



13<sup>th</sup> October, 2016

To,  
Department of Corporate Services  
Bombay Stock Exchange Limited,  
Floor 25, P.J. Towers, Dalal Street,  
Mumbai-400 001

Scrip Code: 522105

Sub: Submission of Annual Report 2015-16 in compliance with Regulation 34 of the SEBI  
(Listing Obligation and Disclosure Requirements) Regulations, 2015


Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure  
Requirements) Regulations, 2015, please find enclosed herewith Annual Report for  
the year 2015-16.

Kindly take it in your records and acknowledge the receipt of the same.

Thanking You,

Yours Faithfully,  
For Birla Precision Technologies Limited

  
Rupa Khanna  
Company Secretary  
Encl: As above



RPK/BSE23/2016-17

**Birla Precision Technologies Limited**

B-15/4, MIDC, Waluj, Aurangabad - 431 133, India. Tel: +91 240 2554301, 2554408, 2554945, 2554947-8  
Fax: +91 240 2554302 • E-mail: [info@birlaprecision.com](mailto:info@birlaprecision.com) • [www.birlaprecision.com](http://www.birlaprecision.com)

An ISO 9001:2000 & ISO 14001:2004 Company CIN : L29220MH1986PLC041214

# Birla Precision Technologies Limited

**29<sup>th</sup> Annual Report**  
**2015 - 16**



ISO 9001 : 2008 &  
ISO 14001 : 2004  
CERTIFIED



## **BIRLA PRECISION TECHNOLOGIES LIMITED**

### **Registered Office**

B-15/4, M.I.D.C., Waluj, Aurangabad – 431 133 (M.S.) Tel. No.: (0240) 2554300, Fax No.: (0240) 2554302  
Visit us at: [www.birlaprecision.in](http://www.birlaprecision.in) Email id: [info@birlaprecision.com](mailto:info@birlaprecision.com)  
Corporate identity Number (CIN): L29220MH1986PLC041214  
Scrip Code (BSE): 522105

**BOARD OF DIRECTORS** :

Mr. Vedant Birla	- Chairman & Managing Director (Appointed w.e.f. 18.05.2016)
Mr. Shamraj Gilbale	- Whole Time Director (Appointed w.e.f. 04.12.2015 & Resigned w.e.f. 28.06.2016)
Mrs. Avanti Birla	- Director
Mr. Jainarayan Bajaj	- Additional Director (Appointed w.e.f. 01.10.2015)
Mr. Om Prakash Jain	- Additional Director (Appointed w.e.f. 18.05.2016)
Mr. Satyanarayan Baheti	- Additional Director (Appointed w.e.f. 11.08.2016)
Mr. Ritesh Joshi	- Additional Director (Appointed w.e.f. 11.08.2016)
Mr. K. Narayanan	- Director (Resigned w.e.f. 14.08.2015)
Mr. Shiv Charan Agarwal	- Director (Resigned w.e.f. 01.10.2015)
Mr. M. S. Adige	- Director (Resigned w.e.f. 11.07.2016)

**KEY MANAGERIAL PERSONAL** :

Mr. Mukunda Mankar	- Chief Financial Officer
Ms. Rupa Khanna	- Company Secretary

**STATUTORY AUDITORS** :

M/s. Thakur, Vaidyanath Aiyar & Co.  
Chartered Accountants  
11-B Vatsa House, (RPI House),  
Janmabhoomi Marg, Fort, Mumbai - 400 001

**BANKERS** :

ICICI Bank Limited  
HDFC Bank Limited

**PLANT LOCATIONS** :

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

**REGISTRAR & SHARE TRANSFER AGENTS** :

M/s. Karvy Computershare Private Limited  
Karvy Selenium Tower-B, Plot No. 31 & 32,  
Financial District, Gachibowli, Nanakramguda,  
Serlingampally, Hyderabad - 500 032

**29<sup>th</sup> Annual General Meeting**  
29<sup>th</sup> September, 2016 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.)

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## NOTICE OF THE 29<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE **29<sup>TH</sup> ANNUAL GENERAL MEETING** OF THE MEMBERS OF BIRLA PRECISION TECHNOLOGIES LIMITED will be held on Thursday 29<sup>th</sup> day of September, 2016 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 consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2016 and the Statement of Profit and Loss for the year ended as on that date together with the Report of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mrs. Avanti Birla (DIN 00167903), who retires by rotation, and being eligible, offers herself for re-appointment.
3. **Appointment of Statutory Auditors**

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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, (Registration no. 000038N), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company scheduled to be held in the year 2017 at such remuneration as may be determined by Board of Directors of the Company."

### SPECIAL BUSINESS:

4. **Appointment of Mr. Vedant Birla (DIN 03327691) as an Director of the Company**

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 provision of Section 161 of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, Mr. Vedant Birla (DIN 03327691) be and is hereby appointed a Director of the Company."

5. **Appointment of Mr. Vedant Birla (DIN 03327691) as an Chairman & Managing Director of the Company**

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

**"RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule - V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded for the appointment of Mr. Vedant Birla Chairman & Managing Director of the Company for a period of 3 years i.e. with effect from 18<sup>th</sup> May, 2016 to 17<sup>th</sup> May, 2019, on such salary, commission and perquisites (hereinafter referred to as "remuneration") and upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Vedant Birla.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Vedant Birla, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Act read with Schedule V of the Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Director or Directors to give effect to the aforesaid resolution".

6. **Appointment of Mr. Om Prakash Jain (DIN 02553210) as an Director of the Company**

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 provision of Section 161 of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, Mr. Om Prakash Jain be and is hereby appointed as a Director of the Company."

**7. Appointment of Mr. Jainarayan Bajaj (DIN 03167975) as an Independent Director of the Company**

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 Sections 149, 152 and 161 read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, Mr. Jainarayan Bajaj (DIN 03167975) who was appointed as an Additional Director of the Company with effect from 01<sup>st</sup> October, 2015 pursuant to Section 161 of the Companies Act 2013, and who has submitted a declaration that he is eligible for appointment and he meets the criteria of independence as provided under Section 149(6) of the Act for a period of 3 consecutive years i.e. upto 30<sup>th</sup> September, 2018 and that he shall not be subject to retirement by rotation.”

**8. Appointment of Mr. Satyanarayan Baheti (DIN 06933453) as an Independent Director of the Company**

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 Sections 149, 152 and 161 read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, Mr. Satyanarayan Baheti (DIN 06933453) who was appointed as an Additional Director of the Company with effect from 11<sup>th</sup> August, 2016 pursuant to Section 161 of the Companies Act 2013, and who has submitted a declaration that he is eligible for appointment and he meets the criteria of independence as provided under Section 149(6) of the Act for a period of 3 consecutive years i.e. upto 10<sup>th</sup> August, 2019 and that he shall not be subject to retirement by rotation.”

**9. Appointment of Mr. Ritesh Joshi (DIN 07545241) as an Independent Director of the Company**

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 Sections 149, 152 and 161 read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, Mr. Ritesh Joshi (DIN 07545241) who was appointed as an Additional Director of the Company with effect from 11<sup>th</sup> August, 2016 pursuant to Section 161 of the Companies Act 2013, and who has submitted a declaration that he is eligible for appointment and he meets the criteria of independence as provided under Section 149(6) of the Act for a period of 3 consecutive years i.e. upto 10<sup>th</sup> August, 2019 and that he shall not be subject to retirement by rotation.”

**10. Ratification of Remuneration to Cost Auditor**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) exclusive of service tax, travelling and out-of-pocket expenses for the financial year ending 31<sup>st</sup> March, 2017 as approved by the Board of Directors of the Company, payable to Mr. Jayant Galande, Cost Accountant, to conduct the audit of the cost records of the Company be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors  
For **Birla Precision Technologies Limited**

Place: Mumbai  
Date: 12<sup>th</sup> August, 2016

**Rupa Khanna**  
Company Secretary

## NOTES:

1. The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business set out in the Notice is annexed hereto and forms part of the Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE A VALID MUST BE DULY FILLED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. A person shall not act as a Proxy for more than 50 Members and holding in the aggregate not more than 10 percent of the total voting share capital of the Company. However, a single person can act as Proxy for a Member holding more than 10 percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
4. Members / Proxies are requested to bring their attendance slips duly filled in along with their copies of the Annual Report to the Meeting for attending the Meeting.
5. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23<sup>rd</sup> September, 2016 to Thursday, 29<sup>th</sup> September, 2016 (both days inclusive) for the purpose of Annual General Meeting.
7. Pursuant to the provisions of the Companies Act, 1956 dividend declared at the Annual General Meeting of the Company held on 30<sup>th</sup> September, 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.
8. Pursuant to the provisions of Section 205A (5) and 205C of the Companies Act, 1956, the details of the Dividend paid by the Company and to be transferred 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 financial year	Due Date of Transfer
30 <sup>th</sup> September, 2009	2008-09	04.11.2016

Members are requested to claim their dividend before they become due for transfer to IEPF. A statement of unclaimed dividend declared at the last AGM held on 30<sup>th</sup> September, 2015 is available on the Company's website [www.birlaprecision.in](http://www.birlaprecision.in).

9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Members holding shares in electronic mode are requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned below quoting their folio number(s).  
M/s. Karvy Computershare Private Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serlingampally, Hyderabad – 500 032.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to M/s. Karvy Computershare Private Limited.
11. Pursuant to the provision of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, details in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/reappointment.



12. Electronic copy of the Notice and Annual Report for 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for the financial year for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2015-16 is being sent in the permitted mode.
13. The Annual Report 2015-16 of the Company circulated to the Members of the Company, will be available on the website of the Company at [www.birlaprecision.in](http://www.birlaprecision.in).
14. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days, except Friday between 11.00 a.m. to 05.00 p.m. up to and including the date of Annual General Meeting of the Company.
15. Members desiring to make a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may send the same to the office of the Registrar and Transfer Agent of the Company.
16. 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 at least 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.
17. 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.
18. 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 which will be in compliance with Section 20 of the Companies Act, 2013 and the rules framed thereunder. 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.
19. A route map, showing directions to reach the AGM venue is annexed hereto.
20. Voting through electronic means.
  - 1) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rule, 2014 as substituted vide Companies (Management & Administration) Rule, 2015, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirement) Regulation 2015, the Company is pleased to provide its members voting by electronic means (remote e-voting i.e. voting electronically from a place other than the venue of the general meeting) to cast their votes electronically in respect of businesses to be transacted at the 29<sup>th</sup> Annual General Meeting. The Company has engaged the services of M/s. Karvy Computershare Pvt. Ltd. ("Karvy") as agency to provide the E-voting facility to the member of the Company.
  - 2) The facility for voting through polling paper shall be made available at the annual general meeting (AGM) venue. Only those members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting through polling paper.
  - 3) The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again.

**The instructions for e-voting are as under:**

**A. In case a Member receives an email from Karvy [for members whose email IDs are registered with the Company/ Depository Participants (s)]:**

- i. Launch internet browser by typing the URL: <http://evoting.karvy.com>.
- ii. Enter the login credentials (i.e. User ID and password mentioned below). Your Folio No. / DP ID- Client Id will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.



- iii. After entering these details appropriately, click on “LOGIN”.
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the “**EVENT**” i.e., **Birla Precision Technologies Limited**.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut off Date under “**FOR/AGAINST**” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either “**FOR**” or “**AGAINST**” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- viii. Shareholders holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
- xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution(s).
- xii. Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned copy of Board Resolution in PDF Format to the scrutinizer by email at [cssmithasingh@gmail.com](mailto:cssmithasingh@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com).

**B. In case a Member receives physical copy of the AGM Notice [for members whose email IDs are not registered with the Company/ Depository Participants (s)].**

- i. User Id and initial password as provided in the e-voting form.
- ii. Please follow all steps from Sr. No. (i ) to (xii) as mentioned in (A) above, to cast vote.

**C. Other Instructions:**

- i. In case a person has become the Member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. 22<sup>nd</sup> September, 2016, they may write to the Karvy on the email Id [evoting@karvy.com](mailto:evoting@karvy.com) (or) contact Mr. U S Singh on 040-67162222, at Karvy Computershare Private Limited, Unit – Birla Precision Technologies Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast the vote.
- ii. The e-voting period commences on 25<sup>th</sup> September, 2016 (9.00 AM IST) Sunday and ends on 28<sup>th</sup> September, 2016 (5.00PM IST) Wednesday. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2016, may cast their vote electronically. The e-voting module shall be disabled by “Karvy” for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- iii. The Board of Directors has appointed Mrs. Smitha Singh, Practicing Company Secretary (Membership No. ACS 14288 as a Scrutinizer to scrutinize the process of remote e-voting and voting at the venue of the meeting in fair and transparent manner.

- iv. The voting rights of the members/beneficial owner shall be in proportion to the paid up value of their shares in the equity capital of the Company as on the cut-off date i.e. 22<sup>nd</sup> September, 2016.
- v. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 22<sup>nd</sup> September, 2016, only shall be entitled to avail the facility of remote e-voting/ voting at 29<sup>th</sup> AGM.
- vi. The Scrutinizer shall, immediately after the conclusion of the voting at the general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in presence of atleast two witnesses not in the employment of the Company and make, not later than 01<sup>st</sup> October, 2016 a consolidated Scrutinizers report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Chairman, or any other person authorised by the chairman, shall declare the result of the voting forthwith.
- vii. The Results shall be declared on or after the AGM of the Company and the resolution will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- viii. The results declared along with the Scrutinizer's report shall be placed on the Company's Website: [www.birlaprecision.in](http://www.birlaprecision.in) and on the website of the service provider (<http://evoting.karvy.com>) immediately after the result is declared and shall simultaneously also be communicated to BSE Limited.

By Order of the Board of Directors  
For **Birla Precision Technologies Limited**

Place: Mumbai  
Date: 12<sup>th</sup> August, 2016

**Rupa Khanna**  
Company Secretary

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM NO. 4 & 5.

Mr. Vedant Birla (DIN 03327691) was appointed as an Additional Director of the company at the Board Meeting held on 18<sup>th</sup> May, 2016 by the Board of Directors. In terms of Section 161 of the Companies Act, 2013, he holds office upto the date of the Twenty Ninth Annual General Meeting. Based on the recommendation of the Nomination and Remuneration Committee, the Companies (Appointment and Remuneration of Managerial Personnel), Rule 2014, and Articles of Association of the Company, and subject to the approval of the members of the Company, the Board also appointed Mr. Vedant Birla as a Managing Director of the Company and designated him as Chairman & Managing Director and a Key Managerial Personnel for a period of three years with effect from 18<sup>th</sup> May, 2016, subject to the approval of the members of the Company. He shall not be liable to retire by rotation.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013, from a Member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. Vedant Birla, as a Director of the Company.

The remuneration proposed to be paid to Mr. Vedant Birla is given below:

#### **SALARY/ ALLOWANCE/PERQUISITES/BENEFITS**

1. He shall be entitled to a salary ₹ 2.50 Lacs per month.
2. Special Allowances of ₹ 1.00 Lacs per month.
3. Perquisites, benefits and allowance includes House Rent Allowance, Furnishing Allowance, House Maintenance, etc. and any other perquisites, benefits & allowances. Allowances and perquisites shall be valued as per the Income Tax Rules, wherever applicable and in the absence of any such Rules, the perquisites shall be evaluated at actual costs to the Company.
4. He shall be entitled for the incentive based on the performance under Key Result Area (KRA) evaluation.
5. He shall also be entitled to Company's contribution to Provident Fund, Pension Fund, Gratuity, Encashment of Leave as and when applicable as Chairman & Managing Director.

The aforesaid remuneration of Mr. Vedant Birla falls within the maximum ceiling limits specified under Section 197 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder read with Schedule V to the Companies Act, 2013.

Brief resume of Mr. Vedant Birla, nature of his expertise in specific functional areas, name of the companies in which he holds Directorships and Membership / Chairmanship of Board Committees, etc., are separately annexed hereto. He doesn't hold any equity shares in the Company.

The Board consider the knowledge, experience and expertise of Mr. Vedant Birla in the field of finance and management and immense contribution to the overall progress of the company. The Board is of the opinion that the Company should continue to avail the service of Mr. Vedant Birla to achieve better performance in future.

Accordingly the Board recommends Resolution Nos. 4 and 5 for approval by the Members.

Except Mrs. Avanti Birla and Mr. Vedant Birla and their relative, none of the Director or Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the Resolution Nos. 4 and 5.

#### **ITEM NO. 6.**

Pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Om Prakash Jain (DIN 02553210) was appointed as Additional Director by the Board of Director of the Company with effect from 18<sup>th</sup> May, 2016. In terms of Section 161(1) of the Companies Act, 2013 he holds office upto the date of Twenty Ninth Annual General Meeting of the Company.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013, from a Member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. Om Prakash Jain, as a Director of the Company.

Brief resume of Mr. Om Prakash Jain, nature of his expertise in specific functional areas, name of the companies in which he holds Directorships and Membership / Chairmanship of Board Committees, etc., are separately annexed hereto. He doesn't hold any equity shares in the Company.

Except Mr. Om Prakash Jain, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

#### **ITEM NO. 7.**

In terms of Section 149, 152, 161 and Schedule IV of the Companies Act, 2013 (the Act) read with Companies (Appointment and Qualification of Directors) Rules, 2014 read with Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Mr. Jainarayan Bajaj (DIN 03167975) was appointed as an Additional Director - Independent on the Board of Company on 01<sup>st</sup> October, 2015, based on the recommendation of the Nomination and Remuneration Committee. He shall hold office upto the date of the Twenty Ninth Annual General Meeting.

The Board of Directors proposes to appoint Mr. Jainarayan Bajaj as an Independent Director whose term shall not be subject to retirement by rotation, to hold office for 3 (three) consecutive years i.e. upto 30<sup>th</sup> September, 2018.

The Company has received declaration from Mr. Jainarayan Bajaj that he meets the criteria of independence. A notice has been received from a member proposing his candidature for the office of Director of the Company along with a requisite deposit of ₹ 1,00,000/-.

Except Mr. Jainarayan Bajaj, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

#### **ITEM NO. 8**

In terms of Section 149, 152, 161 and Schedule IV of the Companies Act, 2013 (the Act) read with Companies (Appointment and Qualification of Directors) Rules, 2014 read with Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Mr. Satyanarayan Baheti (DIN 06933453) was appointed as an Additional Director - Independent on the Board of Company on 11<sup>th</sup> August, 2016, based on the recommendation of the Nomination and Remuneration Committee. He shall hold office upto the date of the Twenty Ninth Annual General Meeting.

The Board of Directors proposes to appoint Mr. Satyanarayan Baheti as an Independent Director whose term shall not be subject to retirement by rotation, to hold office for 3 (three) consecutive years i.e. upto 10<sup>th</sup> August, 2019.

The Company has received declaration from Mr. Satyanarayan Baheti that he meets the criteria of independence. A notice has been received from a member proposing his candidature for the office of Director of the Company along with a requisite deposit of ₹ 1,00,000/-.

Except Mr. Satyanarayan Baheti, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the Members.

**ITEM NO. 9**

In terms of Section 149, 152, 161 and Schedule IV of the Companies Act, 2013 (the Act) read with Companies (Appointment and Qualification of Directors) Rules, 2014 read with Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Mr. Ritesh Joshi (DIN 07545241) was appointed as an Additional Director - Independent on the Board of Company on 11<sup>th</sup> August, 2016, based on the recommendation of the Nomination and Remuneration Committee. He shall hold office upto the date of the Twenty Ninth Annual General Meeting.

The Board of Directors proposes to appoint Mr. Ritesh Joshi as an Independent Director whose term shall not be subject to retirement by rotation, to hold office for 3 (three) consecutive years i.e. upto 10<sup>th</sup> August, 2019.

The Company has received declaration from Mr. Ritesh Joshi that he meets the criteria of independence. A notice has been received from a member proposing his candidature for the office of Director of the Company along with a requisite deposit of ₹ 1,00,000/-.

Except Mr. Ritesh Joshi, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 9.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the Members.

**ITEM NO. 10**

In accordance with the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013(Act) and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the Cost records of Company.

On recommendation of the Audit Committee held on 27<sup>th</sup> May, 2016, the Board has approved the appointment and remuneration of Mr. Jayant Galande, Cost Accountant as Cost Auditor of the Company for the financial year ended 31<sup>st</sup> March, 2017 at a remuneration of ₹ 1,50,000/- (Rupees One lakh Fifty Thousand Only) exclusive of Service Tax, travelling and out-of-pocket expenses for conducting the audit of the cost records of the Company. The remuneration of the Cost Auditor is required to be ratified subsequently in accordance to the provisions of the Act and the Rules by the Shareholders.

Accordingly, Directors of the Company recommend the Ordinary Resolution as set out at Item No. 10 of the Notice to the members for their approval.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.10 of the Notice.

By Order of the Board of Directors  
**For Birla Precision Technologies Limited**

**Rupa Khanna**  
Company Secretary

Place: Mumbai

Date: 12<sup>th</sup> August, 2016

CIN: **L29220MH1986PLC041214**

Website: **www.birlaprecision.in**

Email Id: **info@birlaprecision.com**

**Registered Office:**

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

Aurangabad – 431 133

Ph. No.(0240) 2554300

**Details of Directors Seeking Appointment/Re-appointment at the 29<sup>th</sup> Annual General Meeting of the Company.  
(In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015)**

Name of Director	Mrs. Avanti Birla	Mr. Vedant Birla	Mr. Jainarayan Bajaj
DIN	00167903	03327691	03167975
Date of Birth	2 <sup>nd</sup> January, 1967	25 <sup>th</sup> December, 1991	21 <sup>st</sup> May, 1949
Date of Appointment	30 <sup>th</sup> May, 2012	18 <sup>th</sup> May, 2016	01 <sup>st</sup> October, 2015
Qualification	MA from Jai Hind College	- Bachelors in Accounts and Finance, Mumbai. - Masters degree from Regent Business School, London.	- B.E. (Mech.) from Govt. College Of Engineering. - Chartered Engineer from Indian Institute Of Engineers.
List of other Indian Public Limited Companies in which Directorship held	Nil	Lakshmi Properties Limited.	None
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committees and Shareholders/ Investors' Grievance Committee)	Nil	Nil	Nil
Number of shares held in the company	44	0	0
Relationship between directors inter-se	Mother of Mr. Vedant Birla	Son of Mrs. Avanti Birla	None

Name of Director	Mr. Om Prakash Jain	Mr. Ritesh Joshi	Mr. Satyanarayan Baheti
DIN	02553210	07545241	06933453
Date of Birth	10 <sup>th</sup> February, 1960	22 <sup>nd</sup> April, 1989	05 <sup>th</sup> April, 1953
Date of Appointment	18 <sup>th</sup> May, 2016	11 <sup>th</sup> August, 2016	11 <sup>th</sup> August, 2016
Qualification	- Post Graduate Diploma in Management from Indian Institute of Management & Technology. -Bachelor of Textile Technology from CMJ University. -Diploma in Mechanical Engineering from, Board of Technical Education.	B.Com.	B.Com.
List of other Indian Public Limited Companies in which Directorship held	1. Shrinika Infra Limited. 2. Birla Shloka Knowledge School Limited.	1. Birla Cotsyn (India) Limited.	1. Birla Cotsyn (India) Limited. 2. Birla Edutech Limited.
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committees and Shareholders/ Investors' Grievance Committee)	Nil	3	3
Number of shares held in the company	0	0	0
Relationship between directors inter-se	None	None	None

## DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the Twenty Ninth Annual Report on the business and operations of the Company together with the Audited Statements of Accounts for the financial year ended 31<sup>st</sup> March, 2016.

### 1. FINANCIAL PERFORMANCE

(₹ in Lakhs)

Particulars	2015-16	2014-15
Total turnover including other income	15376.84	15886.54
Profit before Interest, Depreciation and Tax	748.25	1405.94
Less: Deprecation	588.99	661.12
Less: Interest & Financial Charges	486.09	742.63
Profit / (Loss) Before tax	(326.83)	2.19
Less: Provision for taxation	(219.11)	61.48
Profit/(Loss) for the year	(107.72)	(59.29)

### 2. PERFORMANCE REVIEW

The turnover including other income of the Company for the financial year 2015-16 stood at ₹ 15376.84 Lakhs as against last year's ₹ 15886.54 Lakhs. The Profit/(Loss) before tax is ₹(326.83) Lakhs as against ₹2.19 Lakhs of last year. Profit/(Loss) for the year stood ₹ (107.72) Lakhs as against ₹ (59.29) Lakhs of last year. There was no change in nature of the business of the Company, during the year under review.

### 3. DIVIDEND

Your Directors have not recommended dividend for the financial year ended 31<sup>st</sup> March, 2016.

### 4. SHARE CAPITAL

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2016 stood at 52651756 no. of shares. During the year under review, the Company has not issued any shares or convertible instruments.

### 5. SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

Your Company does not have any Subsidiary, Associate & Joint Venture Company.

### 6. CORPORATE GOVERNANCE

The disclosures as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed with and forms part of this annual report.

### 7. MANAGEMENT DISCUSSION AND ANALYSIS

As required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Management Discussion and Analysis forms part of the Annual Report

### 8. DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Avanti Birla (DIN 00167903) retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment. Accordingly, her re-appointment forms part of the notice of the ensuing Annual General Meeting.

Mr. Shamraj Gilbale (DIN 07355813) who was appointed as an Additional Director of the Company w.e.f. 04<sup>th</sup> December, 2015 as a Whole Time Director of the Company for a period of three years w.e.f. 04<sup>th</sup> December, 2015 subject to the approval of the Shareholders at the ensuing Annual General Meeting, has since resigned from Directorship w.e.f. 28<sup>th</sup> June, 2016. The Board places on record their sincere appreciation for the services rendered by him.

Mr. Vedant Birla (DIN 03327691) is appointed as an Additional Director of the Company w.e.f. 18<sup>th</sup> May, 2016 to hold office upto the date of the forthcoming Annual General Meeting and as Chairman & Managing Director of the Company for a period of three years w.e.f. 18<sup>th</sup> May, 2016 subject to the approval of the Shareholders at the ensuing Annual General Meeting.

Mr. Jainarayan Bajaj (DIN 03167975), is appointed as an Additional Independent Director on the Board of the Company w.e.f. 01<sup>st</sup> October, 2015 to hold office upto the date of the ensuing Annual General Meeting. Mr. Satyanarayan Baheti (DIN 06933453) and Mr. Ritesh Joshi (DIN 07545241), are appointed as Additional Independent Directors on the Board of the Company w.e.f. 11<sup>th</sup> August, 2016 to hold office upto the date of the ensuing Annual General Meeting. Mr. Jainarayan Bajaj, Mr. Satyanarayan Baheti and Mr. Ritesh Joshi is proposed to be appointed as Independent Director of the Company for a period of three years. The Company has received declaration from the said Director confirming that they meet the criteria of Independence as prescribed under Section 149(6) the Companies Act, 2013.

Mr. Om Prakash Jain (DIN 02553210) is appointed as an Additional Director w.e.f. 18<sup>th</sup> May, 2016 to hold office upto the date of the ensuing Annual General Meeting categorized as Non Executive Director. Mr. Om Prakash Jain shall be liable to retire by rotation.

The resolution seeking approval of the Members of Mr. Jainarayan Bajaj, Mr. Vedant Birla, Mr. Om Prakash Jain, Mr. Satyanarayan Baheti and Mr. Ritesh Joshi for their respective appointment as Directors have been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with brief details about them. The Company has received a notice under Section 160 of the Act along with requisite deposit proposing their appointment.

Mr. Kasturirangan Narayanan (DIN 07246744), and Mr. Shiv Charan Agarwal (DIN 00956339) Independent Directors of the Company have resigned from the Board w.e.f. 14<sup>th</sup> August, 2015 and 01<sup>st</sup> October, 2015 respectively. The Board places on record their sincere appreciation for the services rendered by them.

## **9. KEY MANAGERIAL PERSONNEL (APPOINTMENT & RESIGNATION)**

In accordance with provisions of section 203 of the Companies Act, 2013 and the rules made there under the Company has appointed Mr. Shamraj Gilbile as Whole Time Director w.e.f. 4<sup>th</sup> December, 2015 and Mr. Vedant Birla as Managing Director w.e.f. 18<sup>th</sup> May, 2016 as Key Managerial Personnel. Mr. Shamraj Gilbile resigned as Key Managerial Perssnnel w.e.f. 28<sup>th</sup> June, 2016.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

As required by Section 134(3)(c) of the Companies Act, 2013, your Board of Directors hereby state:

- (a) that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied them consistently and judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and the Statement of Profit & loss of the Company for the year ended on that date;
- (c) that the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts have been prepared on a going concern basis and;
- (e) that directors has laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **11. PLEDGE OF SHARES**

None of the equity shares of the Directors of the Company are pledged with any banks or financial institutions.



## **12. PUBLIC DEPOSITS**

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

## **13. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:**

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

## **14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

In accordance with the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, required information relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the **"Annexure A"** to the Directors' Report.

## **15. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Your Company has developed a CSR Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013. The CSR Policy has been uploaded on the website of the Company at [www.birlaprecision.in](http://www.birlaprecision.in).

The Annual Report on CSR activities is annexed herewith as **"Annexure B"**.

## **16. EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March 2016 made under the provisions of Section 92(3) of the Act in form MGT 9 is annexed herewith as **"Annexure C"**.

## **17. AUDITORS**

### **17.1. Statutory Auditors**

Pursuant to the provisions of Section 139 of the Act and rules framed thereunder, M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company from the conclusion of the twenty eight annual general meeting (AGM) of the Company held on 30<sup>th</sup> September, 2015 till the conclusion of AGM to be held in the year 2020, subject to ratification of their appointment at every AGM. They have confirmed their eligibility and submitted the Certificate in writing that their appointment, if ratified, would be within the prescribed limit under the Act and they are not disqualified for appointment.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

A Resolution seeking member's approval for ratification of appointment of Statutory Auditor forms part of the Notice convening the Annual General Meeting.

### **17.2. Cost Auditors**

Pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, on recommendations of Audit Committee, your Directors had appointed Mr. Jayant Galande Cost Auditor to audit the cost accounts of the Company for the financial year ending 31<sup>st</sup> March, 2017 on a remuneration of ₹ 1,50,000/- p.a (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses etc.,. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification.

### **17.3. Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Smitha Singh, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Audit Report is annexed

herewith as '**Annexure-D**'. It does not contain any qualification, reservation or adverse remark except not spending of amount towards Corporate Social Responsibility (CSR) by the Company.

The Company has been working on identifying the projects for carrying out CSR activities; this has been taken more time than estimated looking at the total spending requirements.

## **18. RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the year under review were in the ordinary course of business and on arm's length basis. The Company has not entered into any contract/arrangement/transaction with related parties which could be considered material in nature. All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. Necessary disclosures required under the Accounting Standards (AS-18) have been made in the notes to financial statement. The Company has developed a Related Party Transactions Policy which has been uploaded on the website of the Company and web-link thereto has been provided in the Corporate Governance report.

## **19. RISK MANAGEMENT**

The Company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board has formulated Risk management policy to ensure that the Board, its Audit Committee and its executive management should collectively identify the risks impacting the Company's business and document their process of risk identification, risk minimization, risk optimization as a part of a risk management policy/ strategy. At present there is no identifiable risk which, in the opinion, of the Board may threaten the existence of the Company.

## **20. ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has adequate Internal Control System commensurate with its size and nature of business. Internal Audit is periodically conducted by an external firm of Chartered Accountants who monitors and evaluates the efficiency and adequacy of internal control system in the Company, its compliance all locations of the Company. Based on the report of internal audit function, concern person/department undertakes corrective actions and thereby strengthens the controls. During the year under review, no material or serious observation has been observed.

## **21. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In terms of Section 177 of the Companies Act, 2013, Rules framed thereunder and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has put in place a system through which the Directors and employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The employees and directors may report to the Compliance officer and have direct access to the Chairman of the Audit Committee. The Whistle-blower Policy is placed on the website of the Company [www.birlaprecision.com](http://www.birlaprecision.com).

## **22. BOARD MEETINGS**

During the financial year, Seven (7) Meeting of Board Director were held on 29<sup>th</sup> May, 2015, 22<sup>nd</sup> July, 2015, 27<sup>th</sup> July, 2015, 12<sup>th</sup> August, 2015, 04<sup>th</sup> November, 2015, 04<sup>th</sup> December, 2015 and 05<sup>th</sup> February, 2016 respectively.

## **23. AUDIT COMMITTEE**

The Board has well-qualified Audit Committee with majority of Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. As on 31<sup>st</sup> March, 2016, it comprises of Mr. Jainarayan Bajaj as a Chairman, Mr. Mohandas Shenoy Adige & Ms. Avanti Birla as member of this Committee. The Company Secretary of the Company acts as Secretary of the Committee.

(Mr. Jainarayan Bajaj was inducted as member of the committee on 01<sup>st</sup> October, 2015. Mr. Shiv Charan Agarwal was inducted as member of the committee 19<sup>th</sup> May, 2015 and resigned w.e.f. 01<sup>st</sup> October, 2015 and Mr. K. Narayanan was inducted as a member on 27<sup>th</sup> July, 2015 and resigned w.e.f. 14<sup>th</sup> August, 2015).

## **24. NOMINATION & REMUNERATION COMMITTEE & POLICY**

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating

to remuneration for Directors, Key Managerial Personnel and other employees. The detail of the same has been disclosed in the corporate governance report.

## **25. BOARD EVALUATION**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules framed thereunder and provisions of Schedule IV to the Act as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation programme for the Board of Director, Committees of the Board and Individual Directors for the financial year 2015-16.

## **26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

The company, has not received any significant & material order passed by the regulators or Court.

## **27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, the Company has not given any loans and guarantees and has not made any investments. Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **28. PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office/ Corporate Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

## **29. LISTING OF SHARES**

Your Company's shares are listed on BSE under Scrip Code 522105. The ISIN code of the Company is INE372E01025.

## **30. ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

## **31. ENHANCING SHAREHOLDERS VALUE**

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

## **32. ACKNOWLEDGEMENTS**

Your Directors gratefully acknowledge the support given by the Customers, Dealers, Distributors, Suppliers, Bankers, various departments of the Central and State Governments, Local Authorities and also the Shareholders of the Company.

Your Directors would further like to record their appreciation for the unstinted effort put by all Employees of the Company during the year.

For and on behalf of the Board of Directors

Place: Mumbai  
Date: 12<sup>th</sup> August, 2016

**Vedant Birla**  
**Chairman & Managing Director**

## Annexure to the Director's Report

### ANNEXURE – A

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo Pursuant to Provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.**

#### 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 )
- b) Recurring ) Not Quantified.
- 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 and Asia Pacific countries.

##### 2. Total foreign exchange used and earned:

	2015-16 (₹ in Lakhs)	2014-15 (₹ in Lakhs)
<b>Total Foreign Exchange Used</b>	<b>376.87</b>	<b>64.94</b>
<b>Total Foreign Exchange Earned</b>	<b>1481.80</b>	<b>1979.76</b>

**ANNEXURE – B**

**Report on Corporate Social Responsibility (CSR) Activities**

- I. A brief outline of the Company's CSR Policy, including overview or projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

**Web link to the CSR Policy:**

<http://www.birlaprecision.in/PDF/Corporate%20Social%20Responsibility.pdf>

**Birla Precision Technologies Limited** believes to be a world class organization and a Global supplier of a wide range of precision CNC toolings and high precision machined components with unwavering focus on our customers and our young team. The Company believes in the trusteeship concept. This entails transcending business interests and grappling with the “**quality of life**” challenges that underserved communities face, and working towards making a meaningful difference to them.

In this regard, the Company has made this policy which encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large and is titled as the “CSR Policy” which is based as per The Companies (Corporate Social Responsibility Policy) Rules, 2014 initiated by the Central Government under the relevant provisions of Section 135 of the Companies Act, 2013 and Schedule VII of the said Act.

**Activities under CSR:**

The Company may adopt one or more of the following initiatives and activities under this CSR Policy:

- Eradicating hunger, poverty and mal-nutrition, promoting preventive health care and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- Protection of natural heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefit of arm forces veterans, war windows and their dependents;
- Training to promote rural sport, nationally recognized sports, Paralympic sport and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for social economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects.

2. Composition of the CSR Committee:

During the year, the Committee met on 12<sup>th</sup> August, 2015 and 04<sup>th</sup> November, 2015. The composition of the Committee and the attendance of the Directors are given below:

Name of the Director	Category	Attendance
Mr. Mohandas Shenoy Adige	Chairman	2
Mrs. Avanti Birla	Member	1
*Mr. Shiv Charan Agarwal	Member	1
**Mr. K. Narayanan	Member	1
***Mr. Jainarayan Bajaj	Member	1

\*Mr. Shiv Charan Agarwal inducted as member w.e.f. 29<sup>th</sup> May, 2015 and ceased to be member w.e.f. 01<sup>st</sup> October, 2015.

\*\*Mr. K. Narayanan inducted as member w.e.f. 27<sup>th</sup> July, 2015 and ceased to be member w.e.f. 14<sup>th</sup> August, 2015.

\*\*\*Mr. Jainarayan Bajaj inducted as member of the Committee w.e.f. 01<sup>st</sup> October, 2015.

3. Average net profit of the Company for last 3 financial years: ₹ 415.46 Lacs.

4. Prescribed CSR expenditure (2% for last 3 financial years): ₹ 8.31 Lacs.

5. Details of CSR spent:

- Total amount to be spent for the financial year 2014-15: ₹ 16.74 Lacs.
- Total amount to be spent for the financial year 2015-16: ₹ 8.31 Lacs.
- Total amount unspent, if any: ₹ 25.05 Lacs.
- Manner in which the amount spent during the financial year: Not spent

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report:

The company was unable to spend the CSR amount as it was difficult to understand the exact nature of project, location of suitable site, finalization of project etc. However, the Company is in process of identifying the areas for implementation of CSR. The Company would ensure in future that all the provision is complied to the fullest extent.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Place : Mumbai

Date: 12<sup>th</sup> August, 2016

**Jainarayan Bajaj**  
Chairman-CSR Committee

**ANNEXURE-C**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013, and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i	CIN	L29220MH1986PLC 041214
ii	Registration Date	13.10.1986
iii	Name of the Company	Birla Precision Technologies Limited
iv	Category / Sub-Category of the Company	Company Limited by Shares
v	Address of the Registered Office and contact details	B-15/4, M.I.D.C, Industrial Area, Waluj, Aurangabad – 431 133 (M.S.) Tel. No.: (0240) 2554300, Fax No.: (0240) 2554302 Visit us at: <a href="http://www.birlaprecision.in">www.birlaprecision.in</a> Email id: <a href="mailto:info@birlaprecision.com">info@birlaprecision.com</a>
vi	Whether listed Company	Listed
vii	Name, address and contact details of Registrar and Transfer Agent, if any	M/s. Karvy Computershares Private Limited Karvy Selenium Tower B, Plot No. 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana - 500 032

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Cutting Tools	282282228221	59.05
2	Castings	243243124311	26.91

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares held	Applicable Section
	NA	NA	NA	NA	NA



#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	357562	22445	380007	0.72	315986	22401	338387	0.64	-0.08
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	22126982	4607663	26734645	50.78	26814315	0	26814315	50.93	0.15
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(1):-</b>	<b>22484544</b>	<b>4630108</b>	<b>27114652</b>	<b>51.50</b>	<b>27130301</b>	<b>22401</b>	<b>27152702</b>	<b>51.57</b>	<b>0.07</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>22484544</b>	<b>4630108</b>	<b>27114652</b>	<b>51.50</b>	<b>27130301</b>	<b>22401</b>	<b>27152702</b>	<b>51.57</b>	<b>0.07</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	191	1031	1222	0.00	191	26	217	0.00	0.00
b) Banks / FI	48568	8173	56741	0.11	48472	9178	57650	0.11	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>48759</b>	<b>9204</b>	<b>57963</b>	<b>0.11</b>	<b>48663</b>	<b>9204</b>	<b>57867</b>	<b>0.11</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	7442761	412591	7855352	14.92	6139001	412591	6551592	12.44	-2.48
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 Lakhs	9515616	955515	10471131	19.89	10775171	902281	11677452	22.18	2.29

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakhs	6780533	52500	6833033	12.98	6962754	0	6962754	13.22	0.25
NBFC registered with RBI	0	0	0	0.00	9902	0	9902	0.02	0.02
c) Others									
i) Foreign Bodies	0	0	0	0.00	0	0	0	0.00	0.00
ii) NRI / OCBs	185753	123436	309189	0.59	110968	123436	234404	0.45	-0.14
iii) Clearing Members/Clearing House	9549	0	9549	0.02	4196	0	4196	0.01	-0.01
iv) Trusts	887	0	887	0.00	887	0	887	0.00	0.00
<b>Sub-total (B)(2):-</b>	<b>23935099</b>	<b>1544042</b>	<b>25479141</b>	<b>48.39</b>	<b>24002879</b>	<b>1438308</b>	<b>25441187</b>	<b>48.32</b>	<b>-0.07</b>
<b>Total Public Shareholding (B)=(B)(I)+(B)(2)</b>	<b>23983858</b>	<b>1553246</b>	<b>25537104</b>	<b>48.50</b>	<b>24051542</b>	<b>1447512</b>	<b>25499054</b>	<b>48.43</b>	<b>-0.07</b>
<b>C. Shares held by Custodian for GDRS &amp; ADRS</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>GRAND TOTAL (A+B+C)</b>	<b>46468402</b>	<b>6183354</b>	<b>52651756</b>	<b>100.00</b>	<b>51181843</b>	<b>1469913</b>	<b>52651756</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr No	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shearson Investment & Trading Co. Private Limited	10269289	19.50	100.00	10269289	19.50	100.00	0.00
2	Vedant Consultancy Private Limited	4607663	8.75	0.00	4607663	8.75	0.00	0.00
3	Nirved Traders Private Limited	8868329	16.84	72.94	8868329	16.84	100.00	0.00
4	Godavari Corporation Private Limited	2076200	3.94	0.00	0.00	0.00	0.00	-3.94
5	Khopoli Investments Limited	500000	0.95	0.00	500000	0.95	0.00	0.00
6	Yashovardhan Birla	315542	0.60	0.00	315542	0.60	0.00	0.00
7	Birla Bombay Private Limited	314105	0.60	0.00	2390305	4.54	0.00	3.94
8	Asian Distributors Private Limited	98828	0.19	0.00	136878	0.26	0.00	0.07
9	Yash Society	25056	0.05	0.00	25056	0.05	0.00	0.00
10	Yashovardhan Birla	21875	0.04	0.00	21875	0.04	0.00	0.00
11	Matri Seva Sadan Charity Trust	10617	0.02	0.00	10617	0.02	0.00	0.00
12	Birla Industries Group Charity Trust	5475	0.01	0.00	5475	0.01	0.00	0.00
13	Birla Industries Group Charity Trust	472	0.00	0.00	472	0.00	0.00	0.00
14	G. L.Lath	438	0.00	0.00	438	0.00	0.00	0.00
15	G L Lath	400	0.00	0.00	400	0.00	0.00	0.00
16	Birla Shloka Edutech Limited	231	0.00	0.00	231	0.00	0.00	0.00

Sr No	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
17	Girdharilal Lath	44	0.00	0.00	44	0.00	0.00	0.00
18	Yashovardhan Birla	44	0.00	0.00	44	0.00	0.00	0.00
19	Avanti Birla	44	0.00	0.00	44	0.00	0.00	0.00
	<b>Total</b>	<b>27114652</b>	<b>51.50</b>	<b>61.73</b>	<b>27152702</b>	<b>51.57</b>	<b>70.48</b>	<b>0.07</b>

### (iii) Change in Promoters' Shareholding

Sr. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	<b>*GODAVARI CORPORATION PRIVATE LIMITED</b>				
	At the beginning of the year	2076200	3.94	2076200	3.94
	25/03/2016 (Market Sell)	2076200	3.94	0	0.00
	31/03/2016 (At the end of the year)			0	0.00
2	<b>BIRLA BOMBAY PRIVATE LIMITED</b>				
	At the beginning of the year	314105	0.60	314105	0.60
	25/03/2016 (Market Purchase)	2076200	3.94	2390305	4.54
	31/03/2016 (At the end of the year)		0.00	2390305	4.54
3	<b>ASIAN DISTRIBUTORS PRIVATE LIMITED</b>				
	At the beginning of the year	98828	0.19	98828	0.19
	18/12/2015 (Market Purchase)	38050	0.07	136878	0.26
	31/03/2016 (At the end of the year)			136878	0.26

\* M/s. Godavari Corporation Private Limited has transferred shares to M/s. Birla Bombay Private Limited.

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	<b>ENDOGRAM LEASING AND TRADING CO. PVT. LTD.</b>				
	At the beginning of the year	1307949	2.48	1307949	2.48
	31/03/2016 (At the end of the year)			1307949	2.48
2	<b>PATTON INTERNATIONAL LIMITED</b>				
	At the beginning of the year	1086680	2.06	1086680	2.06
	31/03/2016 (At the end of the year)			1086680	2.06
3	<b>SUNIL TALWAR</b>				
	At the beginning of the year	881545	1.67	881545	1.67
	31/03/2016 (At the end of the year)			881545	1.67
4	<b>INDO INVEST VISION LIMITED</b>				
	At the beginning of the year	775658	1.47	775658	1.47
	11/09/2015 (Market Sell)	775658	1.47	0	0.00

Sr. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
	31/03/2016 (At the end of the year)			0	0.00
<b>5</b>	<b>GAYATRIDEVI R TODI*</b>				
	At the beginning of the year	182798	0.35	182798	0.35
	31/03/2016 (At the end of the year)			182798	0.35
	<b>GAYATRIDEVI R TODI</b>				
	At the beginning of the year	504531	0.96	504531	0.96
	01/05/2015 (Market Purchase)	2940	0.01	507471	0.96
	31/03/2016 (At the end of the year)		0.00	507471	0.96
	<b>GAYATRIDEVI R TODI</b>				
	At the beginning of the year	152	0.00	152	0.00
	03/04/2015 (Market Purchase)	50	0.00	202	0.00
	10/04/2015 (Market Sell)	202	0.00	0	0.00
	31/03/2016 (At the end of the year)		0.00	0	0.00
<b>6</b>	<b>VSS METALS PRIVATE LIMITED</b>				
	At the beginning of the year	583333	1.11	583333	1.11
	31/03/2016 (At the end of the year)			583333	1.11
<b>7</b>	<b>DHANLAXMI COTEX LTD.</b>				
	At the beginning of the year	553977	1.05	553977	1.05
	31/03/2016 (At the end of the year)			553977	1.05
<b>8</b>	<b>HITESH RAMJI JAVERI **</b>				
	At the beginning of the year	400135	0.76	400135	0.76
	31/03/2016 (At the end of the year)			400135	0.76
	<b>HITESH RAMJI JAVERI</b>				
	At the beginning of the year	1250	0.00	1250	0.00
	31/03/2016 (At the end of the year)			1250	0.00
<b>9</b>	<b>HARSHA HITESH JAVERI</b>				
	At the beginning of the year	400101	0.76	400101	0.76
	31/03/2016 (At the end of the year)			400101	0.76
<b>10</b>	<b>ARUN KUMAR JAIN</b>				
	At the beginning of the year	339750	0.65	339750	0.65
	29/05/2015 (Market Purchase)	20000	0.04	359750	0.68
	30/06/2015 (Market Purchase)	1472	0.00	361222	0.69
	03/07/2015 (Market Purchase)	5000	0.01	366222	0.70
	10/07/2015 (Market Purchase)	13232	0.03	379454	0.72
	14/08/2015 (Market Purchase)	4300	0.01	383754	0.73
	28/08/2015 (Market Sell)	20000	0.04	363754	0.69
	18/09/2015 (Market Purchase)	4055	0.01	367809	0.70
	11/12/2015 (Market Sell)	28059	0.05	339750	0.65
	08/01/2016 (Market Sell)	79000	0.15	260750	0.50
	15/01/2016 (Market Sell)	24767	0.05	235983	0.45
	31/03/2016 (At the end of the year)	0	0.00	235983	0.45

\*Smt. Gayatri Devi Todi has three different portfolios.

\*\*Mr. Hitesh Javeri has two different portfolios.

**(v) Shareholding of Directors and Key Managerial Personnel**

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mrs. Avanti Birla	44	0	44	0
2	Mr. Shiv Charan Agarwal*	4100	0	4100	0
3	Mr. Shamraj Gilbile**	219	0	219	0
4	Mr. Anil Choudhari***	438	0	438	0

\* Mr. Shiv Charan Agarwal Independent Director resigned w.e.f. 01<sup>st</sup> October, 2015.

\*\*Mr. Shamraj Gilbile appointed as Whole Time Director (KMP) w.e.f. 04<sup>th</sup> December, 2015 and resigned w.e.f. 28<sup>th</sup> June, 2016.

\*\*\*Mr. Anil Choudhari appointed as Chief Executive Officer (KMP) w.e.f. 29<sup>th</sup> May, 2015 and resigned w.e.f. 31<sup>st</sup> July, 2016.

**Other than listed above, no other Director and Key Managerial Personnel hold any shares in the Company.**

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Total	Total	Total	Total
i) Principal Amount	2657.85	787.13	3.46	3448.44
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	38.80	0.00	0.00	38.80
<b>Total (i+ii+iii)</b>	<b>2696.65</b>	<b>787.13</b>	<b>3.46</b>	<b>3487.24</b>
Change in Indebtedness during the financial year				
Addition - Principal	24.58	0.00	0.29	24.87
Reduction - Principal	35.13	70.95	0.00	106.08
Addition - Interest	-38.24	0.00	0.00	-38.24
<b>Net Change</b>	<b>-48.79</b>	<b>-70.95</b>	<b>0.29</b>	<b>-119.45</b>
Indebtedness at the end of the financial year				
i) Principal Amount	2647.30	716.18	3.75	3367.23
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.56	0.00	0.00	0.56
<b>Total (i+ii+iii)</b>	<b>2647.86</b>	<b>716.18</b>	<b>3.75</b>	<b>3367.79</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Whole Time Director

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Mr. Shamraj Gilbile*
1	Gross Salary	5.08
	(a) Value of Perquisites u/sec 17 (1) of the Income Tax Act, 1961	0.00
	(b) Value of Perquisites u/sec 17 (2) of the Income Tax Act, 1961	0.00
	(c) Profits in lieu of salary under section 17 (3) of the Income Tax Act, 1961	0.00
2	Stock Option	0.00
3	Sweat Equity	0.00
4	Commission	0.00
	a. as a % of profit	0.00
	b. others	0.00
5	Others	0.00
	<b>Total (A)</b>	<b>5.08</b>

\* Mr. Shamraj Gilbile appointed as Whole Time Director w.e.f. 04<sup>th</sup> December, 2015 and resigned w.e.f. 28<sup>th</sup> June, 2016.

### B. Remuneration to other Directors:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors					Total
		Mr. M.S.Adige	Mr. Shiv Charan Agarwal*	Mrs. Avanti Birla	Mr. Jainarayan Bajaj**	Mr. K. Narayanan***	
1	Independent Directors						
	• Fee for attending board / committee meetings	1.80	1.00	0.00	0.80	0.50	4.10
	• Commission	0.00	0.00	0.00	0.00	0.00	0.00
	• Others	0.00	0.00	0.00	0.00	0.00	0.00
	Total (1)	1.80	1.00	0.00	0.80	0.50	4.10
2	Other Non-Executive Directors						
	• Fee for attending board / committee meetings	0.00	0.00	1.50	0.00	0.00	1.50
	• Commission	0.00	0.00	0.00	0.00	0.00	0.00
	• Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00
	Total (2)	0.00	0.00	1.50	0.00	0.00	1.50
	<b>Total (B)=(1+2)</b>	<b>1.80</b>	<b>1.00</b>	<b>1.50</b>	<b>0.80</b>	<b>0.50</b>	<b>5.60</b>

\*Mr. Shiv Charan Agarwal (Appointed w.e.f. 19<sup>th</sup> May, 2015 and Resigned w.e.f. 01<sup>st</sup> October, 2015).

\*\*Mr. Jainarayan Bajaj (Appointed w.e.f. 01<sup>st</sup> October, 2015).

\*\*\*Mr. K. Narayanan (Appointed w.e.f. 27<sup>th</sup> July, 2015 and Resigned w.e.f. 14<sup>th</sup> August, 2015).

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Mukunda Mankar (CFO)	Mr. Anil Choudhari (CEO)*	Ms. Rupa Khanna (CS)	Total
1	Gross Salary	24.36	20.30	3.06	47.72
	(a) Value of Perquisites u/sec 17 (2) of the Income Tax Act, 1961	0	0	0	0
	(b) Value of Perquisites u/sec 17 (2) of the Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17 (3) of the Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	a. as a % of profit	0	0	0	0
	b. others	0	0	0	0
5	Others	0	0	0	0
	<b>Total</b>	<b>24.36</b>	<b>20.30</b>	<b>3.06</b>	<b>47.72</b>

\*Mr. Anil Choudhari was appointed as Chief Executive Officer (KMP) w.e.f. 29<sup>th</sup> May, 2015 and resigned w.e.f. 31<sup>st</sup> July, 2015.

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act):

**There were no penalties, punishments or compounding of offences during the year ended 31<sup>st</sup> March, 2016.**

For and on behalf of the Board of Directors

Place : Mumbai

Date : 12<sup>th</sup> August, 2016

**Vedant Birla**  
**Chairman & Managing Director**



**ANNEXURE D**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended 31<sup>st</sup> March, 2016

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

To,

The Members,

**BIRLA PRECISION TECHNOLOGIES LIMITED**

B-15/4, MIDC, Waluj

Aurangabad, Maharashtra - 431 133

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BIRLA PRECISION TECHNOLOGIES LIMITED** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 (‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
  - a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
  - c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable during the Audit Period).
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable during the Audit Period).
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable during the Audit Period).
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the Audit Period).
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable during the Audit Period).

- i. The Securities and Exchange Board of India (Listing and Obligation Disclosure Requirements) Regulations, 2015 (w.e.f. 01-12-2015).

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.  
(ii) The Listing Agreements entered into by the Company with stock exchanges (till 30-11-2015).

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

Other laws applicable to the Company:

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following law applicable specifically to the Company:

Water (Prevention and Control of Pollution), 1974.

Air (Prevention and Control of Pollution) Act, 1981.

Maharashtra Fire Prevention and Life Safety Measures Act, 2006.

Legal Metrology Act, 2009.

I further report that:

**During the period under review the Company has complied with the provisions of the Act, Regulations, Guidelines, etc. mentioned above except that the Company has not spent the accumulated amount of ₹ 25.05 lacs (including ₹16.74 lacs for the financial year 2014-15) allocated by it towards the Corporate Social Responsibilities.**

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

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

The consensus of the members of the Board of Directors is obtained before according consent for the passing of resolutions.

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

Place: Mumbai

Date: 12<sup>th</sup> August, 2016

**Smitha Singh**  
Practicing Company Secretary  
C.P No. 14760  
Membership No. 14288

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

As in the preceding year there is not much improvement in the Global economic scenario even in the first half of 2015 with concerns over fiscal sustainability European Countries, Asian Countries & US Market. Overall global economy grew sluggish during 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 is still showing some uncertainty as to how markets will evolve over the medium term.

### INDIAN ECONOMY

The Indian economy continued it's slowing down in F.Y. 2015-16. However, the slow pace of reforms, lack of impetus for infrastructure projects, high interest rates and tightening of fiscal policies adversely impacted the capital goods sector. Industrial production / output was also sluggish. The low economic growth appears to have bottomed out and a gradual increase in economic activity is expected in 2016. The medium term to long term growth prospects look positive in view of the Government's determination to bring in reforms. For the year 2016, the economy is expected to grow at a higher rate than in 2015. The long term prospects for the economy are optimistic.

### INDUSTRY STRUCTURE & OPPORTUNITIES

Your Company is engaged in the business of manufacturing of wide range of HSS Cutting Tools like Jobber, Taper Shank Twist Drill, Taps, Reamers. Tool holder and Collet ( like AT3 Class tool holders, HSK tooling, Expanding Mandrels) & Shell Molded Castings and Shells Molded Machined Casting. These products are mainly used by automobile and engineering sectors. The Company is adding balancing equipments to enhance production capacity regularly.

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 is expected to increase.

### THREATS / RISKS & CONCERNS

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

1. Increase in raw material costs, tough competition, change in tax structure, change in labour laws, 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/or 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 2015-16 stood at ₹ 15376.84 Lakhs as against ₹ 15886.54 Lakhs of last year. Profit/(Loss) after tax stood at ₹ (107.72) Lakhs as against ₹ (59.29) 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 are met throughout the Organization.

The Company complies with the requirements regarding Corporate Governance as stipulated under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 where its shares are listed.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreements with the Stock Exchanges.

### II. BOARD OF DIRECTORS

The Board of the Company has an optimum combination of Executive and Non-Executive Directors with at least one woman director and less than fifty percent of the board of directors shall comprise of non-executive directors. The composition of the board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of the Directors, their directorships and committee chairmanship/membership held by them in other public companies (excluding Birla Precision Technologies Limited) are as under:

Name of Director	Category	No. of Directorships in other Public Limited Companies*	Committee Positions	
			Chairman**	Member**
Mr. Vedant Birla (Appointed w.e.f. 18 <sup>th</sup> May, 2016)	Chairman & Managing Director	1	0	0
Mr. Shamraj Gilbile (Appointed w.e.f. 04 <sup>th</sup> December, 2015 and resigned w.e.f. 28 <sup>th</sup> June, 2016)	Whole Time Director	0	0	0
Mrs. Avanti Birla	Non-Executive, Non – Independent (Promoter)	0	0	0
Mr. Mohandas Shenoy Adige (Resigned w.e.f. 11 <sup>th</sup> July, 2016)	Independent, Non-Executive	2	0	4
Mr. Jainarayan Bajaj (Appointed w.e.f. 01 <sup>st</sup> October, 2015)	Independent, Non-Executive	0	0	0
Mr. Om Prakash Jain (Appointed w.e.f. 18 <sup>th</sup> May, 2016)	Non-Executive Non – Independent	2	0	0
Mr. Satyanarayan Baheti (Appointed w.e.f. 11 <sup>th</sup> August, 2016)	Independent, Non-Executive	2	3	0
Mr. Ritesh Joshi (Appointed w.e.f. 11 <sup>th</sup> August, 2016)	Independent, Non-Executive	1	0	3
Mr. K. Narayanan (Resigned w.e.f. 14 <sup>th</sup> August, 2015)	Independent, Non-Executive	0	0	0
Mr. Shiv Charan Agarwal (Resigned w.e.f. 01 <sup>st</sup> October, 2015)	Independent, Non-Executive	0	0	0

\*Other directorships exclude directorships of Private Limited Companies, Foreign Companies and Section 8 Companies.

\*\*Only Audit Committee and Stakeholder's Relationship Committee have been considered for the purpose of the Committee positions as per Listing Regulations.

## Board Meetings

During the year, Seven (7) Meeting of Board Director were held on 29<sup>th</sup> May, 2015, 22<sup>nd</sup> July, 2015, 27<sup>th</sup> July, 2015, 12<sup>th</sup> August, 2015, 04<sup>th</sup> November, 2015, 04<sup>th</sup> December, 2015 and 05<sup>th</sup> February, 2016 and the particulars of attendance of the Directors are as under:

Name of Director	No. of Board meetings attended	Attendance at AGM held on 30 <sup>th</sup> September, 2015
Mr. Mohan Das Shenoy Adige	7	Yes
Mr. Avanti Birla	6	No
Mr. Jainarayan Bajaj (Appointed w.e.f. 01 <sup>st</sup> October, 2015)	3	NA
Mr. Shamraj Gilbile (Appointed w.e.f. 04 <sup>th</sup> December, 2015 and Resigned w.e.f. 28 <sup>th</sup> June, 2016)	2	NA
Mr. Shiv Charan Agarwal (Appointed w.e.f. 19 <sup>th</sup> May, 2015 and Resigned w.e.f. 01 <sup>st</sup> October, 2015)	4	Yes
Mr. K. Narayanan (Appointed w.e.f. 27 <sup>th</sup> July, 2015 and Resigned w.e.f. 14 <sup>th</sup> August, 2015)	2	NA

The terms and conditions of appointment of independent directors are disclosed on the website of the Company.

During the year under review, Separate meeting of the Independent Directors was held to review the performance of Non-Independent Directors and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

Board training and induction:

The appointment of Director is made based on the recommendation of the Nomination and Remuneration Committee. The letter of appointment is issued describing the details of the terms and conditions, duties and functions of the Director. The Directors were briefed about the Board Policy and Process, history of the Company, apprises about the products of the Company and the economic situation, etc.

The Directors are also informed of their tenure and the obligations associated with the office of Directorship. The Board, thus, attempts to familiarize the newly appointed directors by adhering to the above mechanism so as to achieve the object to bringing diversity to the Board which in turn would result in effective and responsible decision making process

## Shareholding of Directors:

Shareholding of Non-Executive Directors are as under:

Name of the Director	Number of equity shares held	% of Paid-up Capital
Mrs. Avanti Birla	44	0%

## Brief profile of the Directors:

### I. Mr. Vedant Birla (DIN 03327691)

He joined the Board in May, 2016. Mr. Vedant Birla is a Chairman & Managing Director of the Company. He has completed his graduation in Bachelors in Accounts and Finance (B.A.F.) from HR College, Mumbai, post which he has acquired a Masters degree from Regent Business School, London. He is very well acquainted with all manufacturing techniques Six Sigma, Lean, etc., and started implementing in the company growth. His main area of focus is Business Development through development of new product and marketing for over all growth of the company. He is managing Birla Precision Technologies Ltd., a Large scale Enterprise from the Engineering sector having four Plants spread across India.

**2. Mrs. Avanti Birla (DIN 00167903)**

Mrs. Avanti Birla is a Non-Executive Non - Independent Director of the Company. She is MA from Jai Hind College, Mumbai. She is a known face in the Corporate and Social Circle.

She is associated with Habitat for Humanity India for the past 4 years as the Brand ambassador for the Woman India builds and a member of IMC ladies wing.

Mrs. Birla is also on the Board of Directors of various group companies and she also contributes significantly in the Birla Charitable Trusts, which runs hospitals and schools, her major aspiration being, setting up an International state of the art school in Mumbai.

She joined the Board in May, 2012. She is a member of Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee of the Board.

**3. Mr. Om Prakash Jain (DIN 02553210)**

He joined the Board in May, 2016. Mr. Om Prakash Jain is a Non-Executive Non - Independent Director of the Company. He is a Post Graduate Diploma in Management from Indian Institute of Management & Technology. He is a Bachelor of Textile Technology from CMJ University. He also holds Diploma in Mechanical Engineering from, Board of Technical Education, Rajasthan.

He is an Alumni of the Indian Institute of Management (IIM), Ahmedabad. He is Member of All India Management Association (AIMA) and Indian Institute of Material Management. He is approved valuer and loss assessor from Government of India, Ministry of Finance.

Mr. Om Prakash Jain is a Dynamic highly experienced and well known professional in the field of Industrial Management and Business Administration with more than 36 years of rich expertise in the industry for overall administration and running operation with specialization in the project implementation .

He is a member of Stakeholder Relationship Committee.

**4. Mr. Jainarayan Bajaj (DIN 03167975)**

He joined the Board in October, 2015. Mr. Jainarayan Bajaj is a Non-Executive Independent Director of the Company. He is B.E. (Mech.) from Govt. College of Engineering, Aurangabad and Chartered Engineer from Indian Institute of Engineers. Has worked in various Companies like M/s. Vidarbha Iron & Steel Corporation Ltd., M/s. Indian Tool Manufacturers Ltd., M/s. Dagger-Forst Tools Ltd. in various capacities. He had visited many places like Germany, Italy, England, Korea & China in connection with the study of actual manufacturing process of various gear cutting tools such as Built-up Hobs, Shaving Cutters and shaper cutters.

He is a member of Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee of the Board.

**5. Mr. Satyanarayan Baheti (DIN 06933453)**

He joined the Board in August, 2016. Mr. Satyanarayan Baheti is a Non-Executive Independent Director of the Company. He is B.com by qualification. He is presently working as Management Consultant and has 40 years of experience in the Industry.

**6. Mr. Ritesh Joshi (DIN 07545241)**

He joined the Board in August, 2016. Mr. Ritesh Joshi is a Non-Executive Independent Director of the Company. He is B.com by qualification. He has experience in Accounting, Income Tax and Service Tax.

**III. Committees of the Board**

As on 31<sup>st</sup> March 2016, the Company has Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.



## I. Audit Committee

The Audit Committee is constituted as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess financial/accounting expertise/exposure. Managing Director/Whole Time Director/Chief Executive Officer, Chief Financial Officer, Internal Auditors and Statutory Auditors are the permanent invitee to the Audit Committee. The Audit Committee invites executives, as it considers appropriate, representatives of Statutory Auditors and Internal Auditors to present at its meetings. The Company Secretary acts as the secretary to the audit committee.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2015.

### Composition, Meetings & Attendance

During the year under review, the Committee met 4 (Four) times on 29<sup>th</sup> May 2015, 12<sup>th</sup> August 2015, 04<sup>th</sup> November 2015 and 05<sup>th</sup> February 2016.

**Names of the Committee Members along with their attendance are given below:**

Name of the Member	Designation	No. of meetings attended
Mr. Jainarayan Bajaj*	Chairman	2
Mr. Avanti Birla	Member	3
Mr. Mohandas Shenoy Adige	Member	4
Mr. Shiv Charan Agarwal**	Member	2
Mr. K. Narayanan ***	Member	1

\*Mr. Jainarayan Bajaj inducted as member w.e.f. 01<sup>st</sup> October, 2015.

\*\*Mr. Shiv Charan Agarwal inducted as member w.e.f. 19<sup>th</sup> May, 2015 and Resigned w.e.f. 01<sup>st</sup> October, 2015.

\*\*\*Mr. K. Narayanan inducted as member w.e.f. 27<sup>th</sup> July, 2015 and Resigned w.e.f. 14<sup>th</sup> August, 2015.

### Terms of reference:

#### Powers of Audit Committee:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### Role of Audit committee, inter alia, includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending the appointment, remuneration and terms of appointment of auditors of the company;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.

- Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the Whistle Blower mechanism;
  19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**Review of Information by Audit Committee:**

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses and;
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

It may be clarified that the power, role and review of the Audit Committee includes matters specified under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 2. Nomination & Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013. The committee comprises of non-executive directors and majority of them are independent. The Chairman of the Committee is an Independent Director.

### Composition, Meetings & Attendance

During the year under review, the Committee met (8) times on 19<sup>th</sup> May, 2015, 29<sup>th</sup> May 2015, 27<sup>th</sup> July, 2015, 12<sup>th</sup> August 2015, 01<sup>st</sup> October, 2015, 04<sup>th</sup> November 2015, 04<sup>th</sup> December, 2015 and 05<sup>th</sup> February 2016.

**Names of the Committee Members along with their attendance are given below:**

Name of the Member	Designation	No. of meetings attended
Mr. Jainarayan Bajaj*	Chairman	4
Mr. Avanti Birla	Member	7
Mr. Mohan Das Shenoy Adige	Member	8
Mr. Shiv Charan Agarwal**	Member	4
Mr. K. Narayanan***	Member	2

\*Mr. Jainarayan Bajaj inducted as member w.e.f. 01<sup>st</sup> October, 2015.

\*\*Mr. Shiv Charan Agarwal inducted as member w.e.f. 19<sup>th</sup> May, 2015 and Resigned w.e.f. 01<sup>st</sup> October, 2015.

\*\*\*Mr. K. Narayanan inducted as member w.e.f. 27<sup>th</sup> July, 2015 and Resigned w.e.f. 14<sup>th</sup> August, 2015.

### Terms of Reference:

- To identify persons who are qualified to become directors and who may be appointed in senior management level in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications and positive attributes of the Directors.
- To deal with the matters relating to the remuneration payable to Managing Director, Whole time Directors, Key Managerial Personnel and Senior Management Executives and commission, if any, to be paid to Non-Executive directors, apart from sitting fees.
- To review the overall compensation policy, service agreement and other employment conditions of Managing Director, Whole time Directors, Key Managerial Personnel and Senior Management Executives which include the employees designated as Vice-President and above (normally include the first layer of management below the Board level).
- Devising a policy on Board diversity;
- To deal with other matters as the Board may refer to the Nomination and Remuneration Committee ("the Committee") from time to time.

### Nomination & Remuneration Policy:

The Company recognizes the competitive nature of the current labour market and this requires to the Company to provide competitive remuneration offering to directors and employees to ensure that a high caliber of staff is attracted to the Company and retained once they have gained experience. The Company further acknowledges that it can only excel in service delivery through the exceptional performance of its people and that the remuneration offering to the directors and employees plays a substantial motivational role when exceptional performance is compensated with exceptional rewards. The Remuneration of Managing Director, Whole time Directors, Key Managerial Personnel and Senior Executives of the Company are decided based on criteria stated in Schedule I of this policy and as per the recommendation of the Committee to the Board of Directors. The Company will pay remuneration to Managing Director, Whole time Directors, Key Managerial Personnel and Senior Executives by way of salary, retirement benefits perquisites, allowances (fixed component), incentives and commission (variable component) based on the recommendation of the Committee and

approval of the Board of Directors and shareholders, if applicable. The Committee shall make such recommendation to the Board of Directors as it may consider appropriate with regard to the remuneration of the Executive Directors.

**Guaranteed Portion of Remuneration:** Managing Director, Whole time Directors and employees are receiving guaranteed portion of their Total package on a monthly basis. The total package includes in it guaranteed benefits such as employer's contribution to retirement funds i.e. provident fund and/or pension & gratuity and/or medical aid funds and/or group life insurance fund contribution etc. as applicable.

Non-Executive Directors are paid remuneration by way of sitting fees. The Company pays a sitting fee per meeting of the Board and the Committee (as may be decided from time to time) to the Non-Executive Directors for attending the meetings within the limit prescribed under the Act.

**Details of Remuneration, Sitting fees, Commission paid to the Directors during the financial year ended 31<sup>st</sup> March, 2016 are given below:**

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Sitting Fees (₹ in Lakhs)</b>	<b>Annual Remuneration / Commission (₹ in Lakhs)</b>
1	Mr. Shamraj Gilbile (Whole Time Director) (Appointed w.e.f. 04 <sup>th</sup> December, 2015 and Resigned w.e.f. 28 <sup>th</sup> June, 2016)	NA	5.08
2	Mr. Mohandas Shenoy Adige (Non-Executive Independent Director)	1.80	NA
3	Mrs. Avanti Birla (Non-Executive Non-Independent Director)	1.50	NA
4	Mr. Jainarayan Bajaj (Non-Executive Independent Director) (Appointed w.e.f. 01 <sup>st</sup> October, 2015)	0.80	NA
5.	Mr. Shiv Charan Agarwal (Non-Executive Independent Director) (Appointed w.e.f. 19 <sup>th</sup> May, 2015 and Resigned w.e.f. 01 <sup>st</sup> October, 2015)	1.00	NA
6	Mr. K. Narayanan (Non Executive Independent Director) (Appointed w.e.f. 27 <sup>th</sup> July, 2015 and Resigned w.e.f. 14 <sup>th</sup> August, 2015)	0.50	NA

**Notes:**

- (a) The Non-Executive Directors are paid sitting fees of ₹ 20,000/- per meeting for attending the Board Meeting and ₹ 10,000/- per meeting for attending the Audit Committee meetings. There is no sitting fees for attending Stakeholder Relationship Committee meetings.
- (b) There were no pecuniary relationship or transactions of Non-Executive Directors vis-à-vis the Company.
- (c) The Company has not issued any convertible instruments.

**3. Stakeholders Relationship Committee**

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

The Chairman of Committee is a non-executive director.

**Composition, Meetings & Attendance**

During the year under review, the Committee met 5 (Five) times on 29<sup>th</sup> May 2015, 12<sup>th</sup> August 2015, 04<sup>th</sup> November, 2015, 25<sup>th</sup> November 2015 and 05<sup>th</sup> February 2015.

**Name of the Committee Members along with their attendance is given below:**

<b>Name of the Member</b>	<b>Designation</b>	<b>No. of meetings attended</b>
Mrs. Avanti Birla	Chairman	4
Mr. Mohandas Shenoy Adige	Member	5
Mr. Jainarayan Bajaj*	Member	3
Mr. Shiv Charan Agarwal**	Member	2
Mr. K. Narayanan***	Member	1

\*Mr. Jainarayan Bajaj inducted as member w.e.f. 01<sup>st</sup> October, 2015.

\*\*Mr. Shiv Charan Agarwal inducted as member w.e.f. 19<sup>th</sup> May, 2015 and Resigned w.e.f. 01<sup>st</sup> October, 2015.

\*\*\*Mr. K. Narayanan inducted as member w.e.f. 27<sup>th</sup> July, 2015 and Resigned w.e.f. 14<sup>th</sup> August, 2015.

Ms. Rupa Khanna, Company Secretary of the Company has been designated as Compliance Officer (E-mail ID: [cs@birlaprecision.in](mailto:cs@birlaprecision.in)) for complying with the requirements of SEBI Regulations and the Listing Agreements with the Stock Exchanges.

The "SCORES" website of SEBI for redressing of Grievances of the investors is being visited at regular intervals by the Company Secretary and there are no pending complaints registered with SCORES for the Financial Year ended on 31<sup>st</sup> March, 2016.

**Terms of Reference**

The Committee looks into the redressal of complaints of investors such as transfer of shares, non-receipt of declared dividend/notices/annual reports, etc.

**Details of Investor Complaints**

The Company received 77 complaints during the financial year 2015-16 and all the complaints were redressed. There were no outstanding complaints as on 31<sup>st</sup> March, 2016.

**4. Corporate Social Responsibility (CSR) Committee**

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013. Your Company has developed a CSR Policy which is available on the website of the Company.

**Composition, Meetings & Attendance**

During the year under review, the Committee met 2 (Two) times on 12<sup>th</sup> August, 2015 and 04<sup>th</sup> November, 2015.

**Name of the Committee Members along with their attendance is given below:**

<b>Name of the Member</b>	<b>Designation</b>	<b>No. of meetings attended</b>
Mr. Mohan Das Shenoy Adige	Chairman	2
Mrs. Avanti Birla	Member	1
Mr. Jainarayan Bajaj*	Member	1
Mr. Shiv Charan Agarwal**	Member	1
Mr. K. Narayanan***	Member	1

\*Mr. Jainarayan Bajaj inducted as member w.e.f. 01<sup>st</sup> October, 2015.

\*\*Mr. Shiv Charan Agarwal inducted as member w.e.f. 19<sup>th</sup> May, 2015 and Resigned w.e.f. 01<sup>st</sup> October, 2015.

\*\*\*Mr. K. Narayanan inducted as member w.e.f. 27<sup>th</sup> July, 2015 and Resigned w.e.f. 14<sup>th</sup> August, 2015.

## Terms of Reference

The Terms of Reference of the CSR Committee are as under:

- (1) formulate and recommend to the Board, a CSR policy.
- (2) recommend the amount of expenditure to be incurred on the activities.
- (3) monitor the CSR Policy of the company from time to time.
- (4) institute a transparent monitoring mechanism for implementing CSR projects for programs or activities undertaken by the Company.

## IV. General Body Meetings

### (i) Annual General Meetings (AGM):

The details of the last 3 Annual General Meetings held:

Date	Venue	Time
27 <sup>th</sup> September, 2013	At registered Office : B-15/4, M.I.D.C. Waluj, Aurangabad- 431 133	11.30 a.m.
27 <sup>th</sup> September, 2014		11.30 a.m.
30 <sup>th</sup> September, 2015		11.30 a.m.

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

#### **AGM dated 30<sup>th</sup> September, 2015**

- (1) Adoption of Article of Association.

#### **AGM dated 27<sup>th</sup> September, 2014**

- (1) Re-appointment of Mr. Mahender Singh Arora (DIN 01697062) as Managing Director and Chief Executive Officer.
- (2) Waiver of recovery of excess remuneration.
- (3) Authority for Borrowing Limit Upto ₹ 100 Crores.
- (4) To approve Creation of Charge/Security over the assets/undertaking of the company in respect of Borrowing.

#### **AGM dated 27<sup>th</sup> September, 2013**

- (1) Waiver of recovery of excess remuneration.
- (2) Issue of warrants of the Company to the Promoter and Promoter Group on preferential Basis.

#### **Postal Ballot**

During the year under review, no resolution has been passed through postal ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through postal ballot.

## V. Disclosures

### (i) Related Party Transactions

The Company entered into a contract/arrangement/transaction with related parties which could not be considered material in nature. All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. Necessary disclosures required under the Accounting Standard (AS-18) have been made in the notes to financial statement. The Company has adopted a policy for related Party transactions which has been uploaded on the Company's website at [www.birlaprecision.in](http://www.birlaprecision.in)

- (ii) The Company has complied with the requisite regulations relating to capital markets. No Penalties/ strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the year.

**(iii) Whistle Blower Policy**

The Company has adopted whistle blower policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The said policy has been also put on the website of the Company at <http://www.birlaprecision.in/PDF/Whistle%20Blower%20Policy.pdf>

**(iv) Details of Compliance with mandatory requirements and adoption of non- mandatory requirements**

The Company has complied with the applicable mandatory requirements of the SEBI Listing Regulations. The Company has adopted following non-mandatory requirements of SEBI Listing Regulations, 2015.

**Adoption of Non-Mandatory Requirements****i. Shareholder Rights**

As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.

**ii. Audit Qualifications**

The Company's financial statement for the financial year 2015-16 does not contain any audit qualification.

**iii. Reporting of Internal Auditor**

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and directly inter-acts to the audit committee.

**(v) Disclosure of Accounting Treatment**

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. No deviation is made in following the same.

**(vi) Code of Conduct**

The code of conduct has been put on the Company's website. The members of the board and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended 31<sup>st</sup> March, 2016. The Annual Report contains declaration to this effect signed by the Mr. Shamraj Gilbale – Whole Time Director of the Company.

**(vii) Subsidiary Companies**

The Company does not have any subsidiary company.

**(viii) Certificate under Regulation 17(8)**

The certificate pursuant to the provisions of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs is annexed and forms part of the Annual Report.

**(ix) Familiarisation programme for Directors**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The details of Familiarisation Programme is available on the website of the Company at [www.birlaprecision.com](http://www.birlaprecision.com).

**(x) The Company has adopted policy on preservation of documents and Archival Policy as well as Policy for determination of materiality of events or information.****VI. Means of Communication**

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual results and announces forthwith results to the Stock Exchange, where the shares are listed. The results are published normally in Lokmat Times and Lokpatra. The results are also displayed on the Company's website at "[www.birlaprecision.com](http://www.birlaprecision.com)". The Management Discussion & Analysis Report forms part of the Annual Report.

## **GENERAL SHAREHOLDER INFORMATION**

### **1. Annual General Meeting**

Day :- Thursday

Date:- 29<sup>th</sup> September, 2016

Time:- 11.30 a.m.

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

### **2. Financial Calendar (Tentative)**

Financial Year of the Company 01<sup>st</sup> April, 2016 to 31<sup>st</sup> March 2017.

Results for the Quarter ending:

30<sup>th</sup> June, 2016                      On or before 14<sup>th</sup> August, 2016.

30<sup>th</sup> September, 2016              On or before 14<sup>th</sup> November, 2016.

31<sup>st</sup> December, 2016              On or before 14<sup>th</sup> February, 2017.

31<sup>st</sup> March, 2017                    On or before 31<sup>st</sup> May, 2017.

### **3. Date of book Closure:** 23<sup>rd</sup> September, 2016 to 29<sup>th</sup> September, 2016 (Both days inclusive).

### **4. 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 2016-17.

### **5. Stock code**

Bombay Stock Exchange Limited              – 522105

### **6. E-mail address for investor grievances:**

The investors can e-mail their grievances to [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

### **7. Plant Locations:**

Tool Holder Division:

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

Tool Division:

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

### **8. 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

Karvy Selenium Tower-B, Plot No. 31 & 32,

Financial District, Gachibowli, Nanakramguda, Serlingampally,  
Hyderabad – 500 032

Tel: 040-23420815 to 820, Fax No.: 040-23420814

E-mail : [singh.us@karvy.com](mailto:singh.us@karvy.com), Contract Person: Mr. U. S. Singh

Investor's correspondence may be addressed to above address.

Investors Grievance ID – [einward.ris@karvy.com](mailto:einward.ris@karvy.com)



## 9. Share transfer system

The Company's shares being in compulsory demat list, are transferable through the depository system. However, shares in physical form are processed by the registrar and Share Transfer Agent.

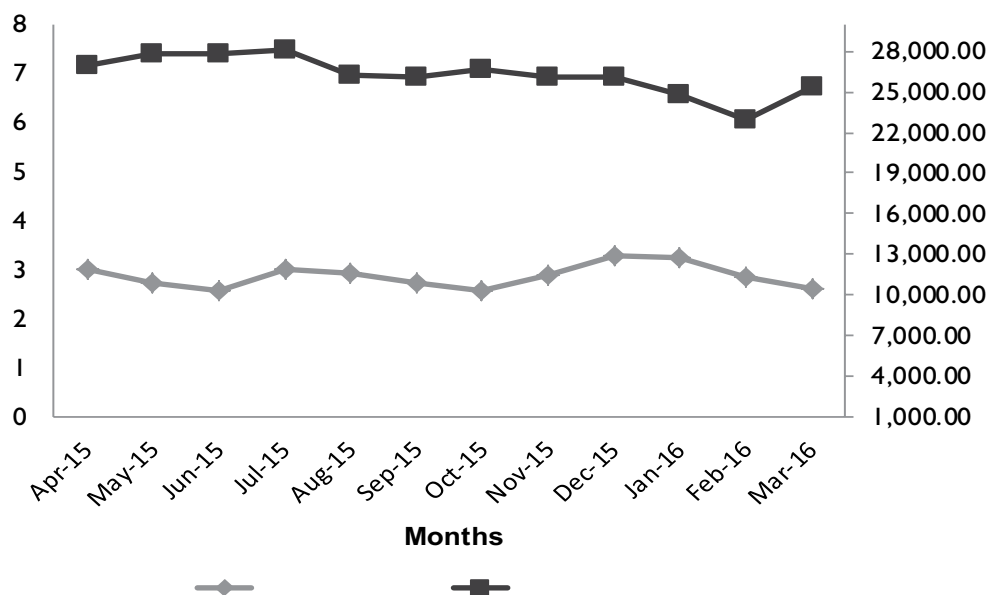
As required by Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchanges, a certificate is obtained every six months from a Practicing Company Secretary with regard to, inter alia, effecting transfer, transmission, sub-division, consolidation, renewal and exchange of equity shares within fifteen days of their lodgment. The certificate is also filed with BSE where the equity shares of the Company are listed.

## 10. Stock Market price data for the year 2015-16

Monthly high and low of market prices of the Company's equity shares traded at the Bombay Stock Exchange Limited during the financial year 2015-16 along with the BSE Sensex:

Month	Birla Precision Technologies Limited			BSE SENSEX		
	High	Low	Close	High	Low	Close
April, 2015	3.50	2.61	3.00	29,094.61	26,897.54	27,011.31
May, 2015	3.29	2.60	2.71	28,071.16	26,423.99	27,828.44
June, 2015	3.19	2.05	2.55	27,968.75	26,307.07	27,780.83
July, 2015	3.10	2.26	3.00	28,578.33	27,416.39	28,114.56
August, 2015	3.68	2.60	2.94	28,417.59	25,298.42	26,283.09
September, 2015	3.32	2.24	2.72	26,471.82	24,833.54	26,154.83
October, 2015	3.20	2.51	2.56	27,618.14	26,168.71	26,656.83
November, 2015	3.00	2.40	2.90	26,824.30	25,451.42	26,145.67
December, 2015	3.59	2.63	3.30	26,256.42	24,867.73	26,117.54
January, 2016	4.00	2.85	3.23	26,197.27	23,839.76	24,870.69
February, 2016	3.24	2.60	2.84	25,002.32	22,494.61	23,002.00
March, 2016	3.10	2.46	2.62	25,479.62	23,133.18	25,341.86

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



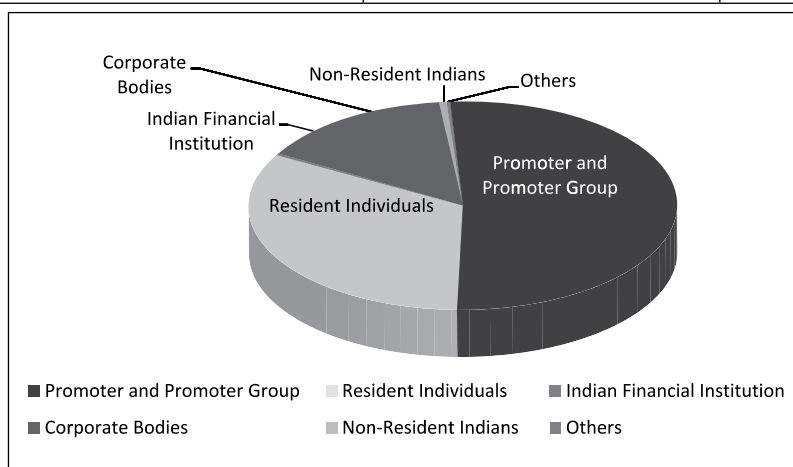
## 11. Distribution of shareholding

Class-wise distribution of Equity Shares as on 31<sup>st</sup> March, 2016

No. of Shares	No. of Holders	% To Holders	No. of Shares	% To Equity
1 - 500	62204	95.51	2868521	5.45
501 - 1000	1371	2.10	1045986	1.99
1001 - 2000	667	1.02	1007359	1.91
2001 - 3000	217	0.33	555389	1.05
3001 - 4000	134	0.21	475655	0.90
4001 - 5000	134	0.21	637343	1.21
5001 - 10000	163	0.25	1241166	2.36
10001 and above	241	0.37	4482037	85.13
<b>TOTAL</b>	<b>65131</b>	<b>100.00</b>	<b>52651756</b>	<b>100.00</b>

## 12. Shareholding pattern as on 31<sup>st</sup> March, 2016

Sr. No.	Category	No. of Shares	% To Equity
1.	Promoter and Promoter Group	27152702	51.57
2.	Resident Individuals	18640206	35.40
3.	Indian Financial Institution	57867	0.11
4.	Corporate Bodies	6551592	12.44
5.	Non-Resident Indians	234404	0.45
6.	Others	14985	0.03
	<b>Total</b>	<b>52651756</b>	<b>100.00</b>



## 13. 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 INE372E01025. As on 31<sup>st</sup> March, 2016, total 51181843 shares representing 97.20% of the Company's shares are held in demat form in the depositories.

## 14. Outstanding GDRs/ADRs/Warrants or any convertible Instruments

As of date the Company has not issued these types of securities.

### **15. Reconciliation of Share Capital Audit Report**

A qualified Practicing Company Secretary carries out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and the total issued and listed equity share capital. The audit confirms that the issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### **16. Practicing Company Secretary's Certificate on Corporate Governance:**

As required under Regulation of the Listing Agreement, Mrs. Smitha Singh, Practicing Company Secretary has verified the compliance of the Corporate Governance norms by the Company. Certificate issued by her in this regard is annexed hereto.

For and on behalf of the Board of Directors

Place : Mumbai

Date : 12<sup>th</sup> August, 2016

**Vedant Birla**  
**Chairman & Managing Director**

## **DECLARATION ON CODE OF CONDUCT**

**To the Shareholders of Birla Precision Technologies Limited**

### **Sub.: Compliance with Code of Conduct**

In accordance with Regulation 34(3) of SEBI Listing Regulations, 2015, I hereby confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Business Ethics of the Company for the Financial year ended 31<sup>st</sup> March, 2016.

For and on behalf of the Board of Directors

Place: Nashik  
Date: 27<sup>th</sup> May, 2016

**Shamraj Gilbile**  
**Whole Time Director**

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## **CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The members of  
Birla Precision Technologies Limited

I have examined the compliance of conditions of Corporate Governance by Birla Precision Technologies Limited for the year ended 31<sup>st</sup> March, 2016, as stipulated in Clause 49 of the Listing Agreements of the Company with the BSE for the period 01-04-2015 to 30-11-2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations, 2015 for the period 01-12-2015 to 31-03-2016.

The compliance of conditions of corporate governance is the responsibility of the Management. My review was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and Listing Regulations, as applicable.

I further state that, such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted affairs of the Company.

Place : Mumbai  
Date : 27<sup>th</sup> May, 2016

**Smitha Singh**  
**Practicing Company Secretary**  
ACS No. 14288  
CP No. 14760

**Certificate by the Whole Time Director and Chief Financial Officer (CFO) pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirement) Regulation, 2015 on the audited Financial Statement for the year ended on 31<sup>st</sup> March, 2016.**

We, Shamraj Gilbile – Whole Time Director and Mukunda Mankar – Chief Financial Officer, in our capacity as Whole Time Director 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 31<sup>st</sup> March, 2016 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. that 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: Nashik  
Date: 27<sup>th</sup> May, 2016

**Shamraj Gilbile**  
Whole Time Director

**M. S. Mankar**  
Chief Financial Officer

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of BIRLA PRECISION TECHNOLOGIES LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying (Standalone) financial statements of **BIRLA PRECISION TECHNOLOGIES LIMITED** ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the (Standalone) Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the (Standalone) financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Loss and its Cash Flow for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

I. As required by section 143 (3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For, THAKUR VAIDYANATH AIYAR & CO.  
CHARTERED ACCOUNTANTS  
Firm's registration number: 000038N

Place: Nashik  
Date: 27th May, 2016

C V PARAMESWAR  
Partner  
Membership number: 011541

## ANNEXURE A''

### To the Independent Auditor's Report on the Standalone Financial Statements of BIRLA PRECISION TECHNOLOGIES LIMITED

(Referred to in paragraph 1(f) under 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016):

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **BIRLA PRECISION TECHNOLOGIES LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls Over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, THAKUR VAIDYANATH AIYAR & CO.  
CHARTERED ACCOUNTANTS  
Firm's registration number: 000038N

Place: Nashik  
Date: 27th May, 2016

C V PARAMESWAR  
Partner  
Membership number: 011541

## “ANNEXURE B”

### To the Independent Auditors' Report on the Standalone Financial Statements of BIRLA PRECISION TECHNOLOGIES LIMITED

(Referred to in paragraph 2 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016):

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
(b) There is a phased programme for verification of fixed assets, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.  
(c) As per the information and explanations provided to us, title deeds of immovable properties are generally in the name of the Company except in the case of 4 leasehold properties acquired by entities valued at ₹ 356 lacs Gross and ₹ 290 lacs nett, that have since been amalgamated with the Company.
- 2) The inventory (excluding stock 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. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 3) The Company has granted unsecured loans to one Company covered in the register maintained under section 189 of the Companies Act, 2013.
  - (a) The terms and conditions of such loan are not prejudicial to the company's interest.
  - (b) The schedule of repayment of principal and payment of interest has not been stipulated.
  - (c) As there is no stipulation about repayment of principal and payment of interest, there is no overdue amount.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of Loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub section (i) of Section 148 of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they became payable.

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

Particulars	Period to which the matter pertains to	Forum where dispute is pending	Amount (₹ in Lacs)
Central Sales Tax	2004-05	Sales Tax Appellate Tribunal, Mumbai	15.89
Central Sales Tax / Bombay Sales Tax	2005-06	Joint Commissioner, Aurangabad	105.96
Central Sales Tax	2006-07	Joint Commissioner, Aurangabad	147.23
Income Tax	1994-95	Deputy Commissioner of Income Tax	6.77

- 8) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and not availed term loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For, THAKUR VAIDYANATH AIYAR & CO.  
CHARTERED ACCOUNTANTS  
Firm's registration number: 000038N

Place: Nashik  
Date: 27th May, 2016

C V PARAMESWAR  
Partner  
Membership number: 011541

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016

(₹ in lakhs)

	Note No.	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	1,053.04	1,053.04
Reserves and Surplus	3	11,834.78	11,942.50
		12,887.82	12,995.54
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	531.11	592.08
Deferred Tax Liabilities (Net)	5	-	51.12
Long Term Provisions	6	200.38	187.12
		731.49	830.32
<b>Current Liabilities</b>			
Short Term Borrowings	7	2,778.04	2,763.13
Trade Payables	8	2,202.54	2,230.01
Other Current Liabilities	9	1,006.04	1,082.37
Short Term Provisions	10	529.44	671.36
		6,516.06	6,746.87
<b>TOTAL</b>		20,135.37	20,572.73
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	11	3,709.53	4,138.20
Intangible Assets	11	16.61	4.66
Capital Work-in-Progress	11	203.32	4.90
Intangible Assets under Development	11	0.11	-
Long Term Loans and Advances	12	755.79	587.02
		4,685.36	4,734.78
<b>Current Assets</b>			
Inventories	13	2,939.69	2,831.41
Trade Receivables	14	6,839.80	7,248.38
Cash and Cash Equivalents	15	520.96	690.99
Short Term Loans and Advances	16	3,411.07	3,608.96
Other Current Assets	17	1,738.49	1,458.21
		15,450.01	15,837.95
<b>TOTAL</b>		20,135.37	20,572.73

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

I to 41

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: Nashik**

**Date : 27<sup>th</sup> May, 2016**

**For and on behalf of Board of Directors**

**M. S. Adige**

**Director**

**DIN 00280925**

**Jainarayan Bajaj**

**Director**

**DIN 03167975**

**M. S. Mankar**

**Chief Financial Officer**

**Rupa Khanna**

**Company Secretary**

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(₹ in lakhs)

	Note No.	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>INCOME:</b>			
Revenue from Operations	18	14,927.50	15,410.75
Other Income	19	449.34	475.79
<b>Total Revenue</b>		<b>15,376.84</b>	<b>15,886.54</b>
<b>EXPENDITURE:</b>			
Cost of Raw Materials and Components Consumed	20	5,456.15	5,715.86
Purchases of Stock-in-Trade	21	125.39	187.37
Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	22	(202.69)	82.30
Employee Benefit Expense	23	3,478.70	3,270.86
Finance Cost	24	486.09	742.63
Depreciation and Amortisation Expenses	25	588.99	661.12
Other Expenses	26	5,771.04	5,224.21
<b>Total Expenses</b>		<b>15,703.67</b>	<b>15,884.35</b>
<b>Profit/(Loss) Before Tax</b>		<b>(326.83)</b>	<b>2.19</b>
<b>Tax Expense:</b>			
Current Tax		-	100.50
Deferred Tax		(51.12)	(39.02)
Provision for earlier periods		(167.99)	-
		<b>(219.11)</b>	<b>61.48</b>
<b>Profit/(Loss) for the year</b>		<b>(107.72)</b>	<b>(59.29)</b>
<b>Earnings per equity share of face value of ₹ 2 each</b>			
Basic EPS (₹)	27	(0.20)	(0.11)
Diluted EPS (₹)		(0.20)	(0.11)

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

I to 41

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: Nashik**

**Date : 27<sup>th</sup> May, 2016**

**For and on behalf of Board of Directors**

**M. S. Adige**

**Director**

**DIN 00280925**

**Jainarayan Bajaj**

**Director**

**DIN 03167975**

**M. S. Mankar**

**Chief Financial Officer**

**Rupa Khanna**

**Company Secretary**

# **CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

(Pursuant to Clause 32 of the Listing Agreement)

(₹ in Lakhs)

Sr. No.	Particulars	2015-16		2014-15	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
	Net Profit/(Loss) before taxation and prior period adjustments		<b>(326.83)</b>		2.19
	Adjustments for:				
	Depreciation and Amortization	<b>588.99</b>		661.12	
	(Profit)/Loss on sale of Fixed Assets (Net)	<b>10.06</b>		40.33	
	Bad Debts	<b>58.59</b>		-	
	Provision for Gratuity and Leave Salary	<b>161.53</b>		224.72	
	Sundry Balances written back	<b>(17.82)</b>		(34.65)	
	Provision no longer required Written Back	<b>(11.20)</b>		(36.61)	
	Exchange difference on translation (Net)	<b>56.01</b>		56.06	
	Finance Costs	<b>486.09</b>		742.63	
	Interest Income Received	<b>(366.38)</b>		(361.59)	
	Sub-total		<b>965.87</b>		1,292.01
	<b>Operating Profit Before Working Capital Changes</b>		<b>639.04</b>		1,294.20
	<b>Adjustments for changes in working capital :</b>				
	Inventories	<b>(108.27)</b>		126.77	
	Trade and other Receivables	<b>343.17</b>		(62.36)	
	Loans and Advances and Other Assets	<b>155.75</b>		150.19	
	Trade Payables and Other Liabilities	<b>(56.35)</b>		(391.02)	
	Direct Taxes Paid (Net of Refund)	<b>(73.82)</b>		(296.37)	
	Sub-total		<b>260.48</b>		(472.79)
	<b>Net Cash Flow From Operating Activities..... (A)</b>		<b>899.52</b>		821.41
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
	Acquisition of fixed assets including capital advances	<b>(540.20)</b>		(270.47)	
	Proceeds from sale of fixed assets	<b>12.21</b>		38.24	
	Interest Received	<b>29.75</b>		70.08	
	Sub-total		<b>(498.24)</b>		(162.15)
	<b>Net Cash used for Investing Activities..... (B)</b>		<b>(498.24)</b>		(162.15)

Sr. No.	Particulars	2015-16		2014-15	
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
	Proceeds from Long Term Borrowings	<b>19.19</b>		112.08	
	Repayment of Long Term Borrowings	<b>(115.60)</b>		(160.11)	
	Short Term Borrowings (Net)	<b>49.43</b>		53.67	
	Interest Paid	<b>(524.33)</b>		(703.91)	
	Sub-total		<b>(571.31)</b>		(698.27)
	<b>Net Cash used for Financing Activities.....(C)</b>		<b>(571.31)</b>		(698.27)
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>(170.03)</b>		(39.01)
	<b>Cash and Cash Equivalents as at 01.04.2015</b>	<b>540.69</b>		512.78	
	<b>Add: (Increase) / Decrease in Fixed Deposit accounts kept as margin money with banks</b>	<b>(19.34)</b>		65.05	
	<b>Add: Decrease in Dividend accounts with bank</b>	<b>1.27</b>		1.87	
		<b>522.62</b>		579.70	
	<b>Cash and Cash Equivalents as at 31.03.2016</b>	<b>352.59</b>		540.69	
			<b>352.59</b>		540.69
	<b>Reconciliation of Cash and Bank Balances given in Note No. 15 of Balance Sheet is as follows:</b>				
	Cash and Bank Balances		<b>520.96</b>		690.99
	Less:				
	Balance in Fixed Deposit accounts with banks having a maturity period of more than three months		<b>144.74</b>		82.02
	Balance in Fixed Deposit accounts kept as margin money with banks		<b>23.49</b>		66.87
	Balance with Dividend accounts with banks		<b>0.14</b>		1.41
	<b>Cash and Cash Equivalents as at 31.03.2016</b>		<b>352.59</b>		540.69

As per our attached report of even date

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

**For and on behalf of Board of Directors**

**M. S. Adige**  
Director  
DIN 00280925

**Jainarayan Bajaj**  
Director  
DIN 03167975

**C. V. Parameswar**  
Partner  
Membership No. 11541

**M. S. Mankar**  
Chief Financial Officer

**Place: Nashik**  
**Date : 27<sup>th</sup> May, 2016**

**Rupa Khanna**  
Company Secretary

## Notes on financial statements for the year ended 31<sup>st</sup> March, 2016

### 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 and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to in Section 129 and Section 133 of the Companies Act, 2013 of India. The accounting policies applied by the Company are consistent with those used in the previous year.

#### (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 except in case of significant uncertainties.

#### (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: The Company has ascertained the useful life of its various assets and charged depreciation in accordance with Schedule II of the Companies Act, 2013 except in case of Precision Components division the useful life of shop toolings fixtures has been determined as 2 years.

#### (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 Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Authorised Share Capital</b>		
60,00,00,000 Equity Shares of ₹ 2/- each	12,000.00	12,000.00
	12,000.00	12,000.00
<b>Issued, Subscribed and Fully Paid-up:</b>		
5,26,51,756 Equity Shares of ₹ 2/- each fully paid up	1,053.04	1,053.04
(Previous year 5,26,51,756 Equity Shares of ₹ 2/- each fully paid up)		
<b>TOTAL</b>	<b>1,053.04</b>	<b>1,053.04</b>

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 (3,66,51,756).

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

Equity Shares	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	52,651,756	1,053.04	52,651,756	1,053.04
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>52,651,756</b>	<b>1,053.04</b>	<b>52,651,756</b>	<b>1,053.04</b>

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 pays 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 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
	No. of Shares	% held	No. of Shares	% held
<b>Equity shares of ₹ 2/- each fully paid</b>				
Shearson Investment and Trading Company Private Limited	10,269,289	19.50	10,269,289	19.50
Nirved Traders Private Limited	8,868,329	16.84	8,868,329	16.84
Vedant Consultancy Private Limited	4,607,663	8.75	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.

## 3. RESERVES AND SURPLUS

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Capital Reserve</b>		
Capital Investment Subsidy	15.02	15.02
State Investment Subsidy	35.00	35.00
	50.02	50.02
<b>Securities Premium Reserve</b>		
As per Last Balance Sheet	2,308.74	2,308.74
	2,308.74	2,308.74
<b>General Reserve</b>		
As per last Balance Sheet	2,963.31	2,963.31
	2,963.31	2,963.31
<b>Surplus / (deficit) in the statement of profit and loss</b>		
As per last Balance Sheet	6,620.43	6,732.26
Profit/(Loss) for the year	(107.72)	(59.29)
Adjustment on account of depreciation as per Schedule II of the Companies Act, 2013.	-	(52.54)
	6,512.71	6,620.43
<b>TOTAL</b>	<b>11,834.78</b>	<b>11,942.50</b>

**4. LONG TERM BORROWINGS**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
	Non Current	Current	Non Current	Current
<b>Secured</b>				
Rupee Term Loan from bank (Refer note (a) below)	-	-	-	40.05
Car Loan from banks (Refer note (b), (c) and (d) below)	55.83	37.84	90.96	30.66
	55.83	37.84	90.96	70.71
<b>Unsecured</b>				
Sales Tax Deferred Payment Loan (Refer note (e) below)	475.28	16.49	501.12	19.06
	475.28	16.49	501.12	19.06
<b>TOTAL</b>	531.11	54.33	592.08	89.77

**Security and Salient Terms:**

- (a) Rupee Term Loan of ₹ Nil (Previous Year ₹ 40.05 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 out 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 instalments starting from June, 2010 and ending in March, 2015.
- (b) The Car Loan of ₹ 70.74 lakhs (Previous Year ₹ 87.10 lakhs) is secured by hypothecation of the car.  
Interest is payable @ 10.51% p.a. and is repayable in sixty monthly instalments starting from August, 2014 and ending in July, 2019.
- (c) The Car Loan of ₹ 22.93 lakhs (Previous Year ₹ 33.34 lakhs) is secured by hypothecation of the car.  
Interest is payable @ 10.50% & 11.58% p.a. and is repayable in sixty and twenty four monthly instalments respectively starting from July, 2012 and July, 2015 and ending in June, 2017.
- (d) The Car Loan of ₹ Nil (Previous Year ₹ 1.18 lakhs) is secured by hypothecation of the car.  
Interest is payable @ 11.58% p.a. and is repayable in thirty six monthly instalments starting from September, 2012 and ending in August, 2015.
- (e) Sales Tax deferred payment loan of ₹ 44.90 lakhs (Previous Year ₹ 63.95 lakhs) is interest free and payable in instalments starting from May, 2003 and ending in April, 2018.  
Sales Tax deferred payment loan of ₹ 446.87 lakhs (Previous Year ₹ 456.23 lakhs) is interest free and instalments schedule is not yet received from the department.

**5. DEFERRED TAX LIABILITIES (Net)**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Deferred Tax Liability</b>		
Related to Depreciation, etc.	305.77	305.77
<b>Deferred Tax Assets</b>		
Disallowances under the Income Tax Act, 1961	305.77	254.65
<b>TOTAL</b>	-	51.12

**6. LONG TERM PROVISIONS**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Provision for Employee Benefits</b>		
Gratuity	84.39	65.67
Leave benefits	115.99	121.45
<b>TOTAL</b>	200.38	187.12

**7. SHORT TERM BORROWINGS**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Secured</b>		
<b>Working Capital Loans From Banks</b>		
Foreign Currency Loan (Refer note (a) and (d) below)	1,355.71	1,514.31
Rupee Loan (Refer note (b),(c) and (d) below)	1,197.92	981.87
	<b>2,553.63</b>	<b>2,496.18</b>
<b>Unsecured</b>		
From Bodies Corporates	90.00	126.69
From Others	134.41	140.26
	<b>224.41</b>	<b>266.95</b>
<b>TOTAL</b>	<b>2,778.04</b>	<b>2,763.13</b>

**Security and Salient Terms:**

- (a) Foreign currency loan of ₹ 1355.71 lakhs (Previous Year ₹ 1514.31 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 ₹ 285.89 lakhs (Previous Year ₹ 113.11 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 ₹ 912.03 lakhs (Previous Year ₹ 868.76 lakhs) first charge by way of hypothecation of company's entire current assets on pari pasu basis with other working capital bankers and second pari pasu 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 4% p.a. to 5% p.a. and 12% p.a. to 19% p.a. for rupee loans.

**8. TRADE PAYABLES**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Micro, Small and Medium Enterprises	26.50	38.08
Others	2,176.04	2,191.93
<b>TOTAL</b>	<b>2,202.54</b>	<b>2,230.01</b>

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 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Principal amount due and remaining unpaid	26.50	38.08
Interest due on above and the unpaid interest	1.07	1.52
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 Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Current maturities of long term debt (Refer Note No. 4)	54.33	89.77
Interest accrued and due on borrowings	0.56	38.80
Unpaid Dividend	0.14	1.41
Advances from Customers	104.16	168.18
Payable to employees	274.42	214.34
Statutory Liabilities	173.75	153.22
Security Deposit from dealers / others	3.75	3.46
Provision for expenses	394.93	413.19
<b>TOTAL</b>	<b>1,006.04</b>	<b>1,082.37</b>

## 10. SHORT TERM PROVISIONS

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Provision for employee benefits</b>		
Gratuity (Refer Note No. 33)	450.02	371.90
Leave benefits	25.71	27.30
	<b>475.73</b>	<b>399.20</b>
<b>Other provisions</b>		
Income tax (Net of advance payment of tax)	53.71	270.84
Wealth tax	-	1.32
	<b>53.71</b>	<b>272.16</b>
<b>TOTAL</b>	<b>529.44</b>	<b>671.36</b>

## 11. FIXED ASSETS

(₹ in Lakhs)

Description	Gross Block				Depreciation / Amortisation					Net Block	
	As at 01-04-2015	Additions	Deductions / Adjustments	As at 31-03-2016	Upto 31-03-2015	Charged to retained earnings	For the year	Deductions / Adjustments	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
<b>TANGIBLE ASSETS :</b>											
Leasehold Land	357.90	-	-	357.90	60.73	-	5.66	-	66.39	291.51	297.17
Buildings	1,714.93	9.77	-	1,724.70	543.07	-	67.41	-	610.48	1,114.22	1,171.86
Plant & Machinery	8,486.53	97.81	-	8,584.34	6,134.63	-	442.95	-	6,577.58	2,006.76	2,351.90
Furniture, Fixtures	143.48	13.89	7.33	150.04	114.79	-	9.18	6.96	117.01	33.03	28.69
Office Equipments	189.35	24.47	0.89	212.93	144.07	-	16.00	0.78	159.29	53.64	45.28
Vehicles	446.87	31.51	37.80	440.58	203.57	-	42.64	16.00	230.21	210.37	243.30
	<b>11,339.06</b>	<b>177.45</b>	<b>46.02</b>	<b>11,470.49</b>	<b>7,200.86</b>	<b>-</b>	<b>583.84</b>	<b>23.74</b>	<b>7,760.96</b>	<b>3,709.53</b>	<b>4,138.20</b>
<b>INTANGIBLE ASSETS</b>											
Technical Knowhow Fee	50.39	-	-	50.39	50.39	-	-	-	50.39	-	-
Software	110.29	17.10	-	127.39	105.63	-	5.15	-	110.78	16.61	4.66
	<b>160.68</b>	<b>17.10</b>	<b>-</b>	<b>177.78</b>	<b>156.02</b>	<b>-</b>	<b>5.15</b>	<b>-</b>	<b>161.17</b>	<b>16.61</b>	<b>4.66</b>
<b>Total</b>	<b>11,499.74</b>	<b>194.55</b>	<b>46.02</b>	<b>11,648.27</b>	<b>7,356.88</b>	<b>-</b>	<b>588.99</b>	<b>23.74</b>	<b>7,922.13</b>	<b>3,726.14</b>	<b>4,142.86</b>
<b>Previous Year</b>	<b>11,456.55</b>	<b>348.08</b>	<b>304.89</b>	<b>11,499.74</b>	<b>6,844.31</b>	<b>77.78</b>	<b>661.12</b>	<b>226.33</b>	<b>7,356.88</b>	<b>4,142.86</b>	
Capital Work-in-Progress										203.32	4.90
Intangible Assets under Development										0.11	-

**12. LONG TERM LOANS AND ADVANCES**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Unsecured considered good unless otherwise stated</b>		
Capital advances	702.90	555.87
Loans to employees	3.31	2.51
Loan to others	-	5.00
Advance income-tax and tax deducted at source (Net of provisions for tax)	47.41	21.47
Advance fringe benefit tax (Net of provisions for tax)	2.17	2.17
<b>TOTAL</b>	<b>755.79</b>	<b>587.02</b>

**13. INVENTORIES**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Raw Materials and Components	584.92	654.48
Semi-Finished Goods	1,175.82	875.14
Finished Goods	845.51	922.26
Stock-in Trade	31.05	52.29
Stores, Cutting Tools and Packing Materials	302.39	327.24
<b>TOTAL</b>	<b>2,939.69</b>	<b>2,831.41</b>

**14. TRADE RECEIVABLES**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Unsecured</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	3,577.25	3,783.61
Considered doubtful	12.40	33.04
Less: Provision for doubtful debts	(12.40)	(33.04)
	3,577.25	3,783.61
<b>Others considered good</b>	<b>3,262.55</b>	<b>3,464.77</b>
<b>TOTAL</b>	<b>6,839.80</b>	<b>7,248.38</b>

**15. CASH AND CASH EQUIVALENTS**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Cash and Cash Equivalents:</b>		
<b>Balances with Banks in:</b>		
i. Current accounts	280.56	486.45
ii. Fixed Deposits	144.74	82.02
Cash on hand (Includes cheques on hand ₹ 67.50 lakhs (Previous Year ₹ 46.29 lakhs))	72.03	54.24
<b>Other Bank Balances:</b>		
Unpaid dividend	0.14	1.41
In Margin Money Accounts	23.49	66.87
<b>TOTAL</b>	<b>520.96</b>	<b>690.99</b>

**16. SHORT TERM LOANS AND ADVANCES**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Unsecured considered good unless otherwise stated</b>		
Security deposit	146.71	165.53
Loans and advances to related parties (Refer Note No.35)	2,227.66	2,078.14
Prepaid expenses	22.44	16.17
Balances with statutory/government authorities	44.85	37.42
Cenvat Credit and export incentive receivable	76.54	230.22
Less: Provision for doubtful receivable	(37.87)	(37.87)
	38.67	192.35
Maharashtra Value Added Tax Credit	127.92	247.30
Others #	840.75	909.98
Less: Provision for doubtful receivable	(37.93)	(37.93)
	802.82	872.05
<b>TOTAL</b>	<b>3,411.07</b>	<b>3,608.96</b>

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

**17. OTHER CURRENT ASSETS**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Interest accrued on fixed deposits and others	1,652.25	1,392.33
Pattern under development	86.24	65.88
<b>TOTAL</b>	<b>1,738.49</b>	<b>1,458.21</b>

**18. REVENUE FROM OPERATIONS**

(₹ in Lakhs)

	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
Sale of Products	16,049.85	16,305.32
Sale of Services	12.09	27.18
Other operating revenue	223.33	299.67
<b>Revenue from operations</b>	<b>16,285.27</b>	<b>16,632.17</b>
Less: Excise duty	1,357.77	1,221.42
<b>TOTAL</b>	<b>14,927.50</b>	<b>15,410.75</b>
<b>PARTICULARS OF SALE OF PRODUCTS</b>		
Machine Tool Accessories	851.78	1,156.36
Precision Components	825.25	905.87
Cutting Tools	9,775.16	8,724.73
Castings	4,338.62	5,212.23
Others	259.04	306.13
<b>TOTAL</b>	<b>16,049.85</b>	<b>16,305.32</b>

**19. OTHER INCOME**

(₹ in Lakhs)

	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>Interest:</b>		
From Bank deposits	14.64	17.70
From Others	351.74	343.90
	366.38	361.60
Exchange rate difference (Net)	36.05	17.15
Sundry balances written back (Net)	17.82	34.65
Miscellaneous Income	17.89	24.74
Profit on sale of fixed assets	-	1.04
Provision no longer required written back	31.84	185.52
Less: Bad debts and doubtful receivables written off during the year	20.64	148.91
	11.20	36.61
	82.96	114.19
<b>TOTAL</b>	<b>449.34</b>	<b>475.79</b>

**20. COST OF RAW MATERIALS AND COMPONENTS CONSUMED**

(₹ in Lakhs)

	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
Inventory at the beginning of the year	654.48	685.92
Add : Purchases	5,386.59	5,684.42
	6,041.07	6,370.34
Less : Inventory at the end of the year	584.92	654.48
<b>Cost of Raw Materials and Components Consumed</b>	<b>5,456.15</b>	<b>5,715.86</b>

**20.1 PARTICULARS OF RAW MATERIALS AND COMPONENTS CONSUMED**

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
Alloy Steels	191.52	222.48
Sub-Assembly Components	110.52	209.87
HSS Steels	2,776.24	2,372.43
Alloys / Ferro / ORM Scrap	2,377.87	2,911.08
<b>TOTAL</b>	<b>5,456.15</b>	<b>5,715.86</b>

**20.2 INVENTORY OF RAW MATERIALS AND COMPONENTS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Alloy Steels	37.56	39.06
Sub-Assembly Components	24.65	86.70
HSS Steels	399.14	345.89
Alloys / Ferro / ORM Scrap	123.57	182.83
<b>TOTAL</b>	<b>584.92</b>	<b>654.48</b>

**21. PURCHASES OF STOCK-IN-TRADE**

(₹ in Lakhs)

	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
Files	125.39	187.37
<b>TOTAL</b>	<b>125.39</b>	<b>187.37</b>

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

	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>Inventories at the end of the year</b>		
Finished Goods	845.51	922.26
Semi-Finished Goods	1,175.82	875.14
Stock-in-Trade	31.05	52.29
	<u>2,052.38</u>	<u>1,849.69</u>
<b>Inventories at the beginning of the year</b>		
Finished Goods	922.26	1,054.26
Semi-Finished Goods	875.14	833.18
Stock-in-Trade	52.29	44.55
	<u>1,849.69</u>	<u>1,931.99</u>
<b>Change in Inventories</b>		
Finished Goods	76.75	132.00
Semi-Finished Goods	(300.68)	(41.96)
Stock-in-Trade	21.24	(7.74)
<b>TOTAL</b>	<u>(202.69)</u>	<u>82.30</u>

**PARTICULARS OF INVENTORIES**

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Finished Goods</b>		
Machine Tool Accessories	92.42	81.84
Precision Components	10.05	4.51
Cutting Tools	743.04	835.91
<b>TOTAL</b>	<u>845.51</u>	<u>922.26</u>
<b>Semi-Finished Goods</b>		
Machine Tool Accessories	15.29	15.30
Precision Components	14.39	20.76
Cutting Tools	536.97	403.00
Castings	609.17	436.08
<b>TOTAL</b>	<u>1,175.82</u>	<u>875.14</u>
<b>Stock-in-Trade</b>		
Files	31.05	52.29
<b>TOTAL</b>	<u>31.05</u>	<u>52.29</u>

**23. EMPLOYEE BENEFITS EXPENSE** (₹ in Lakhs)

	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
Salaries, Wages and Bonus	2,903.13	2,679.65
Contribution to Provident and Other Funds	311.63	335.81
Staff Welfare Expenses	263.94	255.40
<b>TOTAL</b>	<u>3,478.70</u>	<u>3,270.86</u>

**24. FINANCE COST** (₹ in Lakhs)

	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>Interest Expenses:</b>		
Fixed Loan	13.23	27.32
Other	415.36	433.64
Bank charges	57.50	281.67
<b>TOTAL</b>	<u>486.09</u>	<u>742.63</u>



**25. DEPRECIATION AND AMORTISATION EXPENSES**

(₹ in Lakhs)

	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
Depreciation on Tangible Assets	583.84	651.59
Amortisation of Intangible Assets	5.15	9.53
<b>TOTAL</b>	<b>588.99</b>	<b>661.12</b>

**26. OTHER EXPENSES**

(₹ in Lakhs)

	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>Manufacturing Expenses:</b>		
Stores, cutting tools and packing materials consumed	1,016.83	1,060.51
Sub-contracting expenses	1,094.51	1,000.33
Increase / (decrease) of excise duty on finished goods	8.00	(28.21)
Power, fuel and water	1,036.39	927.20
Repairs and maintenance:		
Buildings	27.09	16.97
Plant and machinery	109.81	78.61
	<b>3,292.63</b>	<b>3,055.41</b>
<b>Administrative, Selling and Other Expenses:</b>		
Rent	16.75	16.82
Rates and taxes	9.82	16.91
Postage and telephone	51.06	52.95
Printing and stationery	37.69	31.40
Insurance	26.22	19.62
Travelling and conveyance	172.56	109.56
Foreign travelling expenses	48.39	35.42
Vehicle expenses	28.11	35.14
Advertisement, publicity etc.	9.11	4.36
Sales promotion and other selling expenses	872.77	731.98
Sales commission	12.41	12.34
Freight on sales	244.33	250.57
Training and welfare expenses	34.15	38.12
Directors' sitting fees	5.60	3.30
Auditors' remuneration (excluding service tax):		
Audit fee	9.00	9.00
For certification	3.05	3.20
Reimbursement of expenses	0.79	0.51
Bad debts	58.59	-
Legal and professional fees	613.91	526.18
Security services	35.12	34.99
Software maintenance expenses	3.23	3.39
Loss on sale of Fixed Assets	10.06	41.37
Exchange rate variation loss (Net)	-	1.49
Miscellaneous expenses	175.69	190.18
	<b>2,478.41</b>	<b>2,168.80</b>
<b>TOTAL</b>	<b>5,771.04</b>	<b>5,224.21</b>

**27. Computation of profit / (loss) for earnings per share:**

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
<b>Net Profit / (Loss) after tax attributable to Equity Shareholders (A)</b>	<b>(107.72)</b>	<b>(59.29)</b>
No. of Equity Shares outstanding during the year for calculating Basic EPS (B)	52651756	52651756
No. of Equity Shares outstanding during the year for calculating Diluted EPS (C)	52651756	52651756
Nominal Value of Equity Shares (₹)	2/-	2/-
Basic EPS (₹) (A / B)	(0.20)	(0.11)
Diluted EPS (₹) (A / C)	(0.20)	(0.11)

**28. Contingent liabilities:**

(₹ in Lakhs)

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

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
<b>Capital Commitments:</b>		
Tangible Assets	359.29	441.96

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

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
(i) Amount of duty saved under EPCG Scheme against export obligations	481.14	481.14
(ii) Sales Tax Demands in Appeals	269.50	280.69
(iii) Income Tax Demands in Appeals	83.99	83.99
(iv) Excise and Service Tax Demands in Appeals	75.32	45.80
(v) Claim on account of PF not acknowledged as debts	4.01	4.01
(vi) Bank Guarantees / Letters of Credit	20.06	62.06
(vii) Corporate Guarantee to Banks for a loan taken by group Company	25030.00	25030.00
(viii) Claims against Company not acknowledged as debts	67.54	29.28

- (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.

**29. (a) Utilization of proceeds of public/ right issue as on 31<sup>st</sup> March, 2016 is as under:**

(₹ in Lakhs)

Description	Total Estimated Cost	Deployed upto 31 <sup>st</sup> March, 2016	Deployed upto 31 <sup>st</sup> March, 2015
I) Aurangabad Project:			
Building	120.00	102.95	102.95
Plant, Machinery and Electrical Equipment	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	-	-
<b>Sub-total</b>	<b>2129.86</b>	<b>523.20</b>	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
<b>Total</b>	<b>2900.00</b>	<b>1269.76</b>	1269.76

As per the Prospectus, the funds which were proposed to be deployed in the Aurangabad Project upto the period ended 30<sup>th</sup> 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 Honourable 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.

29. (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.
30. The remuneration as approved by the Remuneration Committee / Board / Shareholders amounting to ₹ Nil (Previous year ₹ 71.77 Lakhs) paid / provided to the Managing Director is the remuneration within the limits of Schedule V, Part II, Section II of the Companies Act, 2013, based on the effective Capital of the Company and in line with the amount allowable based on the resolution passed by the shareholders being Special Resolution.
31. The Cutting Tool Divisions of the Company situated at Plot No. 62-63, M.I.D.C., Satpur, Nashik and Plot No. B-15/3/1, M.I.D.C., Waluj, Aurangabad has received symbolic possession notice under the SARFAESI Act (Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002) on 26<sup>th</sup> June, 2014 and 27<sup>th</sup> June, 2014 respectively alongwith the claim for repayment of ₹ 193.18 Crores. The Aurangabad Division of the Company has also received physical possession notice under SARFAESI Act on 9th May, 2015 from the Sub-Divisional Magistrate, Taluka Vaijapur, District Aurangabad.
- The Company is in the process of joining with the principal defaulter in filing a consolidated application at Debt Recovery Tribunal (DRT) Court, Pune.
32. Balances of Sundry Creditors and Debtors are subject to confirmation.

### 33. Employee Benefits:

#### (A) Defined Contribution Plans:

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

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
Contribution to Employees Provident Fund and Other Funds	311.63	335.81
<b>Total</b>	<b>311.63</b>	<b>335.81</b>

#### (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:

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
<b>i) Reconciliation of defined benefit obligation (DBO) :</b>		
DBO at the beginning of the year	712.78	619.83
Current Service Cost	64.88	60.29
Interest Cost	51.41	53.54
Actuarial Loss / (Gain)	21.52	60.54
Benefits paid	(102.08)	(81.42)
DBO at end of the year	748.51	712.78
<b>ii) Net cost for the year ended :</b>		
Current Service Cost	64.88	60.29
Interest Cost	51.41	53.54
Expected Return on Plan Assets	(20.77)	(20.81)
Actuarial Loss / (Gain)	26.70	59.33
Net Cost	122.22	152.35
<b>iii) Fair Value of Plan Assets</b>	<b>214.10</b>	<b>275.20</b>
<b>iv) Assumptions used in accounting for the gratuity plan :</b>		
Discount rate (%)	7.85% to 8.00%	7.80% to 8.01%
Salary escalation rate (%)	3.00% to 5.00%	3.00% to 7.00%

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

(₹ in Lakhs)

Particulars	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012
Present Value of Defined Benefit Obligation	748.51	712.78	619.83	561.81	533.21
Fair Value of Plan Assets	214.10	275.20	209.53	208.42	110.10
(Deficit) / Surplus of the plan	534.41	437.58	410.30	353.39	423.11
Experience adjustment on plan liabilities loss / (gain)	21.52	*	*	*	*
Experience adjustment on fair value of plan assets	5.18	*	*	*	*

\* 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 2011-12, 2012-13, 2013-14 and 2014-15 hence not furnished.

**II. Leave Encashment:**

The leave encashment provision for the year ended 31st March, 2016, based on actuarial valuation carried out using projected unit credit method amounting to ₹ 39.88 Lakhs (Previous Year ₹ 84.34 Lakhs) has been recognized in statement of profit and loss.

**34. Segment Reporting:**

**(a) Business Segments:**

(₹ in Lakhs)

Particulars	2015-16	2014-15
<b>Segment Revenue</b>		
a) Tools and Precision Components	11910.10	11387.66
b) Casting and Machining	4375.17	5244.51
<b>Total</b>	16285.27	16632.17
<b>Less: Excise Duty</b>	1357.77	1221.42
<b>Net Sales Income from Operation</b>	14927.50	15410.75
<b>Segment Results Profit(+)/(Loss)(-) (before Interest and Tax) from segment</b>		
a) Tools and Precision Components	765.14	971.59
b) Casting and Machining	(605.88)	(226.77)
<b>Total</b>	159.26	744.82
<b>Less: Interest and Finance Charges</b>	486.09	742.63
<b>Profit / (Loss) before Tax</b>	(326.83)	2.19
<b>Less: Provision for Taxation</b>		
Current Tax	-	100.50
Deferred Tax	(51.12)	(39.02)
Provision For Earlier Periods	(167.99)	-
<b>Profit / (Loss) after Tax</b>	(107.72)	(59.29)
<b>Segment Assets</b>		
a) Tools and Precision Components	17806.73	18186.12
b) Casting and Machining	2328.64	2386.61
<b>Total</b>	20135.37	20572.73
<b>Segment Liabilities</b>		
a) Tools and Precision Components	18810.59	18819.85
b) Casting and Machining	1324.78	1752.88
<b>Total</b>	20135.37	20572.73

(₹ in Lakhs)		
Particulars	2015-16	2014-15
<b>Capital Expenditure</b>		
a) Tools and Precision Components	208.41	331.61
b) Casting and Machining	184.67	16.47
<b>Total</b>	<b>393.08</b>	<b>348.08</b>
<b>Depreciation</b>		
a) Tools and Precision Components	412.96	464.54
b) Casting and Machining	176.03	196.58
<b>Total</b>	<b>588.99</b>	<b>661.12</b>
<b>Non Cash Expenditure</b>		
a) Tools and Precision Components	-	-
b) Casting and Machining	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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.

**(b) Secondary Segment - (Geographical):**

(₹ in Lakhs)

Particulars	India	USA	Rest of the World	Total
<b>Segment Revenue</b>	13434.92	809.86	682.72	14927.50
	(13417.30)	(1030.74)	(962.71)	(15410.75)

(Figures in brackets indicates 31st March, 2015 figures).

**35. Related party disclosures:**

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

**(a) Key Management Personnel**

1. Shri M. S. Arora (Managing Director) till 15th December, 2014.
2. Shri Vedant Birla - Chairman & Managing Director, appointed w.e.f. 18th May, 2016.
3. Shri Shamraj Gilbile - Whole Time Director, appointed w.e.f. 4th December, 2015 and resigned w.e.f. 28th June, 2016.
4. Shri Mukunda Mankar - Chief Financial Officer.
5. Ms. Rupa Khanna - Company Secretary & Compliance Officer.

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

1. Ashok Birla Apollo Hospital Private Limited	15. Birla Integrated Textile park Limited
2. Asian Distributors Private Limited	16. Birla International Private Limited
3. Birla Aircan Infrastructure Private Limited	17. Birla Kerala Vaidyashala Private Limited
4. Birla Art Lifestyle Private Limited	18. Birla Lifestyle Private Limited
5. Birla Bombay Private Limited	19. Birla Pacific Medspa Limited
6. Birla Capital and Financial Services Limited	20. Birla Power Solutions Limited
7. Birla Concepts (India) Limited	21. Birla Research and Lifesciences Limited
8. Birla Cotsyn (India) Limited	22. Birla Retail & Distributors Private Limited
9. Birla Edutech Limited	23. Birla Shloka Edutech Limited
10. Birla Electricals Limited	24. Birla Surya Limited
11. Birla Energy Infra Limited	25. Birla Terrajoule Private Limited
12. Birla Global Corporate Private Limited	26. Birla Transasia Carpets Limited
13. Birla Industries Group Charity Trust	27. Birla Urja Limited
14. Birla Infrastructure Limited	28. Birla Viking Travels Limited

29. Birla Wellness and Healthcare Private Limited	35. Shearson Investments and Trading Company Private Limited
30. Godavari Corporation Private Limited	36. Vedant Consultancy Private Limited
31. Khopoli Investments Limited	37. Vijay Puranjay Minerals Private Limited
32. Lakshmi Properties Limited	38. Zenith Birla (India) Limited
33. Melstar Information Technologies Limited	39. Zenith Dyeintermediates Limited
34. Nirved Traders Private 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, 2016 and balances with related parties :**

(₹ in Lakhs)

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 31.03.2016 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2016 CREDIT Balance Current Year (Previous Year)
Birla Global Corporate Private Limited	Loan / Advance Given	-	191.69	-
		-	(191.69)	-
	Services	-	47.51	-
		(3.09)	(47.51)	-
	Interest Income	4.00	33.50	-
		(3.99)	(29.50)	-
Shearson Investments and Trading Company Private Limited	Advance Recovered	-	-	-
		(119.00)	-	-
	Interest Income	10.07	30.19	-
		(10.07)	(20.12)	-
	Deposit Received	1.00	-	1.00
		-	-	-
Zenith Birla (India) Limited	Loan/Advance Given	-	65.00	-
		-	(65.00)	-
	Reimbursement of Expenses	-	-	-
		(0.16)	-	-
	Services	-	-	-
		-	(55.91)	-
	Sale of Goods	2.43	1.41	-
		(2.82)	(6.81)	-
Birla International Private Limited	Interest Income	130.86	735.63	-
		(140.21)	(604.77)	-
	Advance Given	-	821.57	-
		-	(904.60)	-
	Sales Return of Goods	-	-	-
		(6.96)	-	-
Birla Power Solutions Limited	Sales of Goods	-	3,299.92	-
		-	(3,299.92)	-
	Loan Repaid	76.70	-	-
		-	-	-
Birla Power Solutions Limited	Loan Taken	-	-	-
		-	-	(76.70)

(₹ in Lakhs)

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 31.03.2016 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2016 CREDIT Balance Current Year (Previous Year)
Birla Industries Group Charity Trust	Rent Expenses	-	-	-
		(0.48)	-	(0.08)
Godavari Corporation Private Limited	Reimbursement of Expenses	1.84	-	-
		(5.90)	-	-
	Loan / Advance Given	-	553.00	-
		-	(553.00)	-
	Deposit Received	1.00	-	1.00
		-	-	-
	Interest Income	85.72	411.74	-
		(85.72)	(327.86)	-
Birla Bombay Private Limited	Advance Given	250.00	300.00	-
		-	(50.00)	-
	Reimbursement of Expenses	-	-	0.10
		-	-	(0.10)
Birla Shloka Edutech Limited	Loan/Advance Given	-	-	-
		(55.00)	-	-
	Advance Recovered	-	-	-
		(55.00)	-	-
	Services	-	-	-
		(5.00)	-	-
Birla Cotsyn (India) Limited	Advance Given	-	5.00	-
		-	(5.00)	-
Nirved Traders Private Limited	Advance Given	45.00	45.00	-
		-	-	-
	Services	94.70	-	-
		(177.72)	-	(18.26)
	Loan / Advance Given	-	355.34	-
		-	(355.34)	-
	Interest Income	50.20	99.21	-
		(35.53)	(125.70)	-
	Interest Recovered	-	-	-
		(16.25)	-	-
	Rent & Maint. Exp.	36.55	-	7.19
		-	-	-
Birla Retail & Distributors Private Limited	Sales of Goods	-	126.14	-
		-	(126.14)	-
	Balance Written off	-	-	-
		(0.08)	-	-

(₹ in Lakhs)

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 31.03.2016 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2016 CREDIT Balance Current Year (Previous Year)
Vedant Consultancy Private Limited	Loan/Advance Given	-	-	-
		(49.90)	-	-
	Advance Recovered	-	-	-
		(49.90)	-	-
Birla Infrastructure Limited	Services	129.81	2.23	-
		(162.92)	(1.53)	-
Shri. Vedant Birla	Remuneration Paid	30.00	-	-
		-	-	-
	Advance given	10.00	5.46	-
		-	-	-
	Advance recovered	4.54	-	-
		-	-	-
Shri M.S. Arora	Managerial Remuneration	-	-	21.16
		(71.77)	-	(21.16)

(Figures in brackets indicate 31st March, 2015 figures)

**36. Value of imported and indigenous Raw materials, components and stores and spare parts consumed and percentage of each to the total consumption:** (₹ in Lakhs)

Particulars	31st March, 2016 ₹ in Lakhs	%	31st March, 2015 ₹ in Lakhs	%
<b>Raw materials and Components:</b>				
- Imported	259.72	5%	68.54	1%
- Indigenous	5196.43	95%	5647.32	99%
	5456.15	100%	5715.86	100%
<b>Stores and Spare parts:</b>				
- Imported	13.07	1%	14.53	1%
- Indigenous	1003.76	99%	1045.98	99%
	1016.83	100%	1060.51	100%

**37. CIF value of imports:** (₹ in Lakhs)

Particulars	31st March, 2016	31st March, 2015
Capital goods	10.21	1.25
Raw Materials and Components	257.59	32.04
Stores and Spare parts	10.79	7.74
<b>Total</b>	<b>278.59</b>	<b>41.03</b>

**38. Expenditure in foreign currency:** (₹ in Lakhs)

Particulars	31st March, 2016	31st March, 2015
(i) Foreign travelling expenses	26.31	19.77
(ii) Sales Commission and Professional charges	71.13	4.14
(iii) Sub-contracting charges	0.84	-
<b>Total</b>	<b>98.28</b>	<b>23.91</b>



**39. Earnings in foreign currency:**

(₹ in Lakhs)

Particulars	31st March, 2016	31st March, 2015
F.O.B. value of exports of manufacturing goods	1481.80	1979.76

**40. Remittance in foreign currencies on account of dividend:**

Particulars	31st March, 2016	31st March, 2015
i) No. of Non-resident Shareholders (including NRIs)	232	240
ii) No. of Shares held by them	234,404	309,189
iii) Amount remitted	NIL	NIL

**41. Corresponding previous year figures have been regrouped / recast and reclassified wherever necessary to make them comparable.**

For and on behalf of Board of Directors

**For THAKUR,VAIDYANATH AIYAR & CO.**

Chartered Accountants

Firm Registration No. 000038N

**M. S. Adige**  
Director  
DIN 00280925

**Jainarayan Bajaj**  
Director  
DIN 03167975

**C. V. Parameswar**  
Partner  
Membership No. 11541

**M. S. Mankar**  
Chief Financial Officer

Place: Nashik  
Date : 27<sup>th</sup> May, 2016

**Rupa Khanna**  
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](http://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/-**

**Vedant Birla  
Chairman & Managing Director**

## E-COMMUNICATION REGISTRATION FORM

To,

Karvy Computershare Pvt. Ltd.  
Karvy Selenium Tower-B, Plot No. 31 & 32,  
Financial District, Gachibowli, Nanakramguda,  
Serlingampally, Hyderabad – 500 032.

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 1<sup>st</sup> 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 ID & Client ID.
- 2) The form is also available on the website of the company [www.birlaprecision.in](http://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.

## ATTENDANCE SLIP

### BIRLA PRECISION TECHNOLOGIES LIMITED

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

CIN: L29220MH1986PLC041214; Website: www.birlaprecision.in; Email: info@birlaprecision.com; Phone: (0240) 2554300

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE AUDITORIUM

Joint Shareholders may obtain additional slips at the entrance.

Regd. Folio No. / Client ID No. ....

Name of the Member / Authorised Representative / Proxy .....  
(in Block Letters) .....

No. of Share(s) held .....

I hereby record my/our presence at the **29th ANNUAL GENERAL MEETING** held on Thursday 29<sup>th</sup> day of September, 2016 at 11.30 a.m., at B-15/4, M.I.D.C., Waluj, Aurangabad - 431 133.

Signature of the Member / Authorised Representative / Proxy .....

(TEAR HERE)

## PROXY FORM

### BIRLA PRECISION TECHNOLOGIES LIMITED

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

CIN: L29220MH1986PLC041214; Website: www.birlaprecision.in; Email: info@birlaprecision.com; Phone: (0240) 2554300

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

Name of the Member (s) :

Registered address :

E-mail id :

Folio No. / Client Id :

DP ID :

I / We, being the member(s) of \_\_\_\_\_ Equity Shares of Birla Precision Technologies Limited, hereby appoint

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him / her

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him / her

3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Twenty Ninth Annual General Meeting of the Company, will be held on **Thursday the 29<sup>th</sup> day of September 2016 at 11.30 a.m.** at B-15/4, M.I.D.C., Waluj, Aurangabad - 431 133 and at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting, as are indicated overleaf.

Sr. No	Resolution	Options	
		For	Against
1	To adopt the Audited Balance Sheet as at 31 <sup>st</sup> March, 2016 and the Statement of Profit and Loss for the year ended as on that date together with the Report of Directors' and the Auditors'.		
2	Appointment of Director in place of Smt. Avanti Birla (DIN 00167903), who retires by rotation, and being eligible, offers herself for re-appointment.		
3	To re-appoint the Auditor and fix their remuneration.		
4	Appointment of Mr. Vedant Birla (DIN 03327691) as an Director of the Company.		
5	Appointment of Mr. Vedant Birla (DIN 03327691) as an Chairman & Managing Director of the Company and fix his remuneration.		
6	Appointment of Mr. Om Prakash Jain (DIN 02553210) as an Director of the Company.		
7	Appointment of Mr. Jainarayan Bajaj (DIN 03167975) as an Independent Director of the Company.		
8	Appointment of Mr. Satyanarayan Baheti (DIN 06933453) as an Independent Director of the Company.		
9	Appointment of Mr. Ritesh Joshi (DIN 07545241) as an Independent Director of the Company.		
10	Ratification of Remuneration to Cost Auditor.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

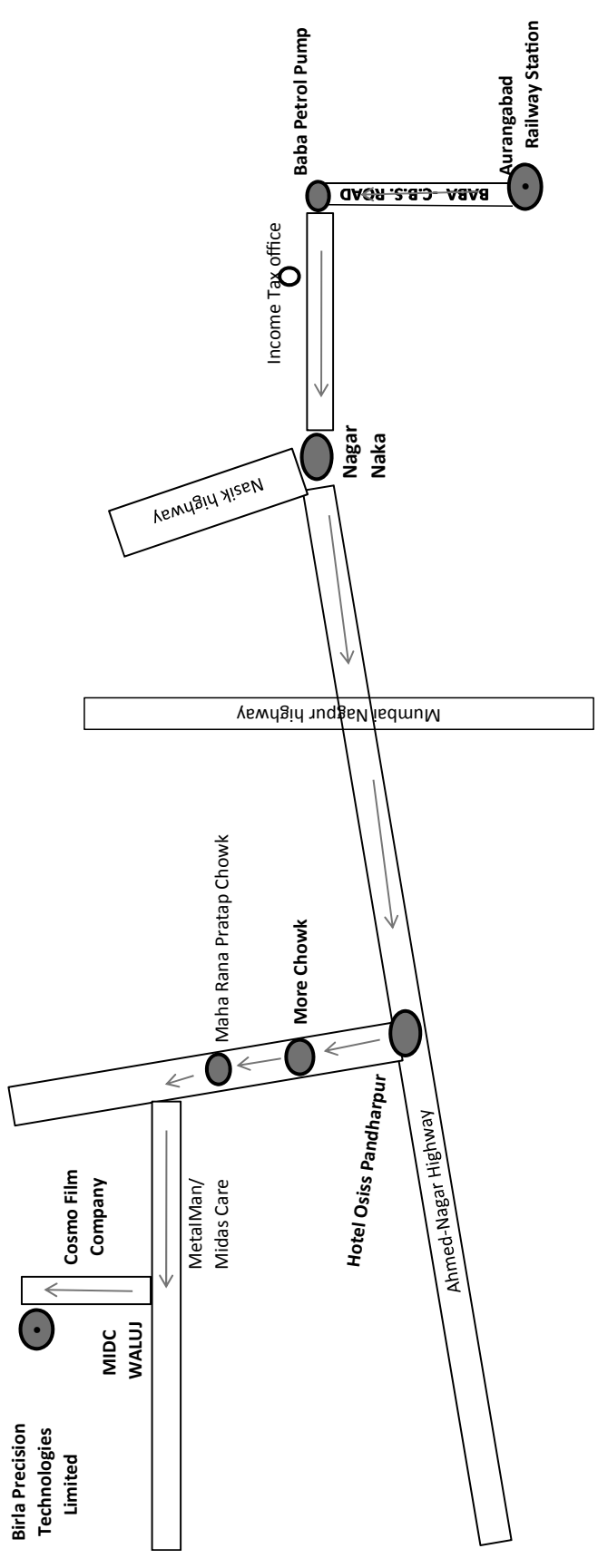
Affix. Re.  
I/- Revenue  
Stamp

**Signature**

**Notes :**

1. This form of proxy, 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.
2. A proxy need not be member of the company.
3. A person can act as a proxy on behalf of member not exceeding fifty holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders.
4. It is optional to indicate your preference, if you leave the "For" and "Against" column blank against any/or all the regulations, your proxy will be entitled to vote in the manner as he/she think appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In case of joint-holders, the signature of any one holder will be sufficient, but names of all the joint-holders should be stated.
7. Members are requested to bring their copy of the Annual Report along with them at the Annual General Meeting as extra copy of the Annual Report will not be made available for reason of economy.

# Route Map to AGM



## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.





**Courier / Registered Post / Speed Post**



**If undelivered, please return to:**  
**BIRLA PRECISION TECHNOLOGIES LIMITED**  
**CIN: L29220MH1986PLC041214**

**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](mailto:info@birlaprecision.com), Web: [www.birlaprecision.in](http://www.birlaprecision.in)**