



SK/BSE/40/2020-21

Date: 4th December, 2020

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

Scrip Code: 522105

Subject: Submission of Annual Report for the Financial year 31st March, 2020.

Dear Sir/Madam,

This is with reference to regulation 34 of the Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed Annual Report for the financial year 31st March, 2020 Comprising of Notice for 33rd Annual General Meeting and other documents and information as required under the prevailing laws/provisions for the financial year ended 31st March, 2020 .


Request you to take the same on records.

Thanking you

Yours Faithfully,

For Birla Precision Technologies Limited

SANTHOSH
KUMAR

 Digitally signed by SANTHOSH
KUMAR
Date: 2020.12.04 17:48:22 +05'30'

Santhosh Kumar
Executive Director
DIN:08686131

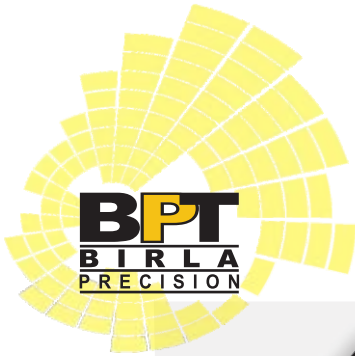
Note: Kindly note that the document could not be physically signed, as the employees are working from home because of the outbreak of COVID-19.

Birla Precision Technologies Limited

Regd. Office: 23, Birla Mansion No. 2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai 400 004
Tel.: +91 022-23867498

E-mail : info@birlaprecision.com Website : www.birlaprecision.com

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



Annual Report 2019-2020

BIRLA PRECISION TECHNOLOGIES LIMITED

Registered Office: 23, Birla Mansion No. 2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj,
Mumbai 400 004 Tel. No.: 022-23825060

Visit us at: www.birlaprecision.com Email id: info@birlaprecision.com

Corporate Identity Number (CIN): L29220MH1986PLC041214

Scrip Code (BSE): 522105

BOARD OF DIRECTORS :

Mr. Vedant Birla	- Chairman & Managing Director
Mr. Om Prakash Jain	- Director (Resigned w.e.f. 23.05. 2019)
Ms. Roshani Vilas Gangawane	- Woman Independent Director
Mr. Sandeepkumar Surendra Gupta	- Independent Director (Resigned w.e.f 14.02.2020)
Mr. Santhosh Kumar	- Executive-Director (Appointed w.e.f. 05.02. 2020)
Mr. Aditya	- Independent Director (Appointed w.e.f. 05.02.2020)
Mrs. Pooja Tiwari	- Woman Independent Director (Appointed w.e.f. 05.02.2020)
Ms. Yashika Jain	- Non Executive Independent Director (Appointed w.e.f 31.08.2020)

KEY MANAGERIAL PERSONNELS :

Mr. Rajendra Kumar Sharma	- Chief Financial Officer
Ms. Vandana Patil	- Company Secretary (Resigned w.e.f. 10.04.2019)
Ms. Shaijal Jain	- Company Secretary (Appointed w.e.f. 15.06.2019 & Resigned w.e.f. 12.10.2020)

STATUTORY AUDITORS :

- M/s. Thakur, Vaidyanath Aiyar & Co. (Retiring Auditor)
Chartered Accountants
11-B Vatsa House, (RPI House),
Janmabhoomi Marg, Fort, Mumbai – 400 001
- M/s. Valawat & Associates (New appointee Auditor)
Chartered Accountant
Udaipur, Rajasthan

BANKERS:

- ICICI Bank Limited
- HDFC Bank Limited

PLANT LOCATIONS:

Tool Holder Division:

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

Tool Division:

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

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

Foundry Division:

B-15/3/2, M.I.D.C. Area, Waluj, Aurangabad – 431 133

REGISTRAR & SHARE :

TRANSFER AGENTS

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

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33rd Annual General Meeting 29th December, 2020 Annual General Meeting (AGM) be held through Video Conferencing (VC) or Other Audiovisual Means (OAVM).	

NOTICE OF THE 33RD ANNUAL GENERAL MEETING

NOTICE is hereby given that the 33rd Annual General Meeting of the members of Birla Precision Technologies Limited will be held on Tuesday, 29th December, 2020 at 3.00 p.m., through VC/OAVM mode to transact the following business: -

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2020 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 Mr. Vedant Birla (DIN 03327691), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To Appoint M/s Valawat & Associate, Chartered Accountant, Udaipur as Statutory Auditor of the Company for a period of Five (5) years.

“RESOLVED THAT subject to the provisions of section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Valawat & Associate., Chartered Accountants (ICAI Firm Registration No. 003623C), be and are hereby appointed as the Statutory Auditors of the Company commencing from the conclusion of this Annual General Meeting till the conclusion of thirty eighth (38th) Annual General Meeting of the Company to be held in the year 2025 at a remuneration plus applicable taxes and out of pocket expenses to be fixed by the Audit Committee and/or Board of Directors of the Company.”

SPECIAL BUSINESS:

4. RATIFICATION OF REMUNERATION TO COST AUDITOR

To consider and if thought fit, to pass 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 Rs. 75,000/- (Rupees Seventy Five Thousands Only) exclusive of applicable GST, travelling and out-of-pocket expenses for the financial year ending 31st March, 2021 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.”

5. APPOINTMENT OF MS. YASHIKA JAIN (DIN 08858361), AS INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass 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 or the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Yashika Jain (DIN 08858361) who was appointed as an Additional Director of the Company with effect from 31st August, 2020 pursuant to Section 161 of the Companies Act, 2013 and who has submitted a declaration that she is eligible for appointment and she meets the criteria of independence as provided under Section 149(6) of the Act for a period of 3 consecutive years i.e. upto 30th August, 2023 and that she shall not be subject to retirement by rotation.”

6. ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS TO BIRLA INFRASTRUCTURE LIMITED

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

“RESOLVED THAT pursuant to Sections 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and

Allotment of Securities) Second Amendment Rules, 2018 (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with Stock Exchanges where the Company's shares are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI (ICDR) Regulations"), 2018, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and other applicable regulations of Securities and Exchange Board of India ("SEBI"), if any (for the time being in force) as may be applicable to the preferential issue of equity shares, the applicable rules, notifications, guidelines issued by various authorities including but not limited to the Government of India, SEBI, Reserve Bank of India ("RBI") and other competent authorities, and subject to the approval(s), consent(s), permission(s) and/or sanction(s) as may be required from the Central Government, RBI, SEBI and/ or from any other appropriate authority, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as "the Board") which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution to offer, issue, and allot in one or more tranches 84,31,703 Equity Shares (Eighty Four Lakhs Thirty One Thousand Seven Hundred and Three) at Rs. 5.93/- each (including premium of Rs.3.93/- each) aggregating to Rs. 5,00,00,000 (Rupees Five Crore Only) to M/s. Birla Infrastructure Limited, a company belonging to the promoter group on a preferential basis, in such manner and on such terms and conditions as may be determined by the Board in accordance with Chapter V of the SEBI (ICDR) Regulations, 2018 or any other provisions of law as may be prevailing as on date.

RESOLVED FURTHER THAT the Equity Shares proposed to be allotted in terms of this resolution shall be subject to the following:

- The Equity Shares to be allotted to the Proposed Allottee shall be under lock-in for such period as may be prescribed by the SEBI (ICDR) Regulations, 2018;
- The Equity Shares so allotted to the Proposed

Allottee under this resolution shall not be sold, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under;

- Allotment shall only be made in dematerialized form;
- The 'Relevant Date' for the purpose of determining the minimum price of the Equity Shares proposed to be allotted to the above mentioned allottee is 27th November, 2020 i.e. being the date which is 30 days prior to the date of this meeting;
- The allotment of Equity Shares is proposed to be completed within a maximum period of 15 days from the date of passing this resolution, provided that where the allotment is pending on account of pendency of any approval by any regulatory authority, or the Central Government then, the allotment shall be completed within 15 days from the date of receipt of such approval; and
- The Equity Shares proposed to be issued shall rank pari-passu with the existing Equity Shares of the Company in all respects and that the Equity Shares so allotted during the financial year shall be entitled to the dividend declared, if any, including other corporate benefits, if any, for which the book closure or the record date falls subsequent to the allotment of Equity Shares.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board be and is hereby authorised on behalf of the Company to take all actions and to do all such acts, deeds, matters and things and perform such actions as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose, including to seek listing, apply for in-principle listing approval of the Equity Shares to be issued and allotted to the above mentioned allottee and to modify, accept and give effect to any modifications in the terms and conditions of the issue(s) as may be they deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any committee of directors or any one or more Directors/Key Managerial Personnel/ Officers of the Company.

7. RECLASSIFICATION OF MR.YASHOVARDHAN BIRLA FROM PROMOTER AND PROMOTER GROUP CATEGORY TO PUBLIC CATEGORY

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

“RESOLVED THAT in pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and any other relevant provisions, including any modification(s) or re enactment (s) thereof for the time being in force, and subject to necessary approvals from the Stock Exchange and other appropriate Statutory authorities, as may be necessary, the consent of the Members of the Company be and is hereby accorded to reclassify Mr. Yashovardhan Birla (Applicant) holding 21919 Equity Shares of the Company constituting 0.04 % of the Issued and Paid up Share Capital of the Company from Promoter & Promoter Group category to Public category since the applicant is neither involved in the management nor hold any controlling stake in the Company and also not entered into any Shareholders Agreement with the Company nor has got any veto rights or special information rights or special rights as to voting power or control of the company.

RESOLVED FURTHER THAT it is hereby confirmed that:

- a. The Applicant does not hold individually more than 10% of the paid up equity capital of the company, the applicant holds only 0.04% of the Paid up capital of the company;
- b. That the applicant does not have any special rights through formal or informal arrangements/ agreements;
- c. That the applicant does not and shall not act as Key Managerial Personnel (KMP) for a period of more than 3 years from the date of Shareholders approval;
- d. That the applicant does not directly or indirectly exercise control over the affairs of the company.
- e. That the Board of Directors of the company is not accustomed to act in accordance with applicant advice, directions or instructions:

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions the Board or the officers authorised by the Board in this regards be and are hereby authorised to do all such acts deeds matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regards without requiring the board to secure any further consent or approval of the members of the Company.

8. TO CONSIDER AND APPROVE “BIRLA PRECISION TECHNOLOGIES LIMITED-EMPLOYEE STOCK OPTION SCHEME 2020-A”

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

“RESOLVED THAT pursuant to the provisions of Section 62 (1) (b) and all other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof or the time being in force), the Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as “SEBISBEB Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘Listing Regulations’), the provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/ POLICY CELL /2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as “SEBI (SBEB) Regulations”), including any statutory modification(s) or re-enactment (s) there to and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be imposed or prescribed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee thereof including the Nomination and Remuneration Committee duly authorized by the Board), subject to approval and consent of the Members of the Company for the Birla Precision Technologies Limited-Employee Stock Option Scheme 2020- A (hereinafter referred to as the “BPTL-ESOP 2020- A”) and to authorize the Board to create, offer and grant from time to time the number

Employee Stock Options (“ESOPs”) being not exceeding 1% (one percent) of the paid-up equity share capital of the Company as on the date of passing the resolution to the permanent employees of the company, present and future and director, whether whole time or otherwise (other than promoters of the Company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether working in India or outside India, as may be decided by the Board under the Plan (hereinafter referred to as an “eligible employees”) subject to consent of the members of the Company for authorizing the Board for the formulation and implementation of ‘Birla Precision Technologies Limited- Employee Stock Option Scheme 2020-A’ (the ‘BPTL-ESOP Plan 2020-A’) and for creation, grant, offer, issue and allotment, from time to time and in one or more tranches, stock options not exceeding 5,65,394 (Five Lakhs Sixty Five Thousands Three Hundred and Ninety Four Only) convertible into equivalent number of Equity Shares of Rs. 2/- each (Rupees Two Only), through Nomination and Remuneration Committee (hereinafter referred to as “ESOP Compensation Committee (ECC)) and on such terms and conditions, as may be determined by the Board under ESOP 2020-A.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the number of ESOPs that may be granted to any eligible employee, in any financial year and in aggregate under the Plan shall be less than 1% (One percent) of the issued equity share capital (excluding outstanding warrants and conversions) of the Company and the same shall be offered to employees of subsidiary Company(ies) whether in India or elsewhere.

RESOLVED FURTHER THAT the aforesaid ceiling ESOPs convertible into equivalent number of Equity Shares of Rs. 2/- each (Rupees Two Only) shall be appropriately adjusted, in case of any corporate action(s) such as rights issues, bonus issues, sub-division, split or consolidation of shares, any change in capital structure, merger and/or sale of division/undertaking or any other re-organisation/ restructuring of the Company, without

affecting any other rights or obligations of the option grantees.

RESOLVED FURTHER THAT the Board be and is hereby empowered:

- i. to administer, implement and supervise the BPTL-ESOP2020-A either directly by itself or through ECC;
- ii. to formulate, approve, evolve, modify, change, vary, alter, amend, suspend or terminate the BPTL-ESOP 2020-A and determine and bring in to effect such terms and conditions and procedures for grant or vesting of Share(s)/Option(s) under BPTL-ESOP 2020-A either directly by itself or through ECC;
- iii. to grant, issue, re-issue, re-call, surrender, cancel and withdraw stock options from time to time and to determine the terms and conditions therefore;
- iv. to take necessary steps for listing of the equity shares allotted under the BPTL-ESOP 2020 on Exchanges, where the equity shares of the Company are listed in due compliance with SEBI (SBEB) Regulations, SEBI Listing Regulations and other applicable laws;
- v. to delegate all or any of the powers herein conferred by this resolution to any Committee of Directors, Director, Officer or Authorized Representative of the Company;
- vi. to do all such acts, deeds, things and matters as may be considered necessary or expedient and settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.”

9. APPROVAL FOR ISSUE AND ALLOTMENT OF EQUITY SHARES TO EMPLOYEES OF HOLDING AND SUBSIDIARY COMPANY(IES) (IF ANY, IN FUTURE) UNDER THE BIRLA PRECISION TECHNOLOGIES EMPLOYEE STOCK OPTION SCHEME2020-A:

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

“RESOLVED THAT pursuant to section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and the Rules made thereunder, the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as ‘SEBI Regulations’), including any statutory modification(s) or re-enactment(s) of the Act, the Rules or the SEBI Regulations, for the time being in force and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company in its sole discretion (hereinafter referred to as the ‘Board’, which expression shall also include any committee including Compensation Committee constituted by the Board for this purpose), consent of the Company be and is hereby accorded to extend the benefits of the Birla Precision Technologies Limited-Employee Stock Option Scheme 2020-A (hereinafter referred to as ‘BPTL-ESOP 2020’) referred to in resolution no. 8 of this Notice to the person(s), who are the permanent Employees or Directors of holding (if any, in future) or subsidiary company(ies) (if any, in future), if any, of the Company as may be permissible under the SEBI Regulations (hereinafter referred to as ‘Employees’), in such manner, during such period, in one or more tranches and on such terms and conditions including the price as the Board may decide in accordance with the SEBI Regulations or other provisions of the law as may be prevailing at the relevant time, within the overall ceiling of 5,65,394 (Five Lakhs Sixty Five Thousands Three Hundred and Ninety Four Only) stock options convertible into 5,65,394 equity shares of the

face value of Rs. 2/- (Only Rupees Two) each fully paid-up as mentioned in the aforesaid resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot fully paid-up equity shares to be issued on exercise of stock options from time to time in accordance with the BPTL-ESOP-2020-A and the said equity shares shall rank pari-passu in all respects with the then existing fully paid-up equity shares of the Company.

RESOLVED FURTHER THAT the number of ESOPs that may be granted to any eligible employee, in any financial year and in aggregate under the Plan shall be less than 1% (One percent) of the issued equity share capital (excluding outstanding warrants and conversions) of the Company and the same shall be offered to employees of subsidiary Company(ies) whether in India or elsewhere.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division, change in capital structure and others, if any, additional stock options of the Company are issued to the Employees for the purpose of making a fair and reasonable adjustment to the stock options issued to them, the above ceiling of 5,65,394 options convertible into 5,65,394 equity shares be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

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

**Vedant Birla
Chairman & Managing Director
DIN: 03327691**

**Place: Mumbai
Date: 3rd December, 2020**

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. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) be held through video conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. Pursuant to the Circular No.14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the EGM/ AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13,2020, the Notice calling the AGM has been uploaded on the website of the Company at www.birlaprecision.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remotee-Voting facility) i.e. www.evoting.nsdl.com.
8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No.14/2020 dated April 08, 2020 and MCA Circular No.17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 5, 2020.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23rd December, 2020 to Tuesday, 29th December, 2020 (both days inclusive) for the purpose of Annual General Meeting.
10. The Board of Directors has appointed Mr. Anil Somani Proprietor of M/s. Anil Somani & Associates, Company Secretary in Practice (Membership No. 36055) as a Scrutinizer.
11. 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. Tuesday, 22nd December, 2020, only shall be entitled to avail the facility of e-voting.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses 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 Share Transfer Agent of the Company at the address mentioned below quoting their folio number(s): M/s. Kfin Technologies Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serlingampally, Hyderabad – 500032.

13. 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/re- appointment.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Saturday, 26th December, 2020 (9.00 a.m.) and ends on Monday, 28th December, 2020 (5.00 p.m.). The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8Digit Client ID For example, if your DP ID is IN300*** and Client ID is I2***** then your user ID is IN300***I2*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID Forexample, if your Beneficiary ID is I2***** then your user ID is I2*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

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

Details in Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click one-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your initial password?
 - i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your initial password'.
 - ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the checkbox.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to corporatesolutions14@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need

to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Share holders and e-voting user manual for Share holders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to cs@birlaprecision.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@birlaprecision.com.

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

1. The procedure for e-Voting on the day of the/AGM is same as the instructions mentioned above for remotee-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remotee-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/ AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remotee-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password fore-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
 2. Members are encouraged to join the Meeting through Laptops for better experience.
 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to Fluctuation in the irrespective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of afore said glitches.
 5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, emailid, mobile number at cs@birlaprecision.com. The same will be replied by the company suitably.
- A. 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. 22nd December,

2020 they may write to the company on the email ID: cs@birlaprecision.com (or), requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr.No. to (xii) as mentioned in (A) above, to cast the vote.

- ii. 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).

The results declared along with the Scrutinizer's Report shall be placed on the Company's Website: www.birlaprecision.com and on the website of the

service provider i.e. NSDL 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**

Vedant Birla
Chairman & Managing Director
DIN: 03327691

Place: Mumbai
Date: 3rd December, 2020

ANNEXURE TO THE NOTICE

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

ITEM NO. 4

In accordance with the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 ("the 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 30th July, 2020, 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 31st March, 2021 at a remuneration of Rs. 75,000/- (Rupees Seventy Five Thousand only) exclusive of applicable GST, 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 of the Company.

None of the Directors, Key Managerial Personnels of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board of Directors of the Company recommend the **Ordinary Resolution** as set out at **Item No. 4** of the Notice to the members for their approval.

ITEM NO. 5

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 Requirements) Regulations, 2015, Ms. Yashika Jain (DIN: No 08858361) was appointed as an Additional Director – Non-Executive Independent on the Board of Company on 31st August, 2020, based on the recommendation made by Nomination and Remuneration Committee. She shall hold office upto the date of the ensuing Annual General Meeting.

The Board of Directors proposes to appoint Ms. Yashika Jain as an Independent Director whose term shall not be subject to retirement by rotation, to hold office for three (3) consecutive years i.e. upto 30th August, 2023. Further, the Company has received declaration from Ms. Yashika Jain that

she is not disqualified and meets the criteria of independence.

Except Ms. Yashika 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. 5

The Board of Directors recommend the **Ordinary Resolution** set out at **Item No. 5** of the Notice for approval by the Members.

ITEM NO. 6

The Company is currently operating its Indian Tool Manufacturers (ITM), Spearheaded from the year 1937, ITM manufactures and supplies High Speed Steel Cutting tools in domestic and global markets. Intensive value-based approach is ingrained in ITM's operation on a continuous basis which allows it to come up with products to cater the demand of innovative products offered as total solutions custom designed for its clients. ITM products are well known as "Dagger Brand" and having the leading market share in India for Drills, produced using the finest quality material. Being the first cutting tool Company in India, which confirm to stringent worldwide benchmarks and are currently exported to the European, American and Asian markets apart from being sold in Indian market with country's largest distribution network for this Industry.

The Precision Components division is an 100% exports division, which manufactures engine components, shafts, spools etc. for various automotive and Hydraulic clients abroad. It is now just getting into the Domestic Market.

We have 4 plants located in Maharashtra - 1 in Nashik & other 3 plants in Aurangabad. We have 11 full stocking branch offices across India & a distribution network of 350+ dealers across India and Abroad. We regularly work on new designs and serve the customers through our application engineering department, making Custom Solutions for individual customers.

Currently branded as BPT the erstwhile Birla Kennametal Ltd was established in 1986, as a Joint Venture between Kennametal, a US \$ 4 billion conglomerate and Birla Group, thus continuing onwards a trait which has become characteristic of Birla Precision – becoming the first Tool Holding company in India. Here we manufacture AT3 Tool

Holders, Collets, Work Holding and Production Boosters- Some of which it is the only manufacturer in India thus being a total Import substitute and flag bearer of the Make in India initiative. BPT caters to international market –USA, Germany and APAC, and in recent times to the Far East including China. Besides, BPT also sells in domestic market in a large way to all major customers.

Our Foundry and Machining that is our Automotive division fabricates castings machined products and precision components. This division was erstwhile Birla Perucchini, a JV with Perucchini spa, Italy one of the biggest names in the European Hydraulic Space. Big league names like Honeywell, Sundram Fasteners and Cummins trust and rely on us for high quality products.

The Company shall use the proceeds from the proposed issue towards the business development of the Company, working capital requirement, investment in Technologies and for general corporate purpose which shall enhance the business of the Company.

The Board of Directors of the Company in their meeting held on 31st August, 2020 has approved to issue, offer and allot upto 84,31,703 Equity Shares (Eighty Four Lakhs Thirty One Thousand Seven Hundred and Three) at Rs. 5.93/- each (including premium of Rs.3.93/- each) aggregating to Rs. 5,00,00,000 (Rupees Five Crore Only) to M/s. Birla Infrastructure Limited, Promoter of the Company on a preferential basis. The Special Resolution as mentioned under Item No. 6 proposes to authorize the Board to issue and allot these shares on preferential basis, in such manner and on such terms and conditions as prescribed under SEBI (ICDR) Regulations, 2018 and in compliance with Sections 42 and 62 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder, the Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2018 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactments there off or the time being in force).

Further, 9,64,187 Equity Shares were allotted to M/s. Birla Infrastructure Limited on 2nd March, 2020 at a price of Rs. 7.26/- on of preferential basis from the beginning of the year to the date of issue of this Notice.

The information pertaining to the proposed preferential allotment in terms of the Chapter V of the SEBI (ICDR) Regulations, 2018 is as stated below:

Object of the Issue through preferential Allotment:

The Company shall utilise the proceeds from the preferential issue towards its business development, working capital requirement, investment in Technologies and for general corporate purpose which shall enhance the business of the Company.

Pricing of the Issue and Relevant Date: The issue of equity shares on preferential basis to the promoters/non promoters of the Company will be in such manner and on such price under the SEBI (ICDR) Regulations, 2018. The SEBI (ICDR) Regulations, 2018 in terms of Regulation 164(1), inter alia, provide that the price of the equity shares to be issued in terms of a preferential allotment shall not be less than higher of the following:

The average of the weekly high and low of the volume weighted average price of the related Equity Shares quoted on the stock exchange during the twenty-six weeks preceding the relevant date; OR

The average of the weekly high and low of the volume weighted average prices of the related Equity Shares quoted on the stock exchange during the two weeks preceding the relevant date.

Assuming 27th November, 2020 as relevant date, the minimum price is arrived at Rs. 5.9281 and the issue price is accordingly fixed at Rs. 5.93 per equity share by the Board of Directors Accordingly, the number of Equity Shares proposed to be issued is as under:

SN	Name of Allottee	Number of Equity Shares*
I.	M/s. Birla Infrastructure Limited	84,31,703

The proposal of the promoters, or their associates and relatives, directors/key managerial persons of the issuer to subscribe to the offer: Only the following promoter group entity have conveyed to the Company in writing to subscribe to the Equity Shares of the Company on preferential basis under the resolution under Item No.6.

SN	Name of the Allottee	Number of Equity Shares	Category
I.	M/s. Birla Infrastructure Limited	84,31,703	Promoter

Identity of the Proposed Allottee(s) and the Percentage of Post Preferential Issue Capital that may be held by the allottees:

Name of the Allottee	Pre Preferential Holding		Proposed Allotment	Post Preferential Holding	
	No. of Shares	%	No of Shares	No. of Shares	%
M/s. Birla Infrastructure Limited	55,83,886	9.82%	84,31,703	1,40,15,589	21.47%

Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control;

The natural persons who are the ultimate beneficial owner of the shares proposed to be allotted to M/s. Birla Infrastructure Limited is - the ultimate beneficial owner of Birla Infrastructure Limited (allottee) is Shri Krishna Arpan Trust & Shri Krishna Darpan Trust and the beneficiaries of these trust inter alia are certain Birla Family members.

Shareholding Pattern before and after preferential issue of the capital would be as follows:

SN	Category	Pre-preferential issue Shareholding		Post Preferential issue Shareholding*	
		No Shares	%	No Shares	%
A	Promoters' Holding				
	(i) Indian Promoters				
	(a) Individual/HUF	22445	0.04	22445	0.03
	(b) Bodies Corporate	30566036	53.78	38997739	59.75
	(c) Others (Trusts)	41620	0.07	41620	0.06
	(ii) Foreign Promoters				
	- Individual	0	0.00	0	0.00
	- Bodies Corporate	0	0	0	0
	Sub Total (A)	3,06,30,101	53.89	3,90,61,804	59.84
B	Non-Promoters' Holding				
	Mutual Fund/UTI	217	0	217	0.0
	FI's Bank	49115	0.09	49115	0.8
	FII's	0	0	0	0
	Bodies Corporate	4703755	8.28	4703755	7.2
	Residents/ Individuals	20810124	36.61	20810124	31.88
	QIB	2	0	2	0
	NRI	443128	0.78	443128	0.68
	NBFC	83	0	83	0
	Overseas Corporate Bodies	0	0	0	0
	Clearing Members	85209	0.15	85209	0.13
	Directors/Relatives	0	0	0	0
	Foreign Trusts	0	0	0	0
	Indian Trusts	847	0	847	0
	IEPF	116853	0.21	116853	0.18
	Sub Total (B)	2,62,09,333	46.11	2,62,09,333	40.15
	Grand Total (A+B)	5,68,39,434	100.00	6,52,71,137	100.00

Note: The above pre-issue shareholding pattern is prepared as on 30.09.2020

Proposed time within which the allotment shall be completed: As required under the SEBI (ICDR) Regulations, 2018 the company shall complete the allotment of Equity Shares as on or before the expiry of 15 days from the date of passing of this resolution by the shareholders granting consent for preferential issue, provided that in case the allotment on preferential basis is pending on account of pendency of any

approval for such allotment by any regulatory authority or the central government, then the allotment shall be completed within 15 days from the date of receipt of such approval.

Lock-in period of shares: The Equity shares to be allotted to the promoters on preferential basis shall be locked-in for a period as per requirements of SEBI (ICDR) Regulations, 2018.

Auditors certificate: The Certificate from Thakur Vaidyanath Aiyar & Co., Chartered Accountants, the Statutory Auditors of the Company, to the effect that the present preferential issue is being made in accordance with the requirements contained in the chapter V of the SEBI (ICDR) Regulations, 2018 shall be placed at the Annual General Meeting.

Change in control: The present allotment is being made to promoters will not result in any change in the control of the Company.

In accordance with the SEBI ICDR Regulations;

- i. all the Equity Shares held by the proposed allottees in the Company are in dematerialized form only;
- ii. No person belonging to the promoters/ promoter group have sold/transferred any Equity Shares of the Company during the 6(Six) months preceding the Relevant Date.
- iii. No person belonging to the promoters / promoter

group has previously subscribed to any warrants of the Company but failed to exercise them;

The Company received a letter dated 7th September, 2020 from Mr. Yashovardhan Birla falling under the category of Promoter and Promoter Group of the Company, requesting to reclassify him as Public Shareholder and was duly approved by the Board of Directors in their meeting held on 12.09.2020 and the same was intimated to Stock Exchange .

Further, he does not exercise any control over the Company. He is in no way connected with the management of the affairs of the Company . He neither has representation on the Board of Directors of the Company, nor holds any Key Managerial Personnel position of the Company. According to his advice, directions or instructions the Board of Directors of the company are not accustomed to act. However we are disclosing that Mr Yashovardhan Birla is a Willful Defaulter disclosure of the same is as under.

Disclosures specified in Schedule VI of SEBI (ICDR) Regulations, 2018, if the issuer or any of its promoters or directors is a willful defaulter:

Name of the person declared as a willful defaulter	Shri Yashovardhan Birla
Name of the Bank declaring the person as a willful defaulter	UCO Bank 7th Floor, 10B T.M. Sarani Kolkata-700001
Year in which the person was declared as a willful defaulter:	28.09.2015 (F.Y. 2015-16)
Outstanding amount when the person was declared as a willful defaulter	Rs. 67.65 Crore
Steps taken, if any, by the person for removal of its name from the list of willful defaulters	The promoter has submitted the representation to the Bank.
Other disclosures, as deemed fit by the issuer, in order to enable investors to take an informed decision	As per SEBI Order dt. 29th September, 2020 and 23rd October, 2020 in the matter of M/s. Birla Cotsyn (India) Limited and M/s. Birla Pacific Medspa Limited respectively, Mr. Yashovardhan Birla is being debarred for 2 years from the securities market. The said order has been passed by SEBI without considering the facts therefore Mr. Yashovardhan Birla is filing an appeal before Securities Appellate Tribunal (SAT) so that the facts in the said matter shall be heard.
Any other disclosure as specified by the Board	NA

None of the promoters, directors and KMP of the Company are declared as Fugitive Economic Offenders.

Further, the Board of Directors would like to state that the ultimate beneficial owner of Birla Infrastructure Limited (allottee) is Shri Krishna Arpan Trust & Shri Krishna Darpan Trust and the beneficiaries of these trust inter alia are certain Birla Family members.

Undertakings:

The Company undertakes to re-compute the price of the equity shares issued in terms of the preferential allotment under this resolution in terms of the SEBI (ICDR) Regulations, 2018 where it is required to do so.

The Company undertakes that if the amount payable on account of re-computation of price is not paid within the

time stipulated in the SEBI (ICDR) Regulations, 2018, the specified equity shares shall continue to be locked-in till the time such amount is paid by the allottees.

In accordance with the provisions of Sections 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, approval of the Members for issue and allotment of the said Equity Shares to Birla Infrastructure Limited is being sought by way of a special resolution as set out in the said item of the Notice. Issue of the Equity Shares pursuant to the Preferential Issue would be within the Authorized Share Capital of the Company.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members and, therefore, recommends the Special Resolution at Item No.6 of the accompanying Notice for approval by the Members of the Company.

None of the Directors, Key Managerial Personnel or their respective relatives is in any way concerned or interested in the resolution mentioned as Item No. 6 of the Notice.

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

ITEM NO. 7

The Company received a letter dated 7th September, 2020

Further we would like to disclose that Mr. Yashovardhan Birla has been declared as willful defaulter the details of the same is given as under:

Name of the person declared as a willful defaulter	Mr. Yashovardhan Birla
Name of the Bank declaring the person as a willful defaulter	UCO Ban
	Address: 7th Floor, 10B T.M. Sarani Kolkata-700001
Year in which the person was declared as a willful defaulter:	28.09.2015 (F.Y. 2015-16)
Outstanding amount when the person was declared as a willful defaulter	Rs. 67.65 Crore
Steps taken, if any, by the person for removal of its name from the list of willful defaulters	The promoter has submitted the representation to the Bank.
Other disclosures, as deemed fit by the issuer, in order to enable investors to take an informed decision	As per SEBI Order dt. 29th September, 2020 and 23rd October, 2020 in the matter of M/s. Birla Cotsyn (India) Limited and M/s. Birla Pacific Medspa Limited respectively, Mr. Yashovardhan Birla is being debarred for 2 years from the securities market. The said order has been passed by SEBI without considering the facts therefore Mr. Yashovardhan Birla is filing an appeal before Securities Appellate Tribunal (SAT) so that the facts in the said matter shall be heard.

from Mr. Yashovardhan Birla falling under the category of Promoter and Promoter Group of the Company, requesting to reclassify him as Public Shareholder.

The applicant holds 21919 Shares constituting 0.04% of the Paid Share Capital of the Company. He does not exercise any control over the Company. He is in no way connected with the management of the affairs of the Company. He neither has representation on the Board of Directors of the Company, nor holds any Key Managerial Personnel position of the Company. The Company has also not entered into any shareholders agreement with him. Further, he does not have any special rights as to voting power or control of the Company nor any special information rights.

Based on the letter received from the applicant, the matter was discussed by the Board of Directors of the Company at their meeting held on 12th September, 2020 and the Board approved application submitted by the application to reclassify him from the category of Promoter and Promoter Group to Public Shareholders with the approval of the Stock Exchange.

A reclassification may also be permitted by the Stock Exchange under main listing regulation No. 31A(2) itself read with the additional conditions specified under regulations 31A(7) of the listing regulations.

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

Item No. 8&9

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives. Your Company believes that equity-based compensation plans are an effective tool to reward the talents working with your Company. The Company is contemplating to design long term incentive plan in order to attract, reward and retain talented and key employees of the company (including employees of future holding and subsidiary Company) in the competitive environment and encourage them to align individual performance with the organizational goals. The Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall include the Nomination Remuneration and Compensation Committee constituted by the Board or any other Committee which the Board may constitute to act as the 'Compensation Committee' under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the 'SEBI ESOP Regulations') or their delegated authority has proposed Birla Precision Technologies Limited-Employee Stock Option Scheme 2020-A (hereinafter referred to as the "BPTL-ESOP 2020-A"). As members are aware, employee stock option plans are considered as an effective tool to attract and retain the best talent and also serves to attract, incentivise and motivate professionals and reward exceptional performance. The number of equity shares to be issued and allotted under the BPTL-ESOP Plan 2020-A shall not exceed equity shares of the Company representing being not exceeding 1% paid-up equity shares of the Company. In case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger, split, consolidation of equity shares, sale of division/undertaking and others, the ceiling as aforesaid shares shall be increased/decreased to facilitate making a fair and reasonable adjustment to the entitlements of participants under the BPTL-ESOP Plan 2020-A.

TERMS AND CONDITIONS OF THE ESOP PLAN:

The Company is contemplating to design long term incentive plan in order to attract, reward and retain talented and key employees in the competitive environment and encourage them to align individual performance with the organizational goals. The Board of Directors of the Company (herein after referred to as the 'Board', which term shall include the Nomination, Remuneration and Compensation Committee constituted by the Board or any other Committee which

the Board may constitute to act as the 'Compensation Committee' under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the 'SEBI ESOP Regulations') or their delegated authority) has proposed Birla Precision Technologies Limited-Employee Stock Option Scheme 2020 (hereinafter referred to as the "BPTL-ESOP Plan 2020-A"). As members are aware, employee stock option plans are considered as an effective tool to attract and retain the best talent and also serves to attract, incentivize and motivate professionals and reward exceptional performance. The number of equity shares to be issued and allotted under the BPTL-ESOP Plan 2020-A shall not exceed 1% paid-up equity shares of the Company. In case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger, split, consolidation of equity shares, sale of division/undertaking and others, the ceiling as aforesaid 1% equity shares shall be increased/decreased to facilitate making a fair and reasonable adjustment to the entitlements of participants under the BPTL-ESOP Plan 2020-A.

The salient features of the BPTL-ESOP Plan 2020-A are set out below as per the SEBI circular:

a. Brief description of the Scheme–BPTL-ESOP Plan 2020-A

The Company proposes to introduce BPTL-ESOP Plan 2020-A to attract, reward and retain talented and key eligible employees of the Company and its Holding (if any, in future) and Subsidiary Company (ies) in the competitive environment and encourage them to align individual performance with the organisational goals. The Company views employee stock options as instruments that would enable the employees to share the value they would create and contribute to the Company in the years to come.

b. Total number of Options to be granted

The stock options to be granted to the Eligible Employees under the BPTL-ESOP Plan 2020-A ('Options'), in one or more tranches, shall not result in issue of equity shares in excess of 5,65,394 (Five Lakhs Sixty Five Thousands Three Hundred and Ninety Four Only) convertible into equivalent number of Equity Shares of Rs.2/- each (Rupees Two Only). This ceiling will be adjusted for any future bonus issue of equity shares or stock splits or consolidation of equity shares and also may further be adjusted at the discretion of the Board for any corporate action(s). The Options which do not vest, would be available for being re-granted at a future

date. The Board is authorized to re- grant such Options as per the provisions of BPTL-ESOP Plan 2020-A, with in the overall limit stated above, subject to the SEBI ESOP Regulations.

c. Identification of classes of employees entitled to participate in the BPTL-ESOP Plan 2020-A

Following classes of employees are entitled to participate in the ESOP Plan 2020-A:

- i. Permanent employees of the Company who has been working in India or outside India including employees of future holding and Subsidiary Company of the Company;
- ii. a Director of the Company, whether a Whole Time Director or not but excluding an Independent Director;
- iii. employees as defined in the point (i) and (ii) above of the Holding (if any, in future) and Subsidiary Company (ies)
- iv. Such other employees and persons as may be permitted under the applicable laws and as may be approved by the Board, from time to time

Following persons are not entitled to participate in the BPTL-ESOP Plan 2020-A:

- i. an employee/director who is a promoter or a person belonging to the promoter group; and
- ii. a director who either by himself or through his relative(s) or through anybody corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company

- d.** Requirements of vesting, period of vesting and maximum period within which the Options shall be vested. The Board may, at its discretion, lay down certain performance matrix on the achievement of which such Options can vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted can vest, subject to the minimum vesting period of one year between grant of Options and vesting of Options. The maximum vesting period may extend up to 5 (Five) years from the date of grant of Options or such other period as may be decided by the Board. The Board may also provide for lock-in provisions.

e. Exercise price or pricing formula

Subject to the SEBI ESOP Regulations, the exercise price shall be fixed by the Board at its discretion and

will be specified in the grant letter but the same shall not be higher than the market price (i.e. latest available closing price on a recognized stock exchange having highest trading volume on which the equity shares of the Company are listed) of the equity shares at the time of grant and not less than the face value of the equity shares of the Company. The same shall be subject to any fair and reasonable adjustments that may be made on account of corporate actions of the Company in order to comply with the SEBI ESOP Regulations.

f. Exercise period and the process of Exercise

Exercise Period would commence from the vesting date and would expire not later than 8 (Eight) years from the date of grant of Options or such other period as may be decided by the Board. The vested Options are exercisable by the Eligible Employees by a written application to the Company/ trust expressing his/ her desire to exercise such Options. in such manner and on execution of such documents, as may be prescribed by the Board from time to time. The Options shall lapse if not exercised within the Exercise Period.

g. Appraisal process for determining the eligibility under the BPTL-ESOP Plan 2020-A

The appraisal process for determining the eligibility shall be decided by the Board from time to time

h. Maximum number of Options to be issued per employee and in aggregate

The number of Options to be granted to an eligible employee under BPTL-ESOP Plan 2020-A can be decided by the Board. However, the maximum number of Options that may be granted per Eligible Employee under the BPTL- ESOP Plan 2020, in any financial year, shall not be more than 5,000 and not more than 5,65,394 in aggregate. The total number of Options granted under the ESOP Plan 2020-A shall in no event be equal to or more than 1% of the issued and paid-up equity share capital of the Company at the time of the grant.

- i.** Maximum quantum of benefits to be provided per employee under the BPTL-ESOP Plan 2020-A

The maximum quantum of benefits under lying the Options granted to an Eligible Employee shall be equal to the appreciation in the value of the Company's equity shares determined as on the date of exercise of Options, on the basis of difference between the Option Exercise Price and the market price of the equity shares on the

exercise date.

- j. Route of Plan implementation:- BPTL-ESOP2020-A shall be implemented and administered directly by the Company;
- k. Source of acquisition of shares under the Plan: -BPTL-ESOP 2020-A The Scheme contemplates issue of fresh/ primary shares by the Company
- l. Amount of loan to be provided for implementation of the Plan(s) by the company to the trust, its tenure, utilization, repayment terms, etc: No loan shall be provided by the Company for implementation of the Plan.

m. Accounting and Disclosure Policies.

The Company shall follow the Guidance Note on Accounting for Employee Share-based Payments ("Guidance Note") and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India or other relevant statutory authority from time to time, including the disclosure requirements prescribed therein. In case, the existing Guidance Note or Accounting Standards do not prescribe accounting treatment or disclosure requirements, any other I I Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI (SBEB) Regulations. The Company shall follow the relevant Indian Accounting Standards (Ind-AS), prescribed from time to time, including the disclosure requirements.

n. Method of valuation of Options

The Company shall use the Fair Value method for valuation of the Options granted to calculate the employee compensation cost. In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employees compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share ('EPS') of the Company shall also be disclosed in the Directors' Report.

o. Declaration

In case, the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation costs

computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share(EPS) of the Company shall also be disclosed in the Directors' Report.

Regulation 6(1) of the SEBIESOP Regulations requires that every employee stock option scheme shall be approved by the members of the company by passing a special resolution in a general meeting. Further, as BPTL-ESOP Plan 2020- A may entail further issue of equity shares, consent of the members is required by way of a special resolution pursuant to Section 62 (1) (b) of the Companies Act, 2013. Accordingly, the Special Resolution set out at Item No. 8&9 of this Notice is proposed for approval by members.

The Options to be granted under the BPTL-ESOP Plan 2020-A shall not be treated as an offer or invitation made to public for subscription of securities of the Company. The BPTL-ESOP Plan 2020-A conforms to the SEBI ESOP Regulations. Draft scheme of the BPTL-ESOP Plan 2020-A is available for inspection on request of Shareholders by writing email to cs@birlaprecision.com. Directors / Key Managerial Personnel of the Company / their relatives who may be granted Options under the BPTL-ESOP Plan 2020 may be deemed to be concerned or interested in the Special Resolutions at Item Nos. 8 & 9 of this Notice. Save as aforesaid, none of the Directors/Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Special Resolutions.

None of the Directors, Key Managerial Personnel or their respective relatives is in any way concerned or interested in the resolution mentioned as Item No. 8&9 of the Notice.

The Board of Directors recommend the **Special Resolution** set out at **Item No. 8&9** of the Notice for approval by the Members.

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

**Vedant Birla
Chairman & Managing Director
DIN: 03327691**

**Place: Mumbai
Date: 3rd December, 2020**

**Details of Directors Seeking Appointment/Re-appointment at the
33rd Annual General Meeting of the Company.**

**[In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations 2015]**

Name of Director	Mr. Vedant Birla	Ms. Yashika Jain
DIN	03327691	08858361
Date of Birth	25th December, 1991	2th October, 1996
Date of Appointment	18th May, 2016	31st August, 2020
Qualification	Masters in General Management from RBS, UK	Master in Commerce
List of other Indian Public Limited Companies in which Directorship held	Shrinika Infra Limited	NIL
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committees and Shareholders/ Investors' Grievance Committee)	NIL	NIL
Number of shares held in the company	NIL	NIL
Relationship between directors inter-se	None	None

BOARD'S REPORT

To,

The Members

Your Directors are pleased to present the 33rd Annual Report on the business and operations of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2020.

FINANCIAL HIGHLIGHTS

(Rs. In Lakhs)

Particulars	2019-20	2018-19
Total turnover including other income	17,704.00	21,868.62
Profit Before Interest, Depreciation, Exceptional Items and Tax	1,061.69	1987.86
Less: Depreciation	499.55	551.61
Less: Interest & Financial Charges	558.73	528.61
Profit/(Loss) Before Exceptional Items and tax	3.51	907.74
Less: Exceptional Items	(1,334.91)	-
Less: Provision for taxation	0.00	2.93
Profit/(Loss) after Tax	(1,331.40)	904.81
Add: Other Comprehensive Income/Loss	(83.59)	(77.93)
Total Comprehensive Income carried to Other Equity	(1,414.99)	826.88

PERFORMANCE REVIEW

The turnover including other income of the Company for the Financial Year 2019-20 amounted to Rs. 17,704.00 Lakhs as against last year's Rs. 21,868.62 Lakhs. The Profit/(Loss) before exceptional items and tax is Rs. 3.51 Lakhs as against Rs. 907.74 Lakhs of last year. Loss for the year is Rs. (1,414.99) Lakhs as against the profit of Rs. 826.88 Lakhs of last year. Due to recession in the automobile industry during the financial year 2019-2020, the performances of the Company has affected but your Directors are working very hard for the bright future of the Company.

DIVIDEND

Your Directors have not recommended dividend for the year ended 31st March, 2020.

UNCLAIMED DIVIDENDS

Pursuant to the provisions of Section 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the amount of unpaid dividends that are lying unclaimed for a period of 7 consecutive financial years from the date of its transfer to the unpaid dividend account, is liable to be transferred to the Investors' Education & Protection Fund (IEPF). During the year the Company was not liable to transfer any amount in IEPF.

SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March, 2020 stood at Rs. 1,13,678,868 Lakhs consisting of 56,839,434 shares of Rs. 2/- each.

During the year under review the Company has allotted 23,22,007 Equity Shares at Rs. 7.26/- each (including Rs. 5.26/- premium) to M/s. Zenith Dyeintermediates Limited & Birla Infrastructure Limited, Promoter Company on 2nd March, 2020 for which EGM has been conducted on 18th February, 2020 after receiving the in-principle approval on 20th February, 2020. The Company received Listing Approval on 31st March, 2020 for the aforesaid shares.

NATURE OF BUSINESS

There was no change in the nature of business during the Financial Year 2019-2020

SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

Your Company does not have any Subsidiary, Associate & Joint Venture Company as on 31st March, 2020.

CORPORATE GOVERNANCE

The disclosures as required under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed with and forms part of this Annual Report as Annexure - E.

EMPLOYEE STOCK OPTIONS

Certain employees (including senior executives) of the Company receive part of their remuneration in the form of employee stock options (ESOP). The cost of equity-settled transactions will be determined by the fair value at the date when the grant is made using an appropriate valuation model.

The Company received the in-principle approval for 3,94,000 Equity shares under 'BPTL ESOP 2019' Scheme on 24th January,

2020 & for 171394 Equity Shares under 'BPTL ESOP 2020' Scheme on 24 April, 2020.

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.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Santhosh Kumar (Executive Director) was appointed as Executive Director w.e.f 05.02.2020 and subsequently appointed as an Executive Director in the Shareholders meeting via Postal Ballot w.e.f 28.03.2020 for a consecutive period of Two years.

Ms. Pooja Tiwari & Mr. Aditya were appointed as an Additional Directors (Non-Executive Independent) w.e.f. from 05.02.2020 through circular resolution & regularized at the Shareholders meeting via Postal Ballot w.e.f 28.03.2020 for a period of three years. Ms. Yashaika Jain was appointed as an Additional Directors (Non-Executive Independent) w.e.f. 31.08.2020

Mr. Om Prakash Jain Director of the Company has resigned on 23rd May, 2019 & Mr. Sandeep Kumar Gupta has resigned w.e.f. 14th February, 2020 from the office of the Director respectively. The Board places on record their appreciation for the services rendered by them.

Except this there is no change in the Directorate during the financial year.

MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The following material changes and commitment occurred during the year under review affecting the financial position of the Company.

The Company has allotted 23,22,007 Equity Shares at Rs. 7.26/- each (including Rs. 5.26 premium each) to M/s. Zenith Dyeintermediates Limited & M/s. Birla Infrastructure Limited, Promoter Company on 2nd March, 2020. Total no. of issued, paid up and subscribed shares as on the date are 56,839,434 amounting to Rs. 1,13,678,868 Lakhs.

KEY MANAGERIAL PERSONNELS (APPOINTMENT and CESSATION)

During the year under review Ms. Vandana Patil has resigned from the post of Company Secretary w.e.f. 10th April, 2019 and Ms. Shaijal Jain has been appointed as Company Secretary w.e.f. 15th June, 2019 except this None of the KMP of your Company resigned from their respective positions in the Company.

Except this there has been no changes in the position of KMPs.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS PURSUANT TO SECTION 149(7) OF THE ACT

All the independent directors have submitted a declaration pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as stipulated in Section 149(6).

DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the Annual Financial Statements for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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 31st March, 2020 and of Profit/ Loss of the Company for the Year ended on that date;
- 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;
- that the annual accounts have been prepared on a going concern basis and;
- that directors has laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

PLEDGE OF SHARES

None of the Equity Shares of the Directors of the Company are pledged with any Banks or Financial Institutions.

DEPOSITS

The Company has neither accepted nor 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 in compliance with the Chapter V of the Act is not applicable.

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 Board's Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's guiding principle for CSR is to build its relationship with stakeholders and the community at large, and to contribute to their long term social good and welfare. Your company, as a matter of duty, has been carrying out the CSR activities since long even when there were no statutory requirements in this regard. In compliance of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility (CSR) Committee. Detailed Annual Report on CSR Activities during the year is given as Annexure B forming part of this annual report and CSR Policy is also disclosed on the website of the Company website www.birlaprecision.com.

REPORTING OF FRAUDS & ERROS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Act, 2013, Extract of the Annual Return for the Financial Year ended 31st March 2020 made under the provisions of Section 92(3) of the Act in Form MGT 9 is annexed herewith as "Annexure C".

AUDITORS

i) Statutory Auditors

The Shareholders at their 28th Annual General Meeting (AGM) held on 30th September, 2015 has approved the appointment of M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, as Statutory Auditors to hold the office for the period of 5 years till the conclusion of 33rd Annual General Meeting, therefore their term of 5 years will be completed on conclusion of the ensuing AGM of the Company.

The Board, on the recommendation of the Audit Committee, recommended for the approval of the Members, the appointment of M/s. Valawat and Associates, as the Statutory Auditors of the Company for a period of five years having given certificate of eligibility and having valid peer review certificate as issued by the ICAI from the conclusion of the ensuing 33rd AGM till the conclusion of the 38th AGM. Your Board recommended for the approval of the Members for the appointment and authority to the Board and Audit Committee to fix the remuneration of M/s. Valawat and Associates.

The Report given by the Auditors on the financial statement of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

ii) 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 31st March, 2020 at a remuneration of Rs. 75,000/- p.a. (Rupees Seventy Five Thousand Only) plus applicable GST and reimbursement of out of pocket expenses etc. As required under the Act, the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification.

iii) 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 Mr. Anil Kumar Somani Proprietor Anil Somani & Associates Practicing Company Secretary to undertake the Secretarial Audit of the Company for the

Financial Year 2019-2020. The Secretarial Audit Report is annexed herewith as “Annexure F”.

Auditors Remark:

1. As per Regulation 31 (1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 100% percent of shareholding of promoter(s) and promoter group not in dematerialized form.

The Demat Account of Mr. Yash Birla has been attached by some court order which is not related to Company. Mr. Birla has filed an application to detach the same, which is yet to come for hearing, as soon as the attachment will be removed the ‘Physical Holding’ Consisting 21919 shares will be converted into the ‘Demat Holding’. ‘Physical Holding of Mr. GL Lath Folio No. BKL054241/42 consisting 488 (the share certificates have been lost by Mr. Lath for which the process has been completed) shares will be converted into the Demat Holding soon.

2. The BSE Ltd. has imposed a penalty of Rs. 28,320/- for delayed filing of Corporate Governance Report and Shareholding Pattern for the quarter ended 31.03.2019 under Regulation 27 (2) and Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The said penalty has been imposed due to the resignation of Compliance officer, but the Company will take cautionary measurement to avoid the same in future.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES (REFERRED TO IN SUB SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013)

All transactions with related parties were on arm's length basis and in the ordinary course of business. There was no material related party contract during the year. Form AOC-2 as required under Section 134 (3)(h) is enclosed as “Annexure D” to this report.

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.

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 of 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.

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

During the year under review, your Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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, the 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.

BOARD MEETINGS

During the Financial Year Eight (8) Meetings of Board of Directors were held on 28th May, 2019, 15th June, 2019, 31st July, 2019, 13th November, 2019, 10th January, 2020, 24th January, 2020, 10th February, 2020 & 02nd March, 2020 respectively.

COMMITTEES OF THE BOARD

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholders' Relationship Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance section of this Report.

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.

FORMAL ANNUAL 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 Directors, Committees of the Board and Individual Directors for the Financial Year 2019-2020.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The Company has not received any significant & material order passed by the Regulators or Courts.

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 Act are given in the notes to the Financial Statements.

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.

LISTING OF SHARES

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

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.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standard issued by the Institute of Companies Secretary of India.

MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148 (1) pertaining to the maintenance of cost records are applicable to the Company and accordingly such records are made and maintained by the company.

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.

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.

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

Sd/-

Vedant Birla

Chairman & Managing Director

DIN:03327691

Place: Mumbai

Date: 31st August, 2020

Annexure to the Board's Report

ANNEXURE – A

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo Pursuant to Provision of Sections 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. Avoidance of wastage of compressed air and electricity during idle time of machine, saving of enormous units by:
 - Arresting air leakage in shop floor, effective utilization of compressed air.
 - Providing idle timer for CNC machine power packs to save energy units.
 - Auto on/off timer for shop floor lighting.
 2. Installation of efficient LED lighting systems at all units of the Company more particularly streets of the plants.
 3. Electric Motors converted star to Delta to reduce power consumption.
 4. STP installed and treated water re-used for gardening purpose. This results in saving water.

The above measures have resulted in energy saving and consequent decrease in the cost of production.
- b) 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:
 - a) Development of new products like Ninja Drills& Taps and Drills for Forged material.
 - b) Oil filled hydraulic chuck developed
2. Benefit derived as a result of the above R&D
 - a) Meet Market demand of new generation tooling.
3. Future Plan of Action
 - a) Development of new products, Cuttings Tools like Annular Cutters, Tea Garden Cutters and

Chasers.

- b) New Development of in-house Machine Building Activity to increase capacity.
- c) APFC Panel to control power factor to reduce the electricity consumption.
- d) New Furnace Transformer for reducing the electricity consumption.
- e) Development of Shrink fit machine.
4. Expenditure on R&D

a) Capital	NIL
b) Recurring	Rs. 113.08 Lakhs
c) Total	Rs. 113.08 Lakhs.
d) Total R&D Expenditure as a 0.64% 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, initiates taken to increase exports:
Company exports AT3 Class Tool Holders, collets and precision components, T.S.T. Drills, P.S.T. Drills, Taps, End Mill Cutters, Crankshaft Drills, Jobber Drills to U.S.A, Europe, U.A.E, and Asia Pacific countries.
2. Total Foreign exchange used and earned:

	2019-20	2018-19
	(Rs. In Lakhs)	(Rs. In Lakhs)
Total Foreign Exchange used	571.77	1592.04
Total Foreign Exchange Earned	2015.52	1830.15

ANNEXURE – B**Report on Corporate Social Responsibility (CSR) Activities**

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes. Highlights of the CSR Policy are mentioned below. The CSR Policy of the Company is available on the Company's website.
<https://birlaprecision.com/documents/investor/Policies/Policy-Corporate-Social-Responsibility.pdf>
2. Composition of the CSR Committee:

During the year, the Committee met on 10th February, 2020. The composition of the Committee and the attendance of the Member are given below:

Name of the Director	Category	Attendance
Mr. Vedant Birla	Chairperson	I
Ms. Roshani Gangawane	Member	I
Mr. Sandeep Kumar Gupta*	Member	I
Ms. Pooja Tiwari**	Member	NA
Mr. Aditya**	Member	NA

*Mr. Sandeep Kumar Gupta has resigned from the board w.e.f. 14th February, 2020.

**Ms. Pooja Tiwari & Mr. Aditya has been inducted as member of the Committee on 10th February, 2020.
3. Average net profit of the Company for last 3 financial years: NIL*
4. Prescribed CSR expenditure (2% of average net profits for last 3 financial years): NIL The Company is not required to spend towards CSR.
5. Details of CSR spent during the Financial Year:
 - a. Total amount spent for the Financial Year 2016-17, 2017-2018 and 2018-2019: Rs. 56.00 Lakhs
 - b. Total amount to be spent for the Financial Year 2019-20: NIL
 - c. Amount unspent: NIL
 - d. Amount Spent during the financial year 2019-20: NIL
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:
7. A Responsibility Statement

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.

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the Financial Year ended 31st March, 2020

[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	23, Birla Mansion No. 2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai 400 004 Ph. No. 022 233825060 Visit us at: www.birlaprecision.com Email id: info@birlaprecision.com
VI	Whether listed Company	Listed
VII	Name, address and contact details of Registrar and Transfer Agent, if any	M/s. Kfin Technologies 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: -

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Cutting Tools	282282228221	74.44
2	Castings	243243124311	24.52

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) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	44	22401	22445	0.04	44	22401	22445	0.04	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	28244029	0	28244029	51.81	28244029	2322007*	30566036	53.78	1.97
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	41620	0	41620	0.08	41620	0	41620	0.07	0.00
Sub-total (A)(1):-	28285693	22401	28308094	51.92	28285693	2344408	30630101	53.89	1.96
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	28285693	22401	28308094	51.92	28285693	2344408	30630101	53.89	1.96
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	191	1031	1222	0.00	191	1031	1222	0.00	0.00
b) Banks / FI	48459	8173	56632	0.10	39937	8173	48110	0.08	-0.02
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	48650	9204	57854	0.11	40130	9204	49334	0.09	-0.02
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	4901393	412455	5313848	9.75	4402572	412454	4815026	8.47	-1.28
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual Shareholders holding nominal share capital upto ₹ 1 Lakhs	10980850	744064	11724914	21.51	11972043	732615	12704658	22.35	0.85
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakhs	8517098	0	8517098	15.62	8037804	0	8037804	14.14	-1.48
NBFC registered with RBI	83	0	83	0	83	0	83	0	0
c) Others	-	-	-	-	-	-	-	-	-
i) Foreign Bodies	-	-	-	-	-	-	-	-	-
ii) NRI / OCBs	311965	123436	435401	0.79	301787	123436	425223	0.74	-0.05
iii) Clearing Members/Clearing House	42435	0	42435	0.08	59505	0	59505	0.10	0.03
iv) Trusts	847	0	847	0	847	0	847	0	0
v) IEPF	116853	0	116853	0.21	116853	0	116853	0.21	0
Sub-total (B)(2):-	24871524	1279955	26151479	47.97	24891494	1268505	26159999	46.02	-1.94
Total Public Shareholding (B)=(B)(1) + (B)(2)	24920174	1289159	26209333	48.08	24931624	1277709	26209333	46.11	-1.96
C. Shares held by Custodian for GDRS & ADRS	0	0	0	0	0	0	0	0	0

* Alloted on 2nd March, 2020

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year (01.04.2019)			No. of Shares held at the end of the year (31.03.2020)			% 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 Pvt Ltd	227652	0.42	0.00	227652	0.42	0	0
2	Vedant Consultancy Pvt Ltd	4607663	0	0	4607663	0	00	0
3	Khopoli Investments Ltd	500000	0.92	0	500000	0.92	0	-0.03
4	Birla Bombay Private Limited	16423113	30.12	0	16423113	28.89	0	-1.23
5	Birla Infrastructure Limited	4619699	8.47	0	5583886	9.82	0	+1.35
6	Zenith Dyeintermediates	1865671	3.42	0	3223491	5.67	0	+2.25
7	Yash Society	25056	0.05	0	25056	0.05	0	0
8	Yashovardhan Birla	21919	0.04	0	21919	0.04	0	0
9	Matri Seva Sadan Charity Trust	10617	0.02	0	10617	0.02	0	0
10	Birla Industries Group Charity Trust	5947	0.01	0	5947	0.01	0	0
11	G. L. Lath	482	0	0	482	0	0	0
12	Birla Shloka Edutech Limited	231	0	0	231	0	0	0
13	Avanti Birla	44	0	0	44	0	0	0
	Total	28308094	51.92	16.72	28308094	53.89	0.47	1.71

iii) Change in Promoters' Shareholding

Sr. No.	Name of the Shareholders	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	SHEARSON INVESTMENT & TRADING CO PVT LTD				
	At the beginning of the year	227652	0.42	227652	0.42
	31/03/2020 (At the end of the year)			227652	0.40
2	YASH SOCIETY				
	At the beginning of the year	25056	0.05	25056	0.05
	31/03/2020 (At the end of the year)			25056	0.04
3	BIRLA INFRASTRUCTURE LIMITED				
	At the beginning of the year	4619699	8.77	4619699	8.12
	(Allotted on 02.03.2020)*			964187	1.70
	31/03/2020 (At the end of the year)			5583886	9.82
4	VEDANT CONSULTANCY PRIVATE LIMITED				
	At the beginning of the year	4607663	8.75	4607663	8.11
	31/03/2020 (At the end of the year)			4607663	8.11
5	BIRLA BOMBAY PRIVATE LIMITED				
	At the beginning of the year	16423113	30.12	16423113	28.89
	31/03/2020 (At the end of the year)			16423113	28.89
6	ZENITH DYEINTERMEDIATES				
	At the beginning of the year	1865671	3.42	1865671	3.28
	(Allotted on 02.03.2020)			1357820	2.39
	31/03/2020 (At the end of the year)				5.67
7	KHOPOLI INVESTMENTS LTD				
	At the beginning of the year	500000	0.92	500000	0.88
	31/03/2020 (At the end of the year)			500000	0.88

(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	ENDOGRAM LEASING AND TRADING CO PVT LTD				
	At the beginning of the year	1307949	2.40	1307949	2.40
	31/03/2020 (At the end of the year)			1307949	2.30
2	PATTON INTERNATIONAL LIMITED				
	At the beginning of the year	1086680	1.99	1086680	1.99
	Market Sell			1086680	1.99
	31/03/2020 (At the end of the year)			0.00	0.00
3	SUNIL TALWAR				
	At the beginning of the year	881545	1.62	881545	1.62
	31/03/2020 (At the end of the year)			881545	1.55
4	MUKESH KANOOGA S				
	At the beginning of the year	672441	1.23	672441	1.23
	24/05/2019 (Market Sell)	-7900	0.01	664541	1.22
	06/09/2019 (Market Sell)	-35	0.00	664506	1.22
	31/03/2020 (Market Sell)	-2000	0.00	662506	1.23
	31/03/2020 (At the end of the year)			662506	1.17
5.	VSS METALS PRIVATE LIMITED				
	At the beginning of the year	583333	1.11	583333	1.11
	31/03/2020 (At the end of the year)			583333	1.03
6	DHANLAXMI COTEX LTD.				
	At the beginning of the year	553977	1.03	553977	1.03
	11/10/2019 (Market Sale)			553977	1.02
	31/03/2019 (At the end of the year)			0.00	0.00
7	HEMALI TALSANIA				
	At the beginning of the year	500000	0.95	500000	0.95
	31/03/2020 (At the end of the year)			500000	0.88
8	NIMISH TALSANIA				
	At the beginning of the year	450490	0.83	450490	0.83
	03/05/2019 (Market Sell)	5000	0.01	445490	0.82
	10/05/2019 (Market Sell)	2424	0.00	443066	0.81
	17/05/2019 (Market Sell)	3500	0.01	439566	0.81
	26/07/2019 (Market Buy)	1000	0.00	440566	0.81
	13/09/2019 (Market Buy)	10000	0.02	450566	0.83
	08/11/2019 (Market Buy)	1000	0.00	451566	0.83
	20/12/2019 (Market Buy)	8500	0.02	460066	0.84
	27/12/2019 (Market Buy)	4500	0.01	464566	0.85
	03/01/2020 (Market Buy)	500	0.00	465066	0.85
	10/01/2020 (Market Sell)	12469	0.02	452597	0.83
	17/01/2020 (Market Buy)	2614	0.00	455211	0.83
	24/01/2020 (Market Sell)	180	0.00	455031	0.83
	31/01/2020 (Market Sell)	2000	0.00	453031	0.83
	07/02/2020 (Market Sell)	2826	0.01	450205	0.83

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
	14/02/2020(Market Buy)	10000	0.02	460205	0.84
	21/02/2020 (Market Sell)	2000	0.00	458205	0.84
	28/02/2020(Market (Buy)	5000	0.01	463205	0.85
	13/03/2020(Market Buy)	7000	0.01	470205	0.86
	20/03/2020(Market Buy)	5250	0.01	475455	0.87
	31/03/2020 (At the end of the year)			475455	0.84
9	HITESH RAMJI JAVERI				
	At the beginning of the year	400135	0.73	400135	0.73
	31/03/2020 (At the end of the year)			400135	0.70
10	SUBRAMANIAN P.				
	At the beginning of the year	401000	0.74	401000	0.74
	08/11/2019(Market Sell)			401000	0.74
	31/03/2020 (At the end of the year)			0.00	0.00

(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
	-	-	-	-	-

V. INDEBTEDNESS

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

(Rs. in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2420.41	526.34	23.34	2970.09
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	2420.41	526.34	23.34	2970.09
Change in Indebtedness during the financial year				
Addition – Principal	0.00	0.00	9.22	9.22
Reduction – Principal	-9.93	-153.50	0.00	-163.43
Addition – Interest	0.00	0.00	0.00	0.00
Net Change	-9.93	-153.50	9.22	-154.21
Indebtedness at the end of the financial year				
i) Principal Amount	2410.48	372.84	32.56	2815.88
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	2410.48	372.84	32.56	2815.88

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director and Whole Time Director**

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Mr. Vedant Birla (MD)	Mr. Santhosh Kumar *
1	Gross Salary	33.48	1.62
	(a) Value of Perquisites u/sec 17 (1) of the Income Tax Act, 1961	0.00	0.00
	(b) Value of Perquisites u/sec 17 (2) of the Income Tax Act, 1961	0.00	0.00
	(c) Profits in lieu of salary under section 17 (3) of the Income Tax Act, 1961	0.00	0.00
2	Stock Option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission	0.00	0.00
	a. as a % of profit	0.00	0.00
	b. others	0.00	0.00
5	Others	0.00	0.00
	Total (A)	33.48	1.62

* Mr. Santhosh Kumar was appointed as Executive Director w.e.f. 5th February, 2020

B. Remuneration to other Directors: *

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors					Total
		Mr. Sandeep Kumar Gupta**	Ms. Roshani Gangawane	Mr. Sathosh Kumar***	Mr. Aditya Tripathi***	Ms. Pooja Tiwari***	
1	Independent Directors						
	Fee for attending board/ committee meetings	0.55	0.65	0.00	0.05	0.05	1.30
	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)	0.55	0.65	0.00	0.05	0.05	1.30
2	Other Non-Executive/ Executive Directors						
	Fee for attending board / committee meetings	0.00	0.00	0.05	0.00	0.00	0.05
	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	0.05	0.00	0.00	0.05
	Total (B)=(1+2)	0.55	0.65	0.05	0.05	0.05	1.35

The Company has paid the remuneration for each Board Meeting and Audit Committee Meeting on time, but the directors Some time delayed in depositing the cheques with the Banks so the accounting treatment of the sitting fees is different. *

Mr. Sandeep Kumar Gupta has resigned from the Company w.e.f 14th February, 2020.**

Mr. Santhosh Kumar, Mr. Aditya & Ms. Pooja Tiwari were appointed w.e.f 5th February, 2020.***

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

(Rs. in Lakhs)				
Sr. No.	Particulars of Remuneration	Mr. Rajendra Kumar Sharma (CFO)	Ms. Shaijal Jain (CS)*	TOTAL
1	Gross Salary	16.05	4.45	20.50
	(a) Value of Perquisites u/sec 17 (2) of the Income Tax Act, 1961	0.00	0.00	0.00
	(b) Value of Perquisites u/sec 17 (2) of the Income Tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00
	a. as a % of profit	0.00	0.00	0.00
	b. others	0.00	0.00	0.00
5	Others	0.00	0.00	0.00
	Total	16.05	4.45	20.50

*Ms. Shaijal Jain was appointed as Company Secretary w.e.f. 15th June, 2019

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

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

Place: Mumbai
Date: 31st August, 2020

sd/-
Vedant Birla
Chairman & Managing Director
DIN: 03327691

Annexure D

Form No.AOC - 2

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

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

All contracts arrangements / transactions with related parties were on arms' length basis and were in the ordinary course of business.

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

There was no material related party contract or arrangement or transaction during the year.

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

Sd/-
Vedant Birla
Chairman & Managing Director
DIN: 03327691

Place: Mumbai
Date: 31st August, 2020

CORPORATE GOVERNANCE REPORT

I. COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and considering all stakeholders' interest while conducting business. In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto (hereinafter referred to as 'SEBI Listing Regulations'), given below are the corporate governance policies and practices of Birla Precision Technologies Limited (BPTL).

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') and SEBI Listing Regulations, as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations.

II. COMPOSITION OF THE BOARD OF DIRECTORS AND DIRECTORSHIP HELD AS ON 31ST MARCH, 2020

In keeping with the commitment of the Management to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

Our Board have an optimum mix of Executive Directors (ED's) and Non-Executive Directors (NED's) including a Woman Director. The composition of the Board is in conformity with Regulation 17 of SEBI Listing Regulations.

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 Public Limited Companies*	Board Committee	
			Chairman**	Member**
Mr. Vedant Birla	Chairman, Managing Director	1	0	2
Ms. Roshani Gangawane	Independent, Non-Executive	0	1	2
Mr. Sandeepkumar Surendra Gupta (Resigned w.e.f 14.02.2020)	Independent, Non-Executive	0	2	2
Mr. Santhosh Kumar (Appointed w.e.f 05.02.2020)	Executive Director	0	0	0
Mrs. Pooja Tiwari (Appointed w.e.f 05.02.2020)	Independent, Non-Executive	0	2	2
Mr. Aditya (Appointed w.e.f 05.02.2020)	Independent, Non-Executive	0	0	2

*Excludes directorships of Private Limited Companies, Foreign Companies and Section 8 Companies.

**Includes only Audit Committee and Stakeholder's Relationship Committee.

Board Meetings

During the year Eight (8) Meetings of Board of Directors were held on 28th May, 2019, 15th June, 2019, 31st July, 2019, 14th January, 2020, 24th January, 2020, 10th February, 2020 & 2nd March, 2020 and the particulars of attendance of the Directors are as under:

Name of Directors	No of Board Meetings Attended	Attendance at AGM held on 28th September, 2019
Mr. Vedant Birla	7	No
Ms. Roshani Gangawane	8	Yes
Mr. Sandeepkumar Surendra Gupta (Resigned w.e.f 14.02.2020)	7	Yes
Mr. Santhosh Kumar (Appointed w.e.f 05.02.2020)	1	NA
Ms. Pooja Tiwari (Appointed w.e.f 05.02.2020)	1	NA
Mr. Aditya (Appointed w.e.f 05.02.2020)	1	NA

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

During the year under review, separate meeting of the Independent Directors was held on 10th February, 2020 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
NA	NA	NA

Brief profile of the Directors:

1. Mr. Vedant Birla

Mr. Vedant Birla has completed his graduation in Bachelors in Accounts and Finance (B.A.F) from HR College, Mumbai; post which he has acquired a Master's degree from Regents Business School, London. He is well acquainted with all manufacturing techniques like Six Sigma, LEAN, etc. He has worked earlier at Hindustan Unilever, Philip Capital (UK), Heron International (UK), and IBD, thus giving him diverse range or exposure in fields of Real Estate, Financial services, FMCG, Advertising.

2. Ms. Roshani Gangawane

Ms. Roshani Vilas Gangawane (DIN 08403286) is a non-Executive Independent Director of the Company. She is Commerce Post Graduate from Mumbai University.

3. Mr. Santhosh Kumar

Mr. Santosh Kumar is having Total 30 years of Experience in the field of Commercial & Legal activities.

4. Ms. Pooja Tiwari

Ms. Pooja Tiwari, post graduate in Commerce having 5 years' experience in Accounts and Administration.

5. Mr. Aditya

Mr. Aditya, Graduate in Commerce having 12 years' experience in the field of commercial activities and customer services.

III. COMMITTEES OF THE BOARD

As on 31st March 2020 the Company has :

1. Audit Committee
2. Stakeholders' Relationship Committee,
3. Nomination and Remuneration Committee and
4. 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 Regulations. 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 28th September, 2019

Composition, Meetings & Attendance

During the year under review, the Committee met 6 (Six) times on 28th May, 2019, 31st July, 2019, 13th November, 2019, 14th January, 2020, 24th January, 2020 & 10th February, 2020

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

Name of the Member	Designation	No. of Meetings Attended
Mr. Vedant Birla	Member	6
Ms. Roshani Gangawane	Member	6
Mr. Sandeep Kumar Gupta*	Chairman	6
Ms. Pooja Tiwari**	Member	0
Mr. Aditya**	Member	0

*Mr. Sandeep Kumar Gupta has resigned from the Board w.e.f 14th February, 2020.

**Mr. Aditya & Ms. Pooja Tiwari were inducted as a member of the committee on 10th February, 2020.

Terms of reference:

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.
- 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.
- 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 SEBI Listing Regulations.

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 5 (Five) times on 28th May, 2019, 15th June, 2019, 31st July, 2019, 13th November, 2019 & 10th February, 2020.

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

Name of the Member	Designation	No. of Meetings Attended
Mr. Vedant Birla	Member	5
Ms. Roshani Gangawane	Member	5
Mr. Sandeep Kumar Gupta*	Chairman	5
Ms. Pooja Tiwari**	Member	5
Mr. Aditya**	Member	5

Mr. Sandeep Kumar Gupta has resigned from the Board w.e.f 14th February, 2020*

Mr. Aditya & Ms. Pooja Tiwari were inducted as a member of the committee on 10th February, 2020**

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 labor 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 Personnels 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 31st March, 2020 are given below:

Sr. No.	Name of Director	Sitting Fees (Rs. in Lakhs)	Annual Remuneration / Commission (Rs. in Lakhs)
1	Mr. Vedant Birla	0.00	33.48
2	Mr. Sandeep Kumar Gupta	0.55	NA
3	Ms. Roshani Gangawane	0.60	NA
4	Mr. Aditya	0.05	NA
5	Mrs. Pooja Tiwari	0.05	NA
6	Mr. Santhosh Kumar	0.05	1.62

Notes:

- The Directors were paid sitting fees of Rs. 5,000/- for attending the Board Meeting and Audit Committee Meetings. There is no sitting fees for attending Stakeholder Relationship Committee meetings.
- There was no pecuniary relationship or transactions of Non-Executive Directors vis-à-vis the Company.
- 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.

Composition, Meetings & Attendance

During the year under review, the Committee met 4 (Four) times on 28th May, 2019, 31st July, 2019, 13th November, 2019 & 10th February, 2020.

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

Name of the Member	Designation	No. of Meetings Attended
Mr. Vedant Birla	Member	4
Ms. Roshani Gangawane	Member	4
Mr. Sandeep Kumar Gupta*	Chairman	4
Ms. Pooja Tiwari**	Member	0
Mr. Aditya**	Member	0

Mr. Sandeep Kumar Gupta has resigned from the Board w.e.f 14th February, 2020*

Mr. Aditya & Ms. Pooja Tiwari were inducted as a member of the committee on 10th February, 2020**

Ms. Shaijal Jain, Company Secretary of the Company has been designated as Compliance Officer (E-mail ID: cs@birlaprecision.com) 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 31st March, 2020.

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 40 complaints during the Financial Year 2019-20 and all the complaints were redressed. There were no outstanding complaints as on 31st March, 2020.

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 Once(1) on 10th February, 2020

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

Name of the Member	Designation	No. of Meetings Attended
Mr. Vedant Birla	Member	1
Ms. Roshani Gangawane	Member	1
Mr. Sandeep Kumar Gupta*	Chairman	1
Ms. Pooja Tiwari**	Member	0
Mr. Aditya**	Member	0

Mr. Sandeep Kumar Gupta has resigned from the Board w.e.f 14th February, 2020*

Mr. Aditya & Ms. Pooja Tiwari were inducted as a member of the committee on 10th February, 2020**

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

5. Separate Independent Directors' Meetings

The Independent Directors met one time during the Financial Year ended 31st March, 2020 on 10th February, 2020. The Independent Directors inter alia discuss the issues arising out of Committee Meetings and Board discussion including the quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In addition to these formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors.

Directors' Induction and Familiarisation

The Board familiarisation programme comprises the following: -

- Induction programme for new Independent Directors;
- Immersion sessions on business and functional issues;
- Strategy session.

All new Independent Directors are taken through a detailed induction and familiarisation programme when they join the Board of your Company. The induction programme is an exhaustive one that covers the history and culture of the Company, background of the Company and its growth over the last several decades, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

As part of the induction sessions, the Managing Director and CFO provides an overview of the organisation its history, culture, values and purpose. The Business and Functional Heads take the Independent Directors through their respective businesses and functions. As a part of the induction programme, Independent Directors also visit the Company's manufacturing locations and undertake market visits to understand the operations of the Company. The Independent Directors are exposed to the constitution, Board procedures, matters reserved for the Board and major risks facing the business and mitigation programmes. The Independent Directors are made aware of their roles and responsibilities at the time of their appointment and a detailed Letter of Appointment is issued to them.

IV. Shareholder Information

(i) General Body Meetings

Details of last three Annual General Meetings and the summary of Special Resolutions passed therein are as under:-

Financial year ended	Date and Time	Venue	Special Resolutions passed
31st March, 2017	29th September, 2017	Nehru Centre Planetarium, Dr. Anjee Besant Road Worli, Mumbai-400018	No Special Resolutions were passed at this meeting
31st March, 2018	27th September, 2018	Nehru Centre Planetarium, Dr. Anjee Besant Road Worli, Mumbai-400018	No Special Resolutions were passed at this meeting
31st March, 2019	28th September, 2019	Gopi Birla Memorial School, Walkeshwar Road, Mumbai	Ratification of Preferential allotment

(ii) Postal Ballot

During the year under review, 5 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 disclosure 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 <http://www.birlaprecision.com>.

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.

(ii) 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.com>.

(iii) 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 2019-20 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 interacts to the audit committee.

(iv) 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.

(v) 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 31st March, 2020. The Annual Report contains declaration to this effect signed by Mr. Rajendra Kumar Sharma, Chief Financial Officer of the Company.

(vi) Subsidiary Companies

The Company does not have any subsidiary company.

(vii) Certificate under Regulation 17(8)

The Certificate pursuant to the provisions of Regulation 17(8) of Securities and Exchange Board of India (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.

(viii)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 Familiarization Programme is available on the website of the Company at www.birlaprecision.com.

- (ix) 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 Mumbai Lakshdeep and Business Standard. The results are also displayed on the Company's website at "www.birlaprecision.com".The Management Discussion & Analysis Report forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting for the Financial Year 2019-20

Day: - Tuesday
Date: - 29th December, 2020
Time: - 3.00 p.m.
Venue: - AGM through VC/OAVM

2. Tentative Calendar for Financial Year ending 31st March, 2021 Results for the Quarter ending:

30th June, 2020 On or before 15th September, 2020.
30th September, 2020 On or before 14th November, 2020.

31st December, 2020

On or before 14th February, 2021

31st March, 2021

On or before 30th May, 2021

- 3. Date of book Closure:** Wednesday 23rd December, 2020 to Tuesday 29th December, 2020 (Both days inclusive)

4. Listing on Stock Exchange

The shares of the Company are listed on BSE. The Company has paid the Annual Listing fee to BSE Limited for the Financial Year 2020-21.

5. Stock code

BSE Limited – 522105

6. E-mail address for investor grievances:

The investors can e-mail their grievances to einward.ris@kfintech.com.

7. Plant Locations:

Tool Holder Division:

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

Tooling Divisions:

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

Foundry Division:

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

8. Registrar and Share Transfer Agents

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

M/s. Kfin technologies Private Limited

Karvy Selenium Tower-B, Plot No. 31 &32, Financial District, Gachibowli, Nanakramguda, Serlingampally, Hyderabad – 500 008 (A.P.)

Tel: 040-23420815 to 820 Fax No.: 040-23420814 E mail:singh.us@kfintech.com Contract Person: Mr. U. S. Singh

Investor's correspondence may be addressed to above address. Investors Grievance ID – einward.ris@kfintech.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.

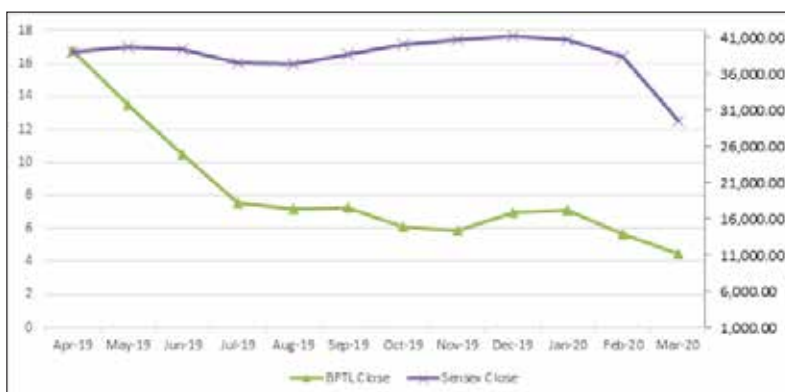
As required by Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the

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 2019-2020

Monthly high and low of market prices of the Company's equity shares traded at BSE Limited during the Financial Year 2019-20 along with the BSE SENSEX:

Month	Birla Precision Technologies Limited			BSE SENSEX		
	High	Low	Close	High	Low	Close
Apr-2019	19.25	16.20	16.80	39,487.45	38,460.25	39,031.55
May-2019	18.60	12.05	13.45	40,124.96	36,956.10	39,714.20
Jun-2019	13.80	7.27	10.47	40,312.07	38,870.96	39,394.64
Jul-2019	10.91	7.21	7.53	40,032.41	37,128.26	37,481.12
Aug-2019	7.89	6.43	7.18	37,807.55	36,102.35	37,332.79
Sep-2019	8.06	6.68	7.25	39,441.12	35,987.80	38,667.33
Oct-2019	7.28	6.04	6.12	40,392.22	37,415.83	40,129.05
Nov-2019	6.44	5.70	5.89	41,163.79	40,014.23	40,793.81
Dec-2019	8.70	5.20	6.99	41,809.96	40,135.37	41,253.74
Jan-2020	8.95	6.51	7.12	42,273.87	40,476.55	40,723.49
Feb-2020	7.49	5.21	5.65	41,709.30	38,219.97	38,297.29
Mar-2020	6.47	3.46	4.46	39,083.17	25,638.90	29,468.49



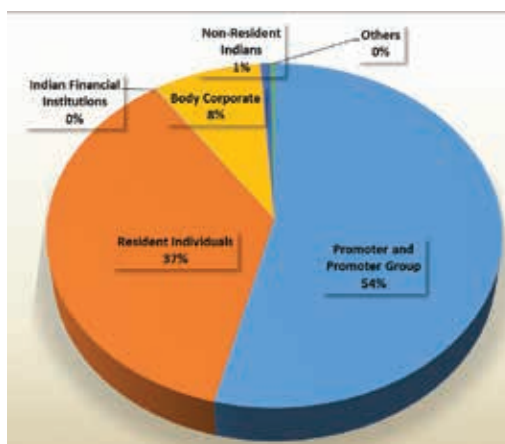
11. Distribution of shareholding

Class-wise distribution of Equity Shares as on 31st March, 2020.

Sr. No.	Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1	1-5000	63852	99.25	7917200	13.93
2	5001- 10000	241	0.37	1793983	3.16
3	10001- 20000	112	0.17	1567381	2.76
4	20001- 30000	39	0.06	987383	1.74
5	30001- 40000	11	0.02	393220	0.69
6	40001- 50000	18	0.03	817763	1.44
7	50001- 100000	26	0.04	1855964	3.27
8	100001 & Above	38	0.06	41506540	73.02
	Total	64337	100.00	56839434	100.00

12. Shareholding pattern as on 31st March, 2020

Sr. No.	Category	No. of Shares	Percentage
1.	Promoter and Promoter Group	3,06,30,101	53.89
2.	Resident Individuals	2,07,42,462	36.49
3.	Indian Financial Institutions	49,332	0.09
4.	Body Corporate	48,15,026	8.47
5.	Non-Resident Indians	4,25,223	0.75
6.	Others	1,77,290	0.31
	Total	5,68,39,434	100.00



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 31st March, 2020, total 53,217,317 shares representing 93.62% 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 & Non disqualification:

As required under the SEBI Listing Regulations, Mr. Anil Somani & Associates Company Practicing Company Secretary has verified the compliance of the Corporate Governance norms by the Company. Certificate issued by herein this regard is annexed hereto.

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

Sd/-
Vedant Birla
Chairman & Managing Director
DIN: 03327691

Place: Mumbai
Date: 31st August, 2020

PRACTISING COMPANY SECRETARIES' 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 31st March, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, as adopted by the Company for ensuring compliance to the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, 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 SEBI Listing Regulations for the year ended on March 31, 2020.

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

For **Anil Somani & Associates**
Company Secretaries

Sd/-
CS Anil Kumar Somani
ACS: 36055
COP: 13379

Date: 31st August, 2020
Place: Bhilwara

CERTIFICATE OF NON- DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations).

To
The Members,
M/s BIRLA PRECISION TECHNOLOGIES LIMITED

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 we certify that none of the directors on the board of Birla Precision Technologies Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

For **Anil Somani & Associates**
Company Secretaries

Sd/-
CS Anil Kumar Somani
ACS: 36055
COP: 13379
UDIN:A036055B000637370

Date: 31st August 2020
Place: Bhilwara

ANNEXURE F**ANIL SOMANI & ASSOCIATES**

B-4, Ganpati Complex, Pur Road, Bhilwara, Rajasthan – 311001

Email Id: corporatesolutions14@gmail.com, (M) 09166611876

To,
The Members,

M/s BIRLA PRECISION TECHNOLOGIES LIMITED

23, Birla Mansion No. 2, 1st Floor,
D. D. Sathe Marg, Prarthana Samaj,
Mumbai Maharashtra - 400004

We 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 compliance's and expressing our opinion thereon.

Management's Responsibility for Secretarial Compliance's

The company's Management is responsible for preparation and maintenance of secretarial records and for devising proper system to ensure compliance with the provisions of applicable laws and regulations.

Auditor's Responsibility

My responsibility is to express an opinion on the Secretarial records, Standards, Procedures followed by the company with respect to Secretarial Compliance's.

I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.

Opinion

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed here-under 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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; and (not applicable since there is no action/ event in pursuance of said regulation) N.A.

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable since there is no action/ event in pursuance of said regulation) N.A.
- (vi) The Environment (Protection) Act, 1986
- (vii) The EPF & Misc. Provisions Act, 1952;
- (viii) Employees' state Insurance Act, 1948;
- (ix) The Payment of Bonus Act, 1965;
- (x) The payment of Gratuity Act, 1972

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

- 3. As per Regulation 31 (1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 100% percent of shareholding of promoter(s) and promoter group not in dematerialized form.
- 4. The BSE Ltd. has imposed a penalty of Rs. 28,320/- for delayed filing of Corporate Governance Report and Shareholding Pattern for the quarter ended 31.03.2019 under Regulation 27 (2) and Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We further report that

- 1. 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.

- 2. 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.
- 3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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.

##The Company has issued 23,22,007 equity shares to promoter(s) and promoter group through preferential basis during the financial year 2019-20. The BSE Ltd. has granted "In principle" approval for issue of 23,22,007 equity shares to promoter(s) and promoter group through preferential basis on 20.02.2020 for which shares has been allotted on 02nd March,2020.

**For Anil Somani & Associates
Company Secretaries**

Place: Bhilwara
Date: 31st August, 2020

Sd/-
Anil Kumar Somani
ACS: 36055
COP:13379
UDIN:A036055B000637403

This report is to be read with our letter of even date which is annexed as "Annexure I" and forms an integral part of this report.

Annexure - E

To,
The Members
M/s BIRLA PRECISION TECHNOLOGIES LIMITED
23, Birla Mansion No. 2, 1st Floor,
D. D. Sathe Marg, Prarthana Samaj,
Mumbai Maharashtra - 400004

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

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

For **Anil Somani & Associates**
Company Secretaries

Place: Bhilwara
Date: 31st August, 2020

Sd/-
Anil Kumar Somani
ACS: 36055
COP: 13379
UDIN:A036055B000637403

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERVIEW

Birla Precision presents Management Discussion & Analysis Report to enlighten the key performance and business activities of the Company for the financial year ended on 31st March, 2020. This review should be read in conjunction with the Integrated Report presented in the earlier sections of this Annual Report, the Company's financial statements, the schedules and notes thereto and the other information included elsewhere in this Annual Report.

INDIAN ECONOMY

Before the COVID-19 lockdown, both the Reserve Bank of India (RBI) and the Central Statistical Office (CSO) of the Government of India had revised the GDP growth rate downwards. The RBI changed its full year GDP growth estimate from 7.2% to 5.0% in February 2020. In a similar vein, the second advance estimates of national income for FY2020 released by the CSO on 28th February, 2020 pegged GDP growth for FY2020 at 5.0% compared to 6.1% in FY2019; and growth in gross value added (GVA) at 4.9% in FY2020 versus 6.0% in FY2019.

India was not alone in this growth slowdown. The Central Statistical Office (CSO) officially released the data on GDP growth for FY2020 was 4.2%, an 11-year low.

INDIAN AUTO COMPONENT INDUSTRY

Even before the onset of COVID-19 in India, two things had become obvious. The first was that throughout FY2020, the country's economic growth was slowing down. And the second was that the automotive sector was facing declining demand across the board. Let us start with India's economic growth. The growth of real GDP was 5.9% in January-March 2019; then fell to 5.6% in April-June 2019; then yet again to 5.1% in July-September 2019; followed by 4.7% growth in October-December 2019. At the time of drafting this Management Discussion and Analysis, we do not have the official data for the fourth quarter of FY2020 (i.e. January-March 2020). However, given that the last eight days of March 2020 were under a full national lockdown, it would be hardly likely to see a bump up in the growth rate in Q4 FY2020.

India is emerging as global hub for auto component sourcing. A cost-effective manufacturing base keeps costs lower by 10-25 per cent relative to operations in Europe and Latin America. Relative to competitors, India is geographically closer to key automotive markets like the Middle East and Europe

The Indian auto-components industry can be broadly classified into the organized and unorganized sectors. The organized sector caters to the Original Equipment Manufacturers (OEMs) and consists of high-value precision instruments while the unorganized sector comprises low-valued products and caters mostly to the aftermarket category. According to the Automotive Component Manufacturers Association of India (ACMA), the Indian auto-components industry is expected to register a turnover of US\$ 100 billion by 2020 backed by strong exports ranging between US\$ 80- US\$ 100 billion by 2026. Favorable government policies, National Automotive Testing and R&D infrastructure Projects (NATIPs), have helped the Indian auto components industry achieve considerable growth.

GLOBAL ECONOMIC SCENARIO

Global growth is expected to remain at 3.0 per cent in 2019 and 2020, however, the steady pace of expansion in the global economy masks an increase in downside risks that could potentially exacerbate development challenges in many parts of the world, according to the World Economic Situation and Prospects 2019. The global economy is facing a confluence of risks, which could severely disrupt economic activity and inflict significant damage on longer-term development prospects. These risks include an escalation of trade disputes, an abrupt tightening of global financial conditions, and intensifying climate risks.

Short-term risks are rising, with the potential to severely disrupt economic activity and inflict significant damage on longer-term development prospects. These include escalating trade disputes, financial stress and volatility, and an undercurrent of geopolitical tensions. Amid the significant build-up in global public and private debt, policy space has narrowed considerably across the world, and any negative shock could have severe and long-lasting implications for global growth. Waning support for multilateralism also raises questions around the capacity for collaborative policy action in the event of a widespread global shock, but the global economic recovery is expected to continue.

INDUSTRY STRUCTURE & OPPORTUNITIES

The auto component sector is foreseeing very good demand for our products in the domestic and international markets. In order to take maximum advantage of the situation, the Company has expanded the current capacities in its Tooling Division as well as the Auto Component Section.

Our Company is engaged in the business of manufacturing of wide range of Cutting Tools like Jobber, Taper Shank Twist Drill, Taps, Reamers, Tool holder and Work Holding (like AT3 Class tool holders, HSK tooling) & Collet. In another division, it is also into Shell Molded Castings, Machined Casting & Precision Components. These products are mainly used by automobile and engineering sectors. Recently the company has launched and added the range of products new High Performance Taps & Drill under the Brand name “Panther”, “Torpedo”, “Ninja” & “Hathyar”.

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 substantially.

We don't fear. We know how to convert challenges into opportunities. And we will.

THREATS / RISKS & CONCERNS

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

1. The Major and utmost risk is to deal with the Pandemic Covid-2019
2. 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.
3. The Company is exposed to risks from market fluctuation of foreign exchange.
4. 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.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Your Company has identified two business segments in line with accounting segments on segment reporting. These are Auto Components and Tooling. The segment wise performance in detail is given in the notes to the accounts.

CAPITAL INVESTMENT

We have made a sizeable capital investment during the Financial Year 2019-2020. This involves machinery cost

and balancing equipments to increase the existing capacity. Further the Company also plans to make substantial capital investment during the current financial year in Production and Maintenance areas for increasing the capacity of Jobber Drills to set-up in-house Machine Building Section for better efficiency of the machines & for expansion of Auto Component line.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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 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 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.

INTERNAL FINANCIAL CONTROL:

The Company has an established Internal Financial Control framework including internal controls over financial Reporting, operating controls and anti-fraud framework. The framework is reviewed regularly by the management and tested by an Independent Valuer and presented to the Audit Committee. Based on the periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls.

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 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 through external & internal faculty 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 2019-20 stood at Rs. 17,704.00 Lakhs as against Rs. 21,868.62 Lakhs of last year. Profit/(Loss) after tax stood at (Rs. 1,414.99) as against Rs.826.88 Lakhs of last year.

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), complying with the requirements of the Company's Act 2013 and the guidelines issued by Securities and Exchange Board of India (SEBI).

MATERIAL CHANGES AFTER CLOSE OF FINANCIAL YEAR (OUTBREAK OF COVID-19)

In the last month of FY 2019-20, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and wellbeing of all employees, and on minimising disruption to services for all our customers globally. The Company consistently taking all proactive steps, precautionary and pre-emptive measures at their corporate offices at Mumbai and manufacturing plants at Nashik and Aurangabad to ensure safety of all employees since February 2020 due to COVID - 19 outbreak in Maharashtra. The Company has also been closely monitoring all advisories from the Central and State Government followed by respective District Collectors. Hon'ble Prime Minister had ordered National Lock Down since 25th March, 2020. All the offices and manufacturing plants of the Company had suspended their operations to contain the spread of COVID - 19 based on Government directives. All employees were requested to continue

working from home wherever possible. This was being done to ensure safety and wellbeing of all our employees. The Company has kept its operations closed as during the lockdown period and the closure period was dependent on the Government policy. In accordance with the permission/guidelines issued by the Central/State Government and Local Authorities, the manufacturing operations of plants situated at Nashik and Aurangabad resumed with effect from 17th May, 2020 in phased manner. Initially Business team with limited number of members had returned to work in order to manage production cycle of the Company with less number of workers at foundry and workshops. The same has been in line with latest guidelines issued by the Government of India. Also Human Resource department with limited number of members has returned to work in order to manage all essential activities including but not limited to sanitization of Company's office and plants and to manage and administer all other arrangements suitable for employees and workers during this period. Further, the Company has taken all the necessary steps as recommended/stated in the guidelines/advisories issued by the Central/State Government and Local Authorities for prevention and containment of COVID-19. Due to COVID-19 Business and Financials of the Company had also been impacted, Management is trying its best to cope up with Business and Financial Losses and get back into operations as soon as possible, and various steps are being taken by the Management Team.

CAUTIONARY STATEMENT

Statements in this Annual Report, particularly those that relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

**DECLARATION ON CODE OF CONDUCT
TO THE SHAREHOLDERS OF BIRLA PRECISION TECHNOLOGIES LIMITED**

Compliance with the 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 31st March, 2020.

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

Place: Mumbai
Date: 30th July, 2020

Sd/-
Rajendra Kumar Sharma
Chief Financial Officer

Independent Auditor's Report

To the Members of

BIRLA PRECISION TECHNOLOGIES LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of BIRLA PRECISION TECHNOLOGIES LIMITED ('the Company'), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement for the year then ended, and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as 'Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, its Loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards

on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Emphasis of Matter

We draw attention to Note 42 of the Ind AS Financial Statements, which states the impact of Coronavirus (COVID-19) on the operations of the Company.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Description of Key Audit Matters:

SNo	Key Audit Matters	Auditors Response
1	Corporate Guarantee:	
	The Company has given a Corporate Guarantee of Rs. 25,030 lakhs to banks for a loan taken by a Group Company	Our procedures included: Review of the outstanding dues of the borrower to the banks as communicated to the Company by the borrower.
2	DRT Matter:	
	The said Group Company has defaulted on the said loan and the banks have filed a case in the DRT under SARAFESI against the borrower. If and when the banks make a claim against the company on this account, it would have a significant impact on the operations of the Company.	Perusing the latest correspondence between the borrower and the lending banks as available with the Company to ascertain the current status. Discussing the status with the Company's management and their legal advisors and assessing their response. Considering the adequacy and completeness of the Company's disclosure in the matter based on the above

3	Impact of COVID-19 on the Company's Financial Statements (as discussed in Note 42 of the Financial Statements):	
	<p>Novel coronavirus 2019 (COVID – 19) was declared a pandemic by the Government of India and the World Health Organisation</p> <p>As per Government directives all operations were suspended for the period from 23rd March, 2020 to 05th May 2020 and thereafter, the company's operations were restarted in a staggered way as per State and Central Government directions / permissions.</p> <p>COVID – 19 resulted in restrictions on movement of goods and people and compulsory closure of activities for long periods impacting business operations like sale, purchase, productions, recovery of receivables and profitability etc.</p>	<p>Ensured that invoices raised during that period, if any, were properly dealt with in respect of year end cut off procedure verified ledger sample of purchases / sales etc.</p> <p>Enquired with the Company on the liquidity position of dealers and vendors and probability of recoveries of dues.</p> <p>Enquired with the Company on the impact of COVID – 19 of the operations of the Company in the coming years and the Company's assumption of Going Concern basis of accounting.</p> <p>Our ability to perform the year-end inventory observation could not be performed. However inventory counts were observed on reopening of the Factories after the year end and rolled back to year end.</p>

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including

the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- I) As required by the Companies (Auditors' Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

A) 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 purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on 31st March 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164(2) of the Act; and
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- B) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations as at 31st March 2020 on its financial position in its Ind AS financial statements - Refer Note 30 to the Ind AS financial statements;
- ii). The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii). There were no amounts that were required to be transferred, to the Investor Education and Protection Fund by the Company; and
- C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Thakur,Vaidyanath Aiyar & Co.
Chartered Accountants
Firms Registration No. 000038N

Sd/-
 C. V. Parameswar
 Partner
 Membership No. 11541
 UDIN No. 20011541AAAABU1863

Place: Mumbai
 Date: 30th July 2020

Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of BIRLA PRECISION TECHNOLOGIES LIMITED on the Ind AS financial statements for the year ended 31st March 2020.

- 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, over a period of three years, 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, and on the basis of our examination of the records of the company, title deeds of immovable properties are generally in the name of the Company except in case of 4 leasehold properties acquired by entities valued at Rs. 356 Lakhs Gross and Rs. 268 Lakhs net, 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. Further, our attendance at the physical inventory verification done by the management was impracticable under the current restrictions imposed by the Government and we have relied on the related alternate audit procedures.
- 3) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- 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 provided.
- 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 as specified under Section 148 (I) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prime facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 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, Goods and Service Tax (GST), 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 amount payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on which they became payable.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, details of dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax (GST), Duty of Customs, Duty of Excise and Value added tax which have not been deposited as on 31st March 2020 on account of disputes are given below:

Name of the Statute	Forum where dispute is pending	Period to which amount related	Amount (Rs. in Lakhs)
Income Tax	Deputy Commissioner of Income Tax	1995-96	0.75
Central Sales Tax	Maharashtra Sales Tax Tribunal, Pune	2013-14	87.12

- 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) According to the information and explanation given to us, the term loans have been applied by the company during the year for the purpose for which they were obtained. The company did not raise money by way of initial public offer or further public offer (including debts instruments) during the year.
- 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 Ind AS Financial Statements as required by the applicable accounting standards.
- 14) The Company has during the year in the aggregate issued 23,22,007 shares comprising 13,57,820 shares to a party by conversion of the Loan from the party into equity and 9,64,187 shares against consideration received by the Company. The requirement of Section 42 of the company's Act, 2013 have been complied with and the amount raised has been used for the purpose for which the funds were raised.
- 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
Firms Registration No. 000038N

Sd/-
C. V. Parameswar
Partner
Membership No. 11541
UDIN No. 20011541AAAABU1863

Place: Mumbai
Date: 30th July 2020

Annexure B

to the Independent Auditor's Report of even date on the Ind AS Financial Statements BIRLA PRECISION TECHNOLOGIES LIMITED for the year ended 31st March 2020

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 31st March, 2020 in conjunction with our audit of the Ind AS 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 Ind AS 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 31st March, 2020, 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
Firms Registration No. 000038N

Sd/-
C. V. Parameswar
Partner
Membership No. 11541
UDIN No. 20011541AAAABU1863

Place: Mumbai
Date: 30th July 2020

Balance sheet as at 31st March, 2020

(₹ in Lakhs)				
Sr. No.	Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
I.	ASSETS			
	NON-CURRENT ASSETS			
(a)	Property, plant and equipment	2	3,163.26	3,143.33
(b)	Capital work-in-progress	2	10.54	48.68
(c)	Intangible assets	2	21.85	34.20
(d)	Intangible assets under development	2	1.40	-
(e)	Financial assets			
	(i) Loans	3	1.73	1.71
	(ii) Other Financial Assets	4	-	-
(f)	Other non-current assets	5	155.00	557.17
	Total Non - Current Assets		3,353.78	3,785.09
	CURRENT ASSETS			
(a)	Inventories	7	4,472.07	5,296.85
(b)	Financial assets			
	(i) Trade receivables	8	3,217.70	4,275.20
	(ii) Cash and cash equivalents	9	830.58	895.29
	(iii) Bank balances other than (ii) above	10	30.05	29.66
	(iv) Loans	3	5,002.74	5,304.30
	(v) Other Financial Assets	4	196.45	190.93
(c)	Other current assets	5	1,568.44	1,799.35
(d)	Current tax assets (Net)	6	107.74	135.62
	Total - Current Assets		15,425.77	17,927.20
	Total Assets		18,779.55	21,712.29
II.	EQUITY AND LIABILITIES			
	EQUITY			
(a)	Equity share capital	11	1,136.79	1,090.35
(b)	Other equity	12	8,888.37	10,181.22
	Total - Equity		10,025.16	11,271.57
	LIABILITIES			
A	Non-Current Liabilities			
(a)	Financial liabilities			
	(i) Borrowings	13	69.96	73.70
(b)	Provisions	17	378.42	315.56
(c)	Deferred tax liabilities (Net)	18	-	-
	Total Non - Current Liabilities		448.38	389.26
B	Current Liabilities			
(a)	Financial liabilities			
	(i) Borrowings	13	2,520.14	2,658.78
	(ii) Trade payables	14	2,542.49	3,412.22
	(iii) Other financial liabilities	15	225.78	237.65
(b)	Other current liabilities	16	1,266.23	876.63
(c)	Provisions	17	1,696.25	2,751.97
(d)	Current tax liabilities (Net)	19	55.12	114.21
	Total - Current Liabilities		8,306.01	10,051.46
	Total Equity and Liabilities		18,779.55	21,712.29

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

I to 44

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

Sd/-
Vedant Birla
Chairman & Managing Director
DIN: 03327691

Sd/-
C. V. Parameswar
Partner
Membership No. 11541

Sd/-
R. K. Sharma
Chief Financial Officer

Sd/-
Shaijal Jain
Company Secretary

Place: Mumbai
Date : 30th July, 2020

Statement of Profit and Loss for the period ended 31st March, 2020

(₹ in Lakhs)				
Sr. No.	Particulars	Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019
I.	INCOME			
	Revenue from operations	20	17,349.62	21,465.06
	Other income	21	354.38	403.56
	Total Income		17,704.00	21,868.62
II.	EXPENSES			
	Cost of Raw Materials and Components Consumed	22	5,276.62	7,046.10
	Purchases of Stock-in-Trade	23	80.91	156.85
	Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	24	(156.50)	(893.54)
	Employee benefits expense	25	4,510.47	4,408.76
	Finance costs	26	558.73	528.61
	Depreciation and amortization expense	27	499.55	551.51
	Other expenses	28	6,930.71	9,162.59
	Total Expenses		17,700.49	20,960.88
III.	Profit / (Loss) before exceptional items and tax		3.51	907.74
IV.	Exceptional item		1,334.91	-
V.	Profit / (Loss) before tax (III - IV)		(1,331.40)	907.74
VI.	Tax expense:			
	(1) Current tax		1.20	60.50
	(2) Short/(Excess) Provision Previous Financial Year		-	-
	(3) MAT Credit		(1.20)	(57.57)
	(4) Deferred tax		-	-
VII.	Profit/(Loss) for the period (V-VI)		(1,331.40)	904.81
VIII.	OTHER COMPREHENSIVE INCOME			
	(i) Items that will not be reclassified to profit or loss			
	Related to employee benefits		(83.59)	(77.93)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Other Comprehensive Income net of tax		(83.59)	(77.93)
	Total Comprehensive income for the year, net of tax (VII+VIII)		(1,414.99)	826.88
	Earnings per equity share:			
	(1) Basic EPS (₹)		(2.34)	1.66
	(2) Diluted EPS (₹)		(2.34)	1.66

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

I to 44

As per our attached report of even date

For THAKUR, VAIDYANATH AIYAR & CO.

Chartered Accountants

Firm Registration No. 000038N

Sd/-

C.V. Parameswar

Partner

Membership No. 11541

Place: Mumbai

Date : 30th July, 2020

For and on behalf of Board of Directors

Sd/-

Vedant Birla

Chairman & Managing Director

DIN: 03327691

Sd/-

Shaijal Jain

Company Secretary

Sd/-

R. K. Sharma

Chief Financial Officer

Cash Flow Statement for the year ended 31st March, 2020

(₹ in Lakhs)

Sr. No.	Particulars	2019-20	2018-19
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net profit before exceptional item, taxation and prior period adjustments	3.51	907.74
	Adjustments for:		
	Depreciation and Amortization	499.55	551.51
	(Profit)/Loss on sale of Fixed Assets (Net)	(3.05)	-
	Fixed assets written off during the year	-	4.91
	Provision for Gratuity and Leave Salary	281.76	275.43
	Sundry Balances written back	-	(28.14)
	Provision no longer required Written Back	(24.63)	(57.87)
	Interest receivable written off	-	626.21
	Exchange difference on translation (Net)	25.91	40.77
	Finance Costs	558.73	528.61
	Bad debts written off	34.45	-
	Interest Income Received	(44.86)	(140.24)
	Sub-total	1327.86	1801.19
	Operating Profit Before Working Capital Changes	1331.37	2708.93
	Adjustments for changes in working capital :		
	Inventories	824.78	(1,932.43)
	Trade Receivables	1,045.47	279.73
	Other Current Assets	243.18	(328.44)
	Trade Payables	(874.65)	106.72
	Provisions	(1,358.46)	746.93
	Other Financial Liabilities	9.22	8.32
	Loans to employees and others	(661.66)	(722.97)
	Other Current Liabilities	413.92	117.09
	Current Tax Liabilities	(60.29)	-
	Other Non Current Assets	(371.70)	-
	Other Financial Assets	(5.53)	(20.69)
	Current Tax Assets	29.07	(19.06)
	Sub-total	(766.65)	(1,764.80)
	Net Cash Flow From Operating Activities After Exceptional Item.....(A)	564.72	944.13
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Payments made for Property, Plant and Equipment	(66.92)	(291.83)
	Payments made for Intangible Assets	(2.36)	(17.50)
	Proceeds from sale of Property, Plant and Equipment	4.11	0.11
	Interest Received	33.09	49.82
	Sub-total	(32.08)	(259.40)
	Net Cash used for Investing Activities..... (B)	(32.08)	(259.40)

(₹ in Lakhs)

Sr. No.	Particulars	2019-20		2018-19	
C.	CASH FLOW FROM FINANCING ACTIVITIES:				
	Proceeds from Issue of shares at premium	168.58		150.00	
	Proceeds from Borrowings	-		185.49	
	Repayment of Borrowings	(206.81)		(157.30)	
	Interest Paid	(558.73)		(528.61)	
	Sub-total		(596.96)		(350.42)
	Net Cash used for Financing Activities.....(C)		(596.96)		(350.42)
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		(64.32)		334.31
	Cash and Cash Equivalents as at 01.04.2019	341.57		409.94	
	Add: (Increase) / Decrease in Fixed Deposit accounts kept as margin money with banks	32.39		(402.68)	
		373.96		7.26	
	Cash and Cash Equivalents as at 31.03.2020	309.64	(64.32)	341.57	334.31
			309.64		341.57
	Reconciliation of Cash and Bank Balances given in Note No. 9 of Balance Sheet is as follows:				
	Cash and Bank Balances	830.58		895.28	
	Less:				
	Balance in Fixed Deposit accounts with banks having a maturity period of more than three months	520.94		553.71	
	Cash and Cash Equivalents as at 31.03.2020	309.64		341.57	

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

I to 44

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

Sd/-
C.V. Parameswar
Partner
Membership No. 11541

Sd/-
R. K. Sharma
Chief Financial Officer

Sd/-
Vedant Birla
Chairman & Managing Director
DIN: 03327691

Sd/-
Shaijal Jain
Company Secretary

Place: Mumbai
Date : 30th July, 2020

Statement of Changes in Equity for the period ended 31st March, 2020

(A) EQUITY SHARE CAPITAL				
Sr. No.	Particulars	Nos.	Amount in ₹	Amount in ₹ Lakhs
	Equity shares of ₹ 2/- each Issued, Subscribed and Fully Paid up As at 1st April, 2018	52,651,756	105,303,512.00	1,053.04
	Issued during the year	1,865,671	3,731,342.00	37.31
	As at 31st March, 2019	54,517,427	109,034,854.00	1,090.35
	Change in Equity Share Capital during the year	2,322,007	4,644,014.00	46.44
	As at 31st March, 2020	56,839,434	113,678,868.00	1,136.79
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.				

(i) The details of Shareholders holding more than 5% shares:	As at		As at	
	31st March, 2020		31st March, 2019	
	No. of Shares	% held	No. of Shares	% held
Equity shares of ₹ 2/- each fully paid				
Birla Bombay Private Limited	16,423,113	28.89	16,423,113	30.12
Birla Infrastructure Limited	5,583,886	9.82	4,619,699	8.47
Vedant Consultancy Private Limited	4,607,663	8.11	4,607,663	8.45
Zenith Dyeintermediates Limited	3,223,491	5.67	1,865,671	3.42

(B) OTHER EQUITY						
(₹ in Lakhs)						
Sr. No.	Particulars	Reserves and Surplus				
		Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	As at 1st April, 2019	50.02	2,421.42	2,963.31	4,746.47	10,181.22
	Add: Addition during the year	-	122.14	-	-	122.14
	Add: Profit for the year	-	-	-	(1,331.40)	(1,331.40)
	Add: Other Comprehensive Income	-	-	-	(83.59)	(83.59)
	Total Comprehensive Income	50.02	2,543.56	2,963.31	3,331.48	8,888.37
	Less: Issue of Bonus shares	-	-	-	-	-
	Less: Transfer to general reserves	-	-	-	-	-
	As at 31st March, 2020	50.02	2,543.56	2,963.31	3,331.48	8,888.37

Sr. No.	Particulars	Reserves and Surplus				
		Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	As at April 1, 2018	50.02	2,308.74	2,963.31	3,919.59	9,241.66
	Add: Addition during the year	-	112.68	-	-	112.68
	Add: Profit for the year	-	-	-	904.81	904.81
	Add: Other Comprehensive Income	-	-	-	(77.93)	(77.93)
	Total Comprehensive Income	50.02	2,421.42	2,963.31	4,746.47	10,181.22
	Less: Issue of Bonus shares	-	-	-	-	-
	Less: Transfer to general reserves	-	-	-	-	-
	As at 31st March, 2019	50.02	2,421.42	2,963.31	4,746.47	10,181.22

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

I to 44

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

Sd/-

Vedant Birla

Chairman & Managing Director

DIN: 03327691

Sd/-

C.V. Parameswar

Partner

Membership No. 11541

Sd/-

R. K. Sharma

Chief Financial Officer

Sd/-

Shaijal Jain

Company Secretary

Place: Mumbai

Date : 30th July, 2020

Notes on financial statements for the year ended 31st March, 2020

I. General Information:

Birla Precision Technologies Limited (the Company) is a Public Limited Company incorporated in India having its registered office at 23, Birla Mansion No.2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai, Maharashtra, 400004, India. The Company is engaged in the manufacturing and selling of Machine Tool Accessories, Tools, Precision / Automotive Components and Castings.

Significant accounting policies followed by the Company

(A) Basis of preparation of financial statements:

(i) Compliance with Ind AS:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Act.

(B) Use of estimates:

An estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. 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.
- (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) Property, Plant and Equipment:

- (a) All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include hedges of foreign currency purchases of property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associates with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- (b) Depreciation methods, estimated useful lives and residual value:
 - (i) 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.
 - (ii) Leasehold Land is amortized over the period of lease.
 - (iii) The useful lives have been determined based on technical evaluation done by the management's expert in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
 - (iv) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

- (v) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

(E) Intangible Assets:

Computer Software and Technical Know-How are amortized over a period of 3 years from the date of acquisition.

(F) 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.

(G) Impairment of 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.

(H) 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. 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.

(I) 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.

(J) Employee Benefits:

(i) Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The Liabilities are presented under current liabilities in the balance sheet.

(ii) Other long-term employee benefit obligations:

The liabilities for earned leave are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

(iii) Post-employment obligations:

- (a) Defined contribution plans: Company's contribution to the provident fund scheme is recognized during the year in which the related service is rendered.
- (b) Defined benefit plans: The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using projected unit credit method.
- (c) The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.
- (d) Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.
- (e) Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.
- (f) Long Term compensated absences are provided on the basis of an actuarial valuation.

(K) 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 incurred at development phase, where it is reasonably certain that outcome of research will be commercially exploited to yield economic benefits to the

Company, is considered as an Intangible assets and depreciation is provided on such assets as applicable.

(L) Investments:

Current investments are carried at lower of cost or fair value. Long term investments are carried at cost less provision for other than temporary decline in the value of such investments.

(M) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

(N) 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.

(O) Share Issue Expenses:

Issue expenses are adjusted against the Share Premium.

(P) Government Grant/Loan:

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

The Company has availed mandatory exception under Ind AS 101 and accordingly, there is no change in accounting treatment on the amount carried forward on the date of transition for sales tax deferral loan / incentive.

(Q) 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.

(₹ in Lakhs)

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Description of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As on	Additions	Deductions / Adjustments	As on	Up to	For the Year	Deductions / Adjustments	Up to	As on
	01.04.2018			31.03.2019	01.04.2018			31.03.2019	31.03.2018
(A) Tangible Assets									
Leasehold Land	357.90	-	-	357.90	77.69	5.65	-	83.34	280.21
Buildings	1,869.50	10.12	-	1,879.62	751.65	70.25	-	821.90	1,117.85
Plant & Machinery	9,335.38	215.40	-	9,550.78	7,505.77	397.63	-	7,903.40	1,829.61
Furniture & Fixtures	155.82	13.98	17.73	152.07	132.93	4.53	16.89	120.57	22.89
Office Equipments	229.70	17.56	5.11	242.15	193.48	15.34	4.76	204.06	36.22
Vehicles	403.72	-	76.21	327.51	275.43	30.40	72.40	233.43	128.29
Total Tangible Assets (A)	12,352.02	257.06	99.05	12,510.03	8,936.95	523.80	94.05	9,366.70	3,415.07
(B) Capital Work - in Progress	26.00	60.44	37.76	48.68	-	-	-	48.68	26.00
(C') Intangible Assets									
Technical Knowhow Fee	50.39	-	-	50.39	50.39	-	-	50.39	-
Software	210.61	17.50	-	228.11	166.20	27.71	-	193.91	44.41
Total Intangible Assets (C')	261.00	17.50	-	278.50	216.59	27.71	-	244.30	44.41
(D) Intangible Assets Under Development	-	-	-	-	-	-	-	-	-
Total Property, Plant and Equipment (A+B+C+D)	12,639.02	335.00	136.81	12,837.21	9,153.54	551.51	94.05	9,611.00	3,485.48

Notes forming part of the Financial Statements for the period ended 31st March, 2020

Note 3 LOANS

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Non-Current		
	Unsecured; considered good :		
	Loan & Advance to Employees	1.73	1.71
	Total Non - Current	1.73	1.71
	Current		
	Unsecured; considered good :		
	Loans and advances	4,557.34	3,300.26
	Less: Provision for doubtful advances	(383.93)	-
		4,173.41	3,300.26
	Loan & Advance to Employees	36.93	28.50
	Loan & Advance to Others	1,371.68	1,975.54
	Less: Provision for doubtful advances	(579.28)	-
		792.40	1,975.54
	Total - Current	5,002.74	5,304.30

Note 4 OTHER FINANCIAL ASSETS

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Non-Current		
	Unsecured; considered good :	-	-
	Total Non - Current	-	-
	Current		
	Unsecured; considered good :		
	Deposits with Others	196.45	190.93
	Total - Current	196.45	190.93

Note 5 OTHER ASSETS

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Non-Current		
	Unsecured; considered good :		
	Capital Advances	526.70	557.17
	Less: Provision for doubtful advances	(371.70)	-
	Total Non - Current	155.00	557.17
	Current		
	Unsecured; considered good :		
A)	Advances Paid to Suppliers/Services	310.41	405.81
B)	Balances with Government Authorities :		
	Cenvat Credit and export incentive receivable	30.91	5.15

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Value Added Tax Receivable	94.41	135.00
	Goods & Service Tax	36.40	82.76
	Sub Total (B)	161.72	222.91
C)	Others :		
	Prepaid Expenses	49.39	34.70
	Pattern Under Development	36.34	19.14
	Interest accrued on fixed deposits and others	1,010.58	1,743.00
	Less: Written off during the year	-	(626.21)
		1,010.58	1,116.79
	Sub Total (C)	1,096.31	1,170.63
	Total - Current (A+B+C)	1,568.44	1,799.35

Note 6 CURRENT TAX ASSETS (NET)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Tax deducted at source	4.68	17.86
	Advance fringe benefit tax (Net of provisions for tax)	2.17	2.17
	Mat Credit Entitlement	48.80	63.70
	Income Tax Refund Receivable	52.09	51.89
	Total	107.74	135.62

Note 7 INVENTORIES

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Raw Materials and Components	948.25	1,924.40
	Semi-Finished Goods	1,409.70	1,046.95
	Finished Goods	1,759.53	1,912.87
	Stock-in Trade	82.39	135.29
	Stores, Cutting Tools and Packing Materials	272.20	277.34
	Total	4,472.07	5,296.85

Note 8 TRADE RECEIVABLES

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Unsecured, considered good :		
	Considered good	394.01	424.13
	Considered doubtful	12.40	12.40
	Less: Provision for doubtful debts	(12.40)	(12.40)
		394.01	424.13
	Other considered good	2,823.69	3,851.07
	Total	3,217.70	4,275.20

Note 9 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
A)	Balances with Banks	298.28	286.17
B)	Deposits with Banks	520.94	553.71
C)	Cheques on hand	5.98	52.96
D)	Cash on Hand	5.38	2.45
	Total	830.58	895.29

Note 10 OTHER BANK BALANCES

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Balances in Margin Money Account	30.05	29.66
	Total	30.05	29.66

Note 11 EQUITY SHARE CAPITAL

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
A)	AUTHORISED SHARE CAPITAL		
	60,00,00,000 (60,00,00,000) Equity Shares of ₹ 2/- each	12,000.00	12,000.00
	Total	12,000.00	12,000.00
B)	ISSUED, SUBSCRIBED & PAID UP SHARE CAPITAL		
	5,68,39,434 (5,45,17,427) Equity Shares of ₹ 2/- each, as fully paid-up	1,136.79	1,090.35
	Total	1,136.79	1,090.35

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

	Equity Shares	As at 31st March 2020	As at 31st March 2019
	At the beginning of the year (No. of Shares)	54,517,427	52,651,756
	At the beginning of the year (₹ in Lakhs)	1,090.35	1,053.04
	Issued during the year (No. of Shares)	2,322,007	1,865,671
	Issued during the year (₹ in Lakhs)	46.44	37.31
	Outstanding at the end of the year (No. of Shares)	56,839,434	54,517,427
	Outstanding at the end of the year (₹ in Lakhs)	1,136.79	1,090.35

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.

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

	Particulars	As at 31st March 2020	As at 31st March 2019
	Equity shares of ₹ 2/- each fully paid		
	Birla Bombay Private Limited (No. of Shares)	16,423,113	16,423,113
	Birla Bombay Private Limited (% held)	28.89	30.12
	Birla Infrastructure Limited (No. of Shares)	5,583,886	4,619,699

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Birla Infrastructure Limited (% held)	9.82	8.47
	Vedant Consultancy Private Limited (No. of Shares)	4,607,663	4,607,663
	Vedant Consultancy Private Limited (% held)	8.11	8.45
	Zenith Dyeintermediates Limited (No. of Shares)	3,223,491	1,865,671
	Zenith Dyeintermediates Limited (% held)	5.67	3.42
	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.		

Note 12 OTHER EQUITY

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
A)	Capital Reserve	50.02	50.02
B)	Securities Premium Reserve	2,543.56	2,421.42
C)	General Reserves	2,963.31	2,963.31
D)	Retained Earnings	3,331.48	4,746.47
	Total (A to D)	8,888.37	10,181.22

Note 13 BORROWINGS

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Non-Current		
A)	Secured Loans		
	Vehicle Loans :		
	Car Loan (Refer note (a) below)	-	-
	Sub Total (A)	-	-
B)	Unsecured Loans		
	Sales Tax Deferred Payment Loan (Refer note (b) below)	69.96	73.70
	Total Non - Current	69.96	73.70
	Security and Salient Terms:		
	(a) The Car Loan of ₹ Nil lakhs (Previous Year ₹ 8.07 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.		
	(b) Sales Tax deferred payment loan of ₹ 263.18 lakhs (Previous Year ₹ 279.94 lakhs) is interest free and payable in instalments starting from May, 2009 and ending in April, 2022.		
	Current		
A)	Secured Loans		
	Working Capital Loans From Banks		
	Foreign Currency Loan (Refer note (a) and (d) below)	1,352.67	1,342.00
	Rupee Loan (Refer note (b),(c) and (d) below)	1,057.81	1,070.34
	Subtotal (A)	2,410.48	2,412.34

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
B)	Unsecured Loans		
	From Bodies Corporates	-	-
	From Other	109.66	246.44
	Subtotal (B)	109.66	246.44
	Total - Current	2,520.14	2,658.78
	Security and Salient Terms:		
	(a) Foreign currency loan of ₹ 1352.67 lakhs (Previous Year ₹ 1342.00 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 ₹ 278.42 lakhs (Previous Year ₹ 289.22 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 ₹ 779.39 lakhs (Previous Year ₹ 781.12 lakhs) first charge by way of hypothecation of company's entire current assets on pari passu basis with other working capital bankers and second pari passu charge over the entire fixed assets of the Company to be shared with other working capital bankers.		
	(d) The rates of interest for foreign currency loan ranges from 7% p.a. to 9% p.a. and 12% p.a. to 19% p.a. for rupee loans.		

Note 14 TRADE PAYABLES

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Current		
	Micro, Small and Medium Enterprises	622.32	440.32
	Others	1,920.17	2,971.90
	Total - Current	2,542.49	3,412.22
	Disclosures relating to amounts payable as at the year end together with interest paid/payable to Micro and Small Enterprises have been made in the accounts, as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status and the required disclosure are give below:		
	Particulars	As at 31st March 2020	As at 31st March 2019
	Principal amount due and remaining unpaid	622.32	440.32
	Interest due on above and the unpaid interest	24.16	5.60

Note 15 OTHER FINANCIAL LIABILITIES

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Current		
	Current maturities of long-term debts	193.22	214.31
	Security Deposit from dealers / others	32.56	23.34
	Total - Current	225.78	237.65

Note 16 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Current		
	Advances from Customers	772.39	368.93
	Payable to employees	438.29	421.99
	Statutory Liabilities	55.55	85.71
	Total - Current	1,266.23	876.63

Note 17 PROVISIONS

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Non-Current		
	Provision for Employee Benefits		
	Gratuity	185.04	142.28
	Leave benefits	193.38	173.28
	Total Non - Current	378.42	315.56
	Current		
A)	Provision for Employee Benefits		
	Gratuity	669.34	578.32
	Leave benefits	50.92	53.86
	Sub Total	720.26	632.18
B)	Provision for expenses	975.99	2,119.79
	Total - Current	1,696.25	2,751.97

Note 18 DEFERRED TAX LIABILITIES

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Deferred Tax Liability		
	Related to fixed assets	121.46	137.40
	Deferred Tax Assets		
	Disallowances under the Income Tax Act, 1961	121.46	137.40
	Total	-	-

Note 19 CURRENT TAX LIABILITIES (NET)

Sr. No.	Particulars	As at 31st March 2020	As at 31st March 2019
	Provision for Current Tax	55.12	114.21
	Total	55.12	114.21

Note 20 REVENUE FROM OPERATIONS

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Sale of Products	17,149.42	20,996.85
	Sale of Services	50.04	81.50
	Other operating revenue	150.16	386.71
	Revenue from operations	17,349.62	21,465.06

Note 21 OTHER INCOME

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Interest:		
	From Bank deposits	34.99	40.56
	From Others	9.87	99.68
		44.86	140.24
	Exchange rate difference (Net)	70.97	33.71
	Sundry balances written back (Net)	-	28.14
	Miscellaneous Income	26.15	45.32
	Profit on Sale of Fixed Assets	3.27	-
	Training completion skill poor youth	184.50	98.28
	Provision no longer required written back	24.63	57.87
		309.52	263.32
	Total	354.38	403.56

Note 22 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Inventory at the beginning of the year	1,924.40	906.85
	Add : Purchases	4,300.47	8,063.65
		6,224.87	8,970.50
	Less : Inventory at the end of the year	948.25	1,924.40
	Cost of Raw Materials and Components Consumed	5,276.62	7,046.10

Note 23 PURCHASES OF STOCK-IN-TRADE

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Files	80.91	156.85
	Total	80.91	156.85

Note 24 CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Inventories at the end of the year		
	Finished Goods	1,759.53	1,912.87
	Semi-Finished Goods	1,409.70	1,046.96
	Stock-in-Trade	82.39	135.29
		3,251.62	3,095.12
	Inventories at the beginning of the year		
	Finished Goods	1,912.87	1,243.79
	Semi-Finished Goods	1,046.96	896.88
	Stock-in-Trade	135.29	60.91
		3,095.12	2,201.58
	Change in Inventories		

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Finished Goods	153.34	(669.08)
	Semi-Finished Goods	(362.74)	(150.08)
	Stock-in-Trade	52.90	(74.38)
	Total	(156.50)	(893.54)

Note 25 EMPLOYEE BENEFITS EXPENSE

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Salaries, Wages and Bonus	3,911.92	3,816.17
	Contribution to Provident and Other Funds	419.68	403.86
	Staff Welfare Expenses	178.87	188.73
	Total	4,510.47	4,408.76

Note 26 FINANCE COSTS

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Interest Expenses:		
	Fixed Loan	7.68	2.15
	Other	478.73	399.73
	Bank charges	72.32	126.73
	Total	558.73	528.61

Note 27 DEPRECIATION AND AMORTIZATION EXPENSES

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Depreciation on Tangible Assets	486.25	523.80
	Amortisation of Intangible Assets	13.30	27.71
	Total	499.55	551.51

Note 28 OTHER EXPENSES

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
(A)	Manufacturing Expenses		
	Stores, cutting tools and packing materials consumed	1,169.08	1,317.68
	Sub-contracting expenses	1,300.30	1,688.70
	Power, fuel and water	1,287.16	1,505.23
	Repairs and maintenance:		
	Buildings	2.55	4.90
	Plant and machinery	97.95	120.53
	Sub Total (A)	3,857.04	4,637.04

Sr. No.	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
(B)	Administrative, Selling and Other Expenses:		
	Rent	123.67	28.72
	Rates and taxes	10.87	10.27
	Postage and telephone	39.86	52.17
	Printing and stationery	29.13	50.04
	Insurance	32.14	23.35
	Travelling and conveyance	240.67	208.13
	Foreign travelling expenses	83.48	96.74
	Vehicle expenses	19.30	16.85
	Advertisement , publicity etc.	162.40	87.29
	Sales promotion and other selling expenses	896.04	1,760.18
	Sales commission	118.46	3.64
	Freight on sales	281.18	311.72
	Training and welfare expenses	14.67	15.05
	Training expenses skill of poor youth	28.28	98.28
	Directors' sitting fees	0.60	1.90
	Auditors' remuneration (excluding service tax/GST)		
	As Auditor	10.50	9.00
	For Limited Review	3.00	3.00
	For other service	1.50	-
	For Certifications	0.08	0.20
	For Reimbursement of Expenses	0.16	0.37
		15.24	12.57
	Corporate social responsibility expenses	-	56.00
	Legal and professional fees	580.01	648.44
	Security services	40.12	40.29
	Software maintenance expenses	3.76	7.12
	Exchange rate variation loss (Net)	0.21	0.43
	Bad debts written off	34.45	43.14
	Interest receivable written off	-	626.21
	Loss on sale of fixed assets	0.22	-
	Fixed assets written off	-	4.91
	Miscellaneous expenses	318.91	322.11
	Sub Total (B)	3,073.67	4,525.55
	Total (A+B)	6,930.71	9,162.59

Note 29 Earnings per share (EPS):**(₹ in Lakhs)**

Particulars	31st March, 2020	31st March, 2019
Net Profit / (Loss) after tax attributable to Equity Shareholders (A)	(1331.40)	904.81
No. of Equity Shares outstanding during the year for calculating Basic EPS (B)	56839434	54517427
No. of Equity Shares outstanding during the year for calculating Diluted EPS (C)	56839434	54517427
Nominal Value of Equity Shares (₹)	2/-	2/-
Basic EPS (₹) (A / B)	(2.34)	1.66
Diluted EPS (₹) (A / C)	(2.34)	1.66

Note 30. Contingent liabilities:

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

(₹ in Lakhs)

Particulars	31st March, 2020	31st March, 2019
Capital Commitments:		
Tangible Assets	52.99	342.42

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

Particulars	31st March, 2020	31st March, 2019
(i) Amount of duty saved under EPCG Scheme against export obligations	397.10	397.10
(ii) Sales Tax Demands in Appeals	87.12	76.25
(iii) Income Tax Demands in Appeals	0.75	0.75
(iv) Claim on account of PF not acknowledged as debts	4.01	4.01
(v) Bank Guarantees / Letters of Credit	25.06	25.06
(vi) Corporate Guarantee to Banks for a loan taken by group Company	25030.00	25030.00
(vii) Claims against Company not acknowledged as debts	12.52	27.25
(viii) Interest on non-payment of Sales Tax Deferral Loan	0.00	47.07

(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.

Note 31

In the matter of utilisation of proceeds of the public / right issue in 2007, the Company has been disclosing the position of the same each year. During the year ending 31st March 2020, the process of the full utilisation of the funds towards the Aurangabad Project has been completed and hence no further disclosure is required in this regard.

Note 32

The Company has given a corporate guarantee to banks for a loan taken by a Group Company. In the legal case filed by Bank in DRT, Banks have not claimed any relief against the Company.

Note 33

Balances of Sundry Creditors, Debtors, Loans and Advances and Other current assets are subject to confirmation.

Note 34

Exceptional Items includes provision for diminution in value of advances / deposits of ₹ 1334.91 lakhs.

Note 35 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	31st March, 2020	31st March, 2019
Contribution to Employees Provident Fund and Other Funds	419.68	403.86
Total	419.68	403.86

(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 Ind AS-19, to the extent applicable is furnished below:

		(₹ in Lakhs)
Particulars	31st March, 2020	31st March, 2019
Amount recognised in Balance Sheet		
Present value of defined benefit obligation	1112.24	926.02
Fair value of plan assets	257.85	205.42
Funded Status	(854.39)	(720.60)
Expense recognised in the Statement of Profit and Loss		
Current service cost	87.23	73.28
Net Interest	51.41	39.95
Total expense charged to Profit and Loss Account	138.64	113.23
Amount recorded as Other Comprehensive Income		
Actuarial (Gain)/Loss recognised for the period	78.92	79.58
Return on Plan Assets excluding net interest	4.67	(1.65)
Total Actuarial (Gain)/Loss recognised in OCI	83.59	77.93
Reconciliation of net liability/(Asset)		
Opening net liability	720.60	554.18
Adjustment to opening balance	(0.08)	(0.22)
Expenses charged to the Statement of Profit and Loss	138.64	113.24
Contribution paid	(88.37)	(24.53)
Other Comprehensive Income (OCI)	83.59	77.93
Closing net defined benefit liability/(asset)	854.38	720.60

(₹ in Lakhs)

Particulars	31st March, 2020	31st March, 2019
Movement in benefit obligation		
Opening defined benefit obligation	926.02	826.22
Interest on defined benefit obligation	68.56	56.99
Current service cost	87.23	73.28
Benefits paid	(48.50)	(110.05)
Actuarial (Gain)/Loss on obligation	78.92	79.58
Closing of defined benefit obligation	1112.23	926.02
Movement in Plan Assets		
Opening fair value of plan assets	205.42	272.04
Adjustment to opening fair value of plan assets	0.08	0.21
Return on plan assets excluding interest income	(4.67)	1.65
Interest Income	17.15	17.04
Contribution by employer	88.37	9.55
Benefits paid	(48.50)	(95.07)
Closing fair value of plan assets	257.85	205.42
Asset Information		
Insurer managed funds	257.85	205.42
Others	-	-
Grand Total	257.85	205.42
Principal actuarial assumptions		
Discount rate (p.a.)	6.80 %	7.59% to 7.64%
Salary escalation rate (p.a.)	3.00% to 5.00%	3.00% to 5.00%

II. Leave Encashment:

The leave encashment provision for the year ended 31st March, 2020, based on actuarial valuation carried out using projected unit credit method amounting to ₹ 61.85 Lakhs (Previous Year ₹ 83.90 Lakhs) has been recognized in statement of profit and loss.

Note 36 Segment Reporting:**(a) Business Segments:**

(₹ in Lakhs)

Particulars	2019-20	2018-19
Segment Revenue		
a) Tooling	13179.23	14689.42
b) Automotive Components	4340.27	7080.92
c) Other	184.50	98.28
Total Income from operations	17704.00	21868.62

(₹ in Lakhs)

Particulars	2019-20	2018-19
Segment Results Profit(+)/(Loss)(-)		
(before Interest and Tax) from segment		
a) Tooling	1265.02	2144.82
b) Automotive Components	(702.78)	(708.47)
c) Other	-	-
Total	562.24	1436.35
Less: Interest and Finance Charges	558.73	528.61
Less: Exceptional Items	1334.91	0.00
Profit before Tax	(1331.40)	907.74
Less: Provision for Taxation		
Current Tax	1.20	60.50
Provision For Earlier Periods	-	-
Mat Credit	(1.20)	(57.57)
Deferred Tax	-	-
Profit / (Loss) after Tax	(1331.40)	904.81
Segment Assets		
a) Tooling	14598.36	15894.11
b) Automotive Components	3946.89	5609.48
c) Other	126.55	73.09
d) Unallocated Assets	107.75	135.61
Total	18779.55	21712.29
Segment Liabilities		
a) Tooling	5549.85	6733.98
b) Automotive Components	3088.76	3519.35
c) Other	60.66	73.18
d) Unallocated Liabilities	55.12	114.21
Total	8754.39	10440.72
Capital employed		
a) Tooling	9048.51	9160.13
b) Automotive Components	858.13	2090.13
c) Other	65.89	(0.09)
d) Unallocable	52.63	21.40
Total	10025.16	11271.57
Capital Expenditure		
a) Tooling	396.29	192.24
b) Automotive Components	131.58	142.76
c) Other	-	-
Total	527.87	335.00

(₹ in Lakhs)

Particulars	2019-20	2018-19
Depreciation		
a) Tooling	210.71	230.55
b) Automotive Components	288.84	320.96
c) Other	-	-
Total	499.55	551.51
Non Cash Expenditure		
a) Tooling	-	-
b) Automotive Components	-	-
c) Other	-	-
Total	-	-

Effective from 1st April 2018, the identification of segments under Ind AS is based on the following segments worked out on the basis of the internal reclassification of items under Precision Components, Casting and Machining:

1. Tooling
2. Automotive Components

(b) Secondary Segment - (Geographical):

(₹ in Lakhs)

Particulars	India	USA	Rest of the World	Total
Segment Revenue	14897.19	1439.34	1367.47	17704.00
	(20013.98)	(1015.98)	(838.66)	(21868.62)

(Figures in brackets indicates 31st March, 2019 figures)

Note 37 Related party disclosures:

(A) Name of related parties and nature of relationships (as per Ind AS 24):

(a) Key Management Personnel

1. Shri Vedant Birla - Chairman & Managing Director.
2. Shri R. K. Sharma - Chief Financial Officer.
3. Ms. Vandana Patil - Company Secretary & Compliance Officer. resigned w.e.f. 10th April, 2019.
4. Ms. Shaijal Jain - Company Secretary & Compliance Officer. appointed w.e.f. 15th June, 2019.

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

1. ACE Trusteeship Services Private Limited
2. Birla Earth Private Limited
3. Birla Infrastructure & Constructions Private Limited
4. Birla Infrastructure & Developers Private Limited
5. Edufocus International Education LLP
6. Eduserve International Education LLP
7. Hair Station LLP
8. Hilton Consultancy

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

(B) Transactions during the year ended 31st March, 2020 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 31.03.2020 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2020 CREDIT Balance Current Year (Previous Year)
Shri. Vedant Birla	Remuneration Paid	33.48	-	1.98
		(30.00)	-	(2.50)
Hilton Consultancy	Reimbursement of expenses	5.50	-	0.45
		(1.00)	-	(0.55)

(Figures in brackets indicate 31st March, 2019 figures)

Note 38 Fair values of financial assets and financial liabilities:

The fair value of other current financial assets, cash and cash equivalents, trade receivables, trade payables, short term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortised cost using effective interest rate (EIR) of non current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired includes cash and cash equivalents, security deposits, term deposits and other financial assets.

The impact of fair value on non current borrowings, non current security deposits and non current term deposits are not significant and therefore the impact of fair value is not considered for above disclosure.

Note 39 Fair value hierarchy:

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

*Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

*Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in Lakhs)		
Particulars	31st March 2020	31st March 2019
Level 1 (Quoted prices in active markets)	-	-
Level 2		
Financial assets measured at fair value through profit or loss	-	-
Financial liability measured at fair value through profit or loss	-	-

(₹ in Lakhs)

Particulars	31st March 2020	31st March 2019
Level 3		
Financial assets measured at fair value through profit or loss		
Trade receivables	3217.70	4275.20
Cash and cash equivalents	830.58	895.29
Bank balances other than cash and cash equivalent	30.05	29.66
Loans and advances	5002.74	5304.30
Other financial assets	196.45	190.93

Particulars	31st March 2020	31st March 2019
Other current assets	1568.44	1799.35
The carrying amounts of trade receivables, cash and cash equivalents and other bank balances, loans and advances, other financial assets and other current assets are considered to approximate their fair values due to their short term nature.		
Financial liability measured at amortized cost		
Borrowings	2520.14	2658.78
Trade Payables	2542.49	3412.22
Other financial liabilities	225.78	237.65
Other current liabilities	1266.23	876.63

The carrying amounts of borrowings, trade payables, other financial liabilities and other current liabilities are considered to approximate their fair values due to their short term nature. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

Note 40 Financial risk management objectives and policies:

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

(ii) Foreign currency risk:

The Company is exposed to foreign currency risk arising mainly on borrowing, export of finished goods and import of raw material. Foreign currency exposures are managed within approved policy parameters utilising forward contracts.

(B) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does not foresee any credit risks on deposits with regulatory authorities.

(C') Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Note 4I Capital management:

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt mainly comprises of borrowings from banks, financial institutions and Unsecured Loans. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	31st March 2020	31st March 2019
(i) Total equity	10025.16	11271.57
(ii) Total debt	2590.10	2732.48
(iii) Overall financing (i+ii)	12615.26	14004.05
(iv) Gearing ratio (ii/iii)	0.21	0.20

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020, 31 March 2019.

Note 42

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Consequent to this, Government of India declared a national lock down on March 24, 2020, which has impacted the business activities of the Company. The Company has been taking various precautionary measures to protect employees and their families from COVID-19. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, other intangible assets and in relation to other financial statement captions. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions.

Note 43 Corporate social responsibility:

- (A) Gross amount spend by the Company towards Corporate Social Responsibility is ₹ Nil (Previous Year ₹ 56.00 Lakhs).
 (B) No expenditure has been paid to a related party, in relation to CSR expenditure as per Ind-AS 24, Related Party Disclosures.

Note 44

Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our attached report of even date
For THAKUR, VAIDYANATH AIYAR & CO.
 Chartered Accountants
 Firm Registration No. 000038N

Sd/-
C.V. Parameswar
 Partner
 Membership No. 11541

Place: Mumbai
 Date : 30th July, 2020

For and on behalf of Board of Directors

Sd/-
Vedant Birla
 Chairman & Managing Director
 DIN: 03327691

Sd/-
R. K. Sharma
 Chief Financial Officer

Sd/-
Shaijal Jain
 Company Secretary

**E-MAIL REGISTRATION FORM
FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL**

To
M/s. Kfin Technologies private Limited
Karvy Selenium Tower-B, Plot No.31 & 32,
Financial District, Gachibowli,
Nanakramguda, Serlingampally,
Hyderabad -500032

Dear Sir/s,

Re: Registration of e-mail ID for receiving communications in electronic form

I/We am/are a shareholder of the Company. I/We want to receive all communication from the Company including AGM and other General Meeting notices and explanatory statement(s) thereto, Balance Sheets, Director's reports, Auditor's Reports etc. through email. Please register my e-mail ID, set out below, in your records for sending communication through e-mail:

Folio No:.....

Name of 1st Registered Holder:.....

Name of Joint Holder(s):.....

Address:.....

Pin code:.....

E-mail ID (to be registered):.....

Contact Nos. : Mobile:.....

Land Line:.....

PAN NO:

Date:

Signature:.....

Important Notes:

- 1) On registration, all the communication will be sent to the e-mail ID registered in the folio.
- 2) The form is also available on the website of the company www.birlaprecision.com.
- 3) Any change in email ID, from time to time, may please be registered in the records of the Company.

FOR SHAREHOLDERS HOLDING SHARES IN DEMAT FORM

Members holding shares in demat form may register the e-mails with their respective depository participant.

NOTES



FOUNDRY DIVISION AURANGABAD



ITM NASHIK UNIT NO. 1



ITM AURANGABAD UNIT NO. 2



TOOL HOLDERS DIVISION AURANGABAD

Website

www.birlaprecision.com

Email

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itmnsk@indiantool.com

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