance)	2,953.95	2,048.99	5,002.94
Total Assets	6,307.96	5,214.95	11,522.91



Less:-			
Secured and Unsecured Loans	1,975.20	178.33	2,153.53
Current liabilities and Provision	1,197.76	283.06	1,480.82
Total Liabilities	3,172.96	461.39	3,634.35
Net Assets Transferred	3,135.00	4,753.56	7,888.56
Proposed issue of shares	253.71	158.77	412.48
Transfer from Reserve on account of amalgamation :			
Capital Reserve	-	0.02	0.02
Securities Premium	235.41	1,863.32	2,098.73
General Reserve	-	1,699.50	1,699.50
Amalgamation Reserve	2,645.88	1,031.95	3,677.83

As per the approved Scheme of Amalgamation total of 2,06,23,760 equity shares of ₹ 2/- each were allotted on 20th July, 2012 to the share holders of Birla Accucast Limited and Birla Machining & Toolings Limited in the following ratios respectively:

- 7 Equity shares of ₹ 2/- each of the company were issued for every 16 Equity shares of ₹ 10/- each held in Birla Accucast Limited.
- 2 Equity shares of ₹ 2/- each of the company were issued for every 3 Equity shares of ₹ 10/- each held in Birla Machining & Tooling Limited.

As per SoA the debit balance of Profit and Loss account is first adjusted against the "Amalgamation Reserve Account" and the balance of ₹ 1325.11 Lakhs has been adjusted against the general reserve created post merger of Tools Division of Zenith Birla (India) Limited.

In terms of the SoA, the Equity Shares allotted as above rank for dividend, voting rights and in all other respects pari-passu with the existing Equity Shares of the Company. The Income accruing and the expenses incurred by BAL and BMTL during the period 1st April, 2010 to 31st March, 2011 being net surplus of ₹ 58.78 Lakhs of BAL and Net deficit of ₹ 36.37 Lakhs of BMTL, resulting in Net Surplus of ₹ 22.41 Lakhs has been adjusted in the statement of profit and loss. During the period between the appointed date and the effective date (i.e. 28th May, 2012) BAL and BMTL carried on the existing business in "trust" on behalf of the Company.

The title deeds for leasehold land, building, licenses, agreements, loan documents, etc. are in the process of being transferred in the name of the Company. Stamp duty and other levies out of the SoA, if any, shall be accounted on determination and completion of transfer formalities.

31. Merger scheme of Tools Division of Zenith Birla (India) Limited with the Company in the Financial Year 2009-10.

The title deeds for leasehold land, building, residential flats, licenses, agreements, loan documents, and some of the bank accounts and facilities are in the process of being transferred in the name of the Company. Stamp duty and other levies out of the Scheme of Arrangement, if any, shall be accounted on determination and completion of transfer formalities.

32. (a) Utilization of proceeds of public/ right issue as on 31st March, 2013 is as under:

(₹ In Lakh)

Description	Total Estimated Cost	Deployed upto 31st March, 2013	Deployed upto 31st March, 2012
I) Aurangabad Project:			
Building	120.00	102.95	102.95
Plant, Machinery and Electrical	1365.50	420.25	420.25
Miscellaneous Fixed Assets	329.36	-	-
Contingencies	185.00	-	-
Pre Operative Expenses	80.00	-	-
II) Margin money for Working capital requirement for Aurangabad Project	50.00	-	-
Sub-total	2129.86	523.20	523.20
III) Margin money for Working capital requirement for Conversion of unsecured loan into equity raised by Company for setting up the Gandhidham Project from Nirved Traders Private Limited Promoter Company	470.14	470.14	470.14
IV) To meet expenses of issue	300.00	276.42	276.42
Total	2900.00	1269.76	1269.76

As per the Prospectus, the funds which were proposed to be deployed in the Aurangabad Project upto the period ended 30th September, 2008 was envisaged at ₹ 2129.86 Lakhs. However, the actual amount spent towards the above is ₹ 523.20 Lakhs.

The above mentioned status of utilisation of funds raised by BMTL in its Right cum Follow on Issue in 2007 has been revised / adjusted by ₹ 427.20 Lakhs paid to BAL due to the SoA approved by Honorable High Court of Bombay for amalgamation of BAL and BMTL (Transferor companies) with the Company.

As per SoA the pending project and related obligations of the transferor companies shall be implemented by the Company.

In view of delay in implementation of the Aurangabad project, the balance amount of ₹ 1595.20 Lakhs has been utilized for funding the company's Working Capital requirements and for Inter Corporate Deposits given to group companies and others. The utilization of the said funds is not in line with the Prospectus.

32 (b). The Company has incurred capital expenditure aggregating to ₹ 523.20 Lakhs for the acquisition and construction of Plant and Machinery, Electrical Equipment and Building structure for installation of machining facilities. There has been delay in the implementation of the machining project, accordingly the advances, made to the suppliers, have not been entirely appropriated towards the supplies. No provision for impairment is considered necessary by the management at this stage.

33 . The remuneration as approved by the Remuneration Committee / Board/ Shareholders paid/ provided to the Managing Director during the year has been considered as the minimum remuneration, resulting in excess of such remuneration over maximum remuneration stipulated under Schedule XIII of the Companies Act, 1956 mounting to ₹ 55.23 lacs due to inadequacy of profits during the year. The Company has filed an application with the Central Government in this regards.

34. Employee Benefits:

(A) Defined Contribution Plans:

The Company has recognized the following amounts in statement of profit and loss for the year: (₹ In Lakh)

Particulars	31st March, 2013	31st March, 2012
Contribution to Employees Provident Fund and Other Funds	278.47	284.00
Total	278.47	284.00

(B) Defined Benefit Plans :

I. (a) Contribution to Gratuity:

Provision for Gratuity has been made in the accounts based on an actuarial valuation carried out at the close of the year. The Company has funding arrangement with Birla Sun Life and Life Insurance Corporation of India, except for Tools Division, in which case it is held under Indian Tool Employee Gratuity Fund, and the liability is discharged to the employees in the year of retirement / cessation of employment.

Details under AS-15, to the extent applicable is furnished below:

(₹ In Lakh)

Particulars	31st March, 2013	31st March, 2012
i) Reconciliation of defined benefit obligation (DBO) :		
DBO at the beginning of the year	533.21	505.54
Current Service Cost	50.51	49.58
Interest Cost	42.36	39.15
Actuarial Loss / (Gain)	11.78	6.36
Benefits paid	(76.05)	(67.42)
DBO at end of the year	561.81	533.21
ii) Net cost for the year ended :		
Current Service Cost	50.51	49.58
Interest Cost	42.36	39.15
Expected Return on Plan Assets	(12.00)	(9.47)
Actuarial Loss / (Gain)	16.63	10.60
Net Cost	97.50	89.86
iii) Fair Value of Plan Assets	208.42	110.10
iv) Assumptions used in accounting for the gratuity plan :		
Discount rate (%)	8.05% to 8.50%	8.50% to 8.75%
Salary escalation rate (%)	3.00% to 7.00%	3.00% to 7.00%

**I. (b) Other disclosures :**

Particulars	31st March, 2013	31st March, 2012	31st March, 2011	31st March, 2010	31st March, 2009
Present Value of Defined Benefit Obligation	561.81	533.21	474.90	450.14	37.73
Fair Value of Plan Assets	208.42	110.10	101.21	84.02	23.02
(Deficit) / Surplus of the plan	353.39	423.11	373.69	366.12	14.71
Experience adjustment on plan liabilities loss / (gain)	*	*	*	*	*
Experience adjustment on fair value of plan adjustments	*	*	*	*	*

* The details of the Experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (revised) on "Employee Benefits" of previous financial years are not available in the valuation report for the financial year 2008-09, 2009-10 2010-11 and 2011-12 hence not furnished.

II. Leave Encashment:

The leave encashment provision for the year ended 31st March, 2013, based on actuarial valuation carried out using projected unit credit method amounting to ₹ 41.85 Lakhs (Previous Year ₹ 43.34 Lakhs) has been recognized in statement of profit and loss.

35. Segment Reporting:**(a) Business Segments:**

(₹ In Lakh)

Particulars	2012-13	2011-12
Segment Revenue		
a) Tools and Precision Components	12421.64	13268.82
b) Casting and Machining	5786.31	7467.76
Total	18207.95	20736.58
Less: Excise Duty	1493.72	1393.72
Net Sales Income from Operation	16714.23	19342.86
Segment Results Profit(+)/(Loss)(-) (before Interest and Tax) from segment		
a) Tools and Precision Components	1867.39	2421.44
b) Casting and Machining	(99.31)	329.44
Total	1768.08	2750.88
Less: Interest and Finance Charges	846.57	785.15
Profit before Tax	921.51	1965.73
Less: Provision for Taxation		
Current Tax	420.00	650.00
Deferred Tax	(43.37)	109.16
Excess provision of Earlier Period	(476.32)	1.26
Profit after Tax	1021.20	1205.31
Segment Assets		
a) Tools and Precision Components	20085.69	15952.96
b) Casting and Machining	3401.09	6893.47
Total	23486.78	22846.43
Segment Liabilities		
a) Tools and Precision Components	7361.17	6566.96
b) Casting and Machining	2163.85	3039.13
Total	9525.02	9606.09

Capital Expenditure		
a) Tools and Precision Components	683.75	587.29
b) Casting and Machining	399.34	543.88
Total	1083.09	1131.17
Depreciation		
a) Tools and Precision Components	605.07	597.20
b) Casting and Machining	258.23	282.44
Total	863.30	879.64
Non Cash Expenditure		
a) Tools and Precision Components	-	-
b) Casting and Machining	-	-
Total	-	-

During the year, based on technical review, the Company has identified two reporting segments namely:

1. Tools and Precision Components
2. Casting and Machining, as reporting segments under AS-17, instead of earlier three segments.

(b) Secondary Segment - (Geographical):

(₹ In Lakh)

Particulars	India	USA	Rest of the World	Total
Segment Revenue	14496.47	1078.67	1139.09	16714.23
	(16655.66)	(1305.13)	(1382.07)	(19342.86)

(Figures in brackets indicates 31st March, 2012 figures)

36. Related party disclosures:

(A) Name of related parties and nature of relationships:

a) Key Management personnel

1. Shri Yashovardhan Birla (Non-executive Chairman)
2. Shri M.S. Arora (Managing Director)

b) Enterprises owned or significantly influenced by Key Management personnel or their relatives:

1. Ashok Birla Apollo Hospital Private Limited	21. Birla Research and Lifesciences Limited
2. Asian Distributors Private Limited	22. Birla Retail & Distributors Private Limited
3. Birla Aircon Infrastructure Private Limited	23. Birla Shloka Edutech Limited
4. Birla Art Lifestyle Private Limited	24. Birla Surya Limited
5. Birla Bombay Private Limited	25. Birla Terrajoule Private Limited
6. Birla Capital and Financial Services Limited	26. Birla Transasia Carpets Limited
7. Birla Concepts (India) Limited	27. Birla Urja Limited
8. Birla Cotsyn (India) Limited	28. Birla Viking Travels Limited
9. Birla Edutech Limited	29. Birla Wellness and Healthcare Private Limited
10. Birla Electricals Limited	30. Godavari Corporation Private Limited
11. Birla Energy Infra Limited	31. Khopoli Investments Limited
12. Birla Global Corporate Private Limited	32. Lakshmi Properties Limited
13. Birla Industries Group Charity Trust	33. Melstar Information Technologies Limited
14. Birla Infrastructure Limited	34. Nirved Traders Private Limited
15. Birla Integrated Textile park Limited	35. Shearson Investments and Trading Company Private Limited
16. Birla International Private Limited	36. Vedant Consultancy Private Limited
17. Birla Kerala Vaidyashala Private Limited	37. Vijay Puranjay Minerals Private Limited
18. Birla Lifestyle Private Limited	38. Zenith Birla (India) Limited
19. Birla Pacific Medspa Limited	39. Zenith Dyeintermediated Limited
20. Birla Power Solutions Limited	

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

**(B) Transactions during the year ended 31st March, 2013 and balances with related parties :****(₹ In Lakh)**

Name of related party	Description and Nature of transactions	Total Amount of the Transactions during the Current year (Previous Year)	Amount if any Outstanding as on 31.03.2013 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2013 CREDIT Balance Current Year (Previous Year)
Birla Global Corporate Private Limited	Loan / Advance Given	173.47	352.60	-
		(5.00)	(165.89)	(-)
	Services	157.99	-	20.20
		(198.54)	(13.24)	(8.93)
Shearson Investments and Trading Company Private Limited	Reimbursement of Expenses	7.68	-	0.09
		(5.31)	(-)	(-)
	Loan/Advance Given	475.00	475.00	-
		-	-	-
	Loan/Advance Repaid	-	-	-
		-	-	-
	Loan Taken	-	-	410.00
Zenith Birla (India) Limited	Reimbursement of Expenses	4.61	-	2.42
		(183.75)	(196.60)	(-)
	Services	112.31	-	35.30
		(204.46)	(-)	(28.33)
	Purchase of Goods	713.41	-	60.87
		(2,310.43)	(23.29)	(34.58)
	Sale of Goods	5.03	1.22	-
		(8.61)	(13.42)	(-)
	Loan Taken	-	-	-
		(75.00)	(-)	(320.72)
	Loan Repayment	320.72	-	-
		(-)	(-)	(-)
	Interest Income	152.04	307.45	-
		(-)	(-)	(-)
	Interest Expenses	6.00	-	-
		(21.24)	(-)	(5.41)
	Interest Repayment	11.41	-	-
		(-)	(-)	(-)
	Other Income	-	-	-
		(7.75)	(-)	(-)
	Loan / Advance Given	-	-	-
		(2,775.00)	(1,520.00)	(-)
	Advance Repaid	831.34	1,016.34	-
		(-)	(-)	(-)
Birla Viking Travels Limited	Services	24.51	6.74	-
		(42.14)	(-)	(6.18)

Birla International Private Limited	Purchase of Goods	28.92	-	25.36
		(18.54)	(-)	(3.13)
	Sales of Goods	3,012.56	2,950.71	-
		(3,233.80)	(1,374.43)	(-)
	Reimbursement of Expenses	103.25	-	-
		(146.08)	(-)	(-)
	Sundry balances written off	-	-	-
(0.35)		(-)	(-)	
Birla Power Solutions Limited	Loan / Advance Given	-	10.07	-
		(10.00)	(-)	(-)
	Interest Income	-	0.10	-
		(0.10)	(10.51)	(-)
	Sale of Goods	7.80	0.31	-
		(46.12)	(82.69)	(-)
	Loan Taken	-	-	-
		(-)	(-)	(180.00)
Loan Repaid	82.69	-	97.31	
	(-)	(-)	(-)	
Birla Industries Group Charity Trust	Rent Expenses	0.44	-	0.24
		(0.48)	(-)	(0.04)
Godavari Corporation Private Limited	Reimbursement of Expenses	2.79	-	-
		(15.88)	(-)	(0.08)
	Loan / Advance Given	-	553.00	-
		(-)	(553.00)	(-)
	Interest Income	82.95	172.45	-
(111.35)		(89.50)	(-)	
Birla Bombay Private Limited	Reimbursement of Expenses	-	-	-
		(0.24)	(-)	(-)
Asian Distributors Private Limited	Loan / Advance Given	-	-	-
		(4.63)	(-)	(-)
Shri Yashovardhan Birla	Director Sitting Fees	0.14	-	-
		(0.42)	(-)	(-)
Birla Shloka Edutech Limited	Sundry balances written off	-	-	-
		(4.43)	(-)	(-)
Nirved Traders Private Limited	Loan / Advance Given	-	-	-
		(650.00)	(650.00)	(-)
	Interest Income	-	-	-
		(22.91)	(12.91)	(-)
	Services	23.73	-	15.38
		(16.37)	(-)	(7.94)
Loan Taken	-	-	188.66	
	(-)	(-)	(188.66)	



	Loan Recovered	105.00	555.00	-
		(-)	(-)	(-)
	Interest Expenses	60.58	61.20	-
		(-)	(-)	(-)
	Rent	2.47	-	-
		(-)	(-)	(-)
Birla Retail & Distributors Pvt. Ltd.	Sales of Goods	126.81	126.81	-
		(-)	(-)	(-)
Shri M.S. Arora	Managerial Remuneration	102.61	-	19.08
		(47.98)	(-)	(-)

(Figures in brackets indicate 31st March, 2012 figures)

(₹ In Lakh)

37. Value of imported and indigenous Raw materials, components and stores and spare parts consumed and percentage of each to the total consumption:

Particulars	31st March, 2013		31st March, 2012	
		%		%
Raw materials and Components:				
- Imported	853.47	13%	1333.81	18%
- Indigenous	5785.70	87%	6039.58	82%
	6639.17	100%	7373.39	100%
Stores and Spare parts:				
- Imported	26.40	2%	85.70	6%
- Indigenous	1179.29	98%	1321.04	94%
	1205.69	100%	1406.74	100%

38. CIF value of imports:

(₹ In Lakh)

Particulars	31st March, 2013	31st March, 2012
Capital goods	86.57	389.62
Raw Materials and Components	783.67	479.43
Stores and Spare parts	29.44	62.44
Total	899.68	931.49

39. Expenditure in foreign currency:

(₹ In Lakh)

Particulars	31st March, 2013	31st March, 2012
(i) Foreign traveling expenses	34.65	25.99
(ii) Repairs to Plant and Machinery	0.38	1.17
(iii) Sales Commission	2.93	4.70
(iv) Sub-contracting expenses	0.64	3.85
(v) Exchange rate variation surcharge	0.00	63.26
(vi) Interest on Foreign Currency Term Loan	13.65	24.05
Total	52.25	123.02

40. Earnings in foreign currency:

(₹ In Lakh)

Particulars	31st March, 2013	31st March, 2012
F.O.B. value of exports of manufacturing goods	2256.00	2236.49

41. Remittance in foreign currencies on account of dividend:

Particulars	31st March, 2013	31st March, 2012
i) No. of Non-resident Shareholders (including NRIs)	246	49
ii) Shares held by them	339,707	224,486
iii) Amount remitted	NIL	NIL

42. The figures of previous year have been regrouped / reclassified wherever necessary to correspond to figures of current year.

For THAKUR,VAIDYANATH AIYAR & CO.
Chartered Accountants
Firm Registration No. 000038N

C. V. Parameswar
Partner
Membership No. 11541

Place: Mumbai
Date : 27th May, 2013

For and on behalf of Board of Directors

M. S. Arora
Managing Director

M. S. Adige
Director

A. P. Kurias
Director

Lovelina Cecil Faroz
Company Secretary

Registered Office: B-15/4, M.I.D.C., Waluj, Aurangabad – 431 133 (M.S.)

Dear Shareholder,

Re: Green Initiative in Corporate Governance

We wish to inform you that the Ministry of Corporate Affairs, New Delhi ("MCA") (vide its Circulars dated April 21, 2011 and April 29, 2011) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. This move by the MCA is welcome since it will benefit the society at large through reduction in paper consumption and contribute towards greener environment. Also you will be able to receive the Communication promptly and without loss in transit.

Keeping in view the underlying theme and the circulars issued by MCA, we propose to send henceforth all communications / documents including the Notice calling the General Meeting/ Notice of Postal Ballot, Audited Financial Statements, Directors' Report, Auditors' Report etc. via electronic mode **on the Email ID registered by shareholders with their Depository Participant (DP).**

Shareholders holding shares in demat mode and who have not yet registered their Email ID are requested to kindly register/update their e-mail ID with their concerned Depository Participant, on which they desire to receive all future communications/ documents as specified above. **In case of change in your Email Address in future**, please update same with your DP.

Please note that the email address indicated in your respective DP accounts periodically downloaded from the depositories viz. NSDL/ CDSL will be deemed to be your registered email address.

Shareholders holding shares in physical mode are requested to register their email address with the Company by sending a written request signed by the First Shareholder mentioning your folio no. to the Registrar & Share Transfer Agents – Karvy Computershare Private Limited.

Please note that, upon receipt of a requisition from you, the Company shall send all these documents on the address registered with the Company free of cost.

Please note that the Annual Report of your Company along with all future notice/ communication/ documents will be displayed on the Company's website www.birlaprecision.in

It is clarified that shareholders holding shares in physical form and have not registered their email address with the Registrar/ Company and those Demat Shareholders who have not registered email ID with their DP, will continue to receive physical copies of these documents.

We are sure, that as a responsible citizen, you will whole-heartedly support this initiative and co-operate with the Company to make it a success.

Thanking You,

Yours faithfully,

For Birla Precision Technologies Limited

Sd/-

M.S.Arora
Managing Director

E-COMMUNICATION REGISTRATION FORM

To,
M/s. Karvy Computershares Private Limited
17-24, Vittalrao Nagar, Madhapur
Hyderabad – 500 081 (A.P.)

Dear Sir/Madam,

Re : Green Initiative in Corporate Governance

UNIT: Birla Precision Technologies Limited

I agree to receive all communication from the company in electronic mode. Please register my email id in your records for sending communication through e-mail.

Folio no. : _____
DP ID : _____
Client ID : _____
PAN : _____
Name of 1st Registered Holder : _____
Name of Joint Holder(S) : _____
Registered Address : _____

Email ID : _____

Date : _____

Signature of the first holder _____

Important Notes:

- 1) On registration, all the communication will be sent to the email ID registered in the Folio/DP IP & Client ID.
- 2) The form is also available on the website of the company www.birlaprecision.in
- 3) Shareholders are requested to keep company informed as and when there is any change in the e-mail address. Unless the email id given above is changed by you by sending another communication in writing, the company will continue to send the notices/ documents to you on the above mentioned e-mail ID.



BIRLA PRECISION TECHNOLOGIES LIMITED

Reg. Office: B-15/4, M.I.D.C. Industrial Area, Waluj, Aurangabad - 431 133 (M.S.), India

26th ANNUAL GENERAL MEETING

PROXY FORM

Regd. Folio No./ DP Client ID

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No. of Shares held

--	--	--	--	--	--	--	--	--	--

I/We _____ of _____ in the district of _____ being a member / members of BIRLA PRECISION TECHNOLOGIES LIMITED hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of _____ in the district of _____ as my / our proxy to attend and vote for me / us, on my / our behalf at the **26th ANNUAL GENERAL MEETING** of the Company, to be held on Friday, 27th September, 2013 at 11.30 a.m. or at any adjournment(s) thereof.

Signed this _____ day of _____ 2013.

Affix. Re.
I/- Revenue
Stamp

Signature

Notes :

This Form, in order to be effective, should be completed, duly signed and stamped and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Members are requested to bring their copy of the Annual Report alongwith them at the Annual General Meeting as extra copy of the Annual Report will not be made available for reasons of economy.

..... Please Tear Here

BIRLA PRECISION TECHNOLOGIES LIMITED

Reg. Office: B-15/4, M.I.D.C. Industrial Area, Waluj, Aurangabad - 431 133 (M.S.), India

26th ANNUAL GENERAL MEETING

ATTENDANCE SLIP

Regd. Folio No./ DP Client ID

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No. of Shares held

--	--	--	--	--	--	--	--	--	--

I Certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the **26th ANNUAL GENERAL MEETING** of the Company at B-15/4, M.I.D.C. Waluj, Aurangabad - 431 133 on Friday, 27th September, 2013 at 11.30 a.m.

Member's/Proxy's Name in BLOCK Letters

Signature of member's/proxy's

Note : Please fill up this attendance slip and hand it over at the entrance of the meeting hall.



Book Post



If undelivered, please return to:
BIRLA PRECISION TECHNOLOGIES LIMITED




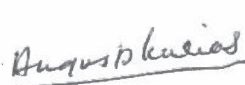
Regd. Office :-

B- 15/4, M. I. D. C., Waluj, Aurangabad- 431 133 (M. S.)

Phone: (0240) 2554300, 2554301, 2554408, Fax : (0240) 2554302

Email: info@birlaprecision.com, Web: www.birlaprecision.in / www.indiantool.com

FORM A

1	Name of the company	Birla Precision Technologies Limited
2	Annual financial statements for the year ended	2012-13
3	Type of Audit observation	NIL
4	Frequency of observation	Not Applicable
5	To be signed by- <input type="checkbox"/> CEO/Managing Director <input type="checkbox"/> CFO <input type="checkbox"/> Auditor of the company <input type="checkbox"/> Audit Committee Chairman	<p> M.S. Arora (Managing Director)</p> <p> Suresh Karkare (CFO)</p> <p> Thakur, Vaidyanath Aiyar & Co. C.V. Parameswar (Auditor of the company)</p> <p> Shri. Augustine Kurias (Audit Committee Chairman)</p>

