



PM/BSE/33/2022-23

Date: 4th September, 2022

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, 2022.**

**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, 2022 Comprising of Notice for 35th Annual General Meeting and other documents and information as required under the prevailing laws/provisions for the financial year ended 31st March, 2022.

Request you to take the same on records.

Thanking you

Yours Faithfully,  
**For Birla Precision Technologies Limited**

**Parth Matolia**  
**Company Secretary & Compliance Officer**



**Birla Precision Technologies Limited**

Regd. Office : 23 Birla Mansion No. 2, 1st Floor, D. D. Sathe Marg, Prathana Samaj, Mumbai - 400 004.  
Tel. No.: +91 22-23825060

E-mail : [info@birlaprecision.com](mailto:info@birlaprecision.com) Website : [www.birlaprecision.com](http://www.birlaprecision.com)  
An ISO 9001:2015 & ISO 14001:2004 Company CIN: L29220MH1986PL C041214



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SINCE 1937



# Annual Report 2021-2022



## **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](http://www.birlaprecision.com) Email id: [info@birlaprecision.com](mailto:info@birlaprecision.com)

Corporate Identity Number (CIN): L29220MH1986PLC041214

Scrip Code (BSE): 522105

### **BOARD OF DIRECTORS:-**

Mr. Vedant Birla	- Chairman & Managing Director
Mr. Santhosh Kumar	- Executive-Director
Mr. Aditya	- Independent Director (Resigned w.e.f. 12.11.2021)
Mrs. Pooja Tiwari	- Woman Independent Director (Resigned w.e.f. 10.02.2022)
Mr. Anil Santosh Verma	- Independent Director (Resigned w.e.f. 08.08.2022)
Ms. Rekha Gupta	- Independent Director (Resigned w.e.f. 08.08.2022)
Mr. Govind Gupta	- Independent Director (Resigned w.e.f. 10.02.2022)
Mr. Rajeev Sharma	- Independent Director (Resigned w.e.f. 08.08.2022)
Mr. Sanjay Kothari	- Non Executive Non Independent Director (Appointed w.e.f. 10.02.2022)
Mr. Srinivasan Raghavan	
Dorai Rajan	- Independent Director (Appointed w.e.f. 10.02.2022)
Mr. Vikas Thapa	- Independent Director (Appointed w.e.f. 08.08.2022)
Ms. Raji Vishwanathan	- Woman Independent Director (Appointed w.e.f. 08.08.2022)
Ms. Tulsi Jayakumar	- Independent Director (Appointed w.e.f. 08.08.2022)

### **KEY MANAGERIAL PERSONNELS**

Mr. Harish Pareek	- CFO (Appointed w.e.f. 10.02.2022)
Mr. Parth Matolia	- Company Secretary

### **STATUTORY AUDITORS**

: M/s Valawat & Associates  
Chartered Accountant  
Udaipur

### **BANKERS**

HDFC Bank Limited  
Janata Sahakari Bank

### **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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## NOTICE OF THE 35TH ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 35th Annual General Meeting of the members of Birla Precision Technologies Limited will be held on Tuesday, 27th September, 2022 at 11.00 a.m. through Video Conferencing ("VC")/ other Audio Visual Means ("OAVM"), to transact the following business: -

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2022 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; and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31st March 2022, and the reports of the Board of Directors and Auditors thereon laid before this meeting be and are hereby received, considered and adopted."

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; and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Vedant Birla (DIN: 03327691) who retires by rotation and being eligible offers himself for reappointment, be and is hereby re-appointed as a director of the Company."

### SPECIAL BUSINESS:

#### 3. 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, 2023 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."

4. **Appointment of Mr. Vikas Thapa as (DIN: 07804776) Non-Executive Independent Director of Company.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 161 read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vikas Thapa (DIN: 07804776) who was appointed as an Additional Director of the Company with effect from 8<sup>th</sup> August, 2022 pursuant to Section 161 of the Companies Act 2013 and who has submitted a declaration that he is eligible for appointment and he meets the criteria of independence as provided under Section 149(6) of the Act for a period of 5 consecutive years i.e. upto 7<sup>th</sup> August, 2027 and that he shall not be subject to retirement by rotation.

**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. Raji Vishwanathan (DIN: 02680148) as Non-Executive Woman Independent Director of the Company

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 161 read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Raji Vishwanathan (DIN: 02680148) who was appointed as an Additional Director of the Company with effect from 8<sup>th</sup> August, 2022 pursuant to Section 161 of the Companies Act 2013 and who has submitted a declaration that he is eligible for appointment and she meets the criteria of independence as provided under Section 149(6) of the Act for a period of 5 consecutive years i.e. upto 7<sup>th</sup> August, 2027 and that she shall not be subject to retirement by rotation.

**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.”

6. Appointment of Ms. Tulsi Jayakumar (DIN: 09562207) as Non -Executive Independent Director of the Company

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 161 read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Tulsi Jayakumar (DIN: 09562207) who was appointed as an Additional Director of the Company with effect from 8<sup>th</sup> August,

2022 pursuant to Section 161 of the Companies Act 2013 and who has submitted a declaration that he is eligible for appointment and she meets the criteria of independence as provided under Section 149(6) of the Act for a period of 5 consecutive years i.e. upto 7<sup>th</sup> August, 2027 and that she shall not be subject to retirement by rotation.

**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.”

7. Re-appointment and revision in remuneration of Mr. Vedant Birla (DIN: 03327691) as Chairman & Managing Director of the Company

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof), the consent of members be and is hereby accorded for the re-appointment of Mr. Vedant Birla Patel (DIN: 03327691) as a Managing Director of the Company for a term of five years commencing from 28<sup>th</sup> May, 2022 as per the terms and conditions mutually agreed upon between the Company and Mr. Vedant Birla.

**RESOLVED FURTHER THAT** the following terms and conditions to be approved considering the limit specified under Section 197 and Schedule V of the Act:

Consolidated Salary, Perquisites and Performance Bonus, etc: Rs. 4,00,000/- per month.

In addition to above, he shall be entitled to receive the following:

- He shall be entitled to receive incentives based on the performance under Key Result Area (KRA) evaluation.
- He shall also be entitled to Company’s contribution to Provident Fund, Pension Fund and Gratuity

Encashment of leave and when applicable as Chairman & Managing Director of the Company.

- c) Perquisite benefits and allowance includes House Rent Allowance, House Maintenance etc. and any other Perquisite benefits and allowances.
- d) Allowances and perquisites shall be valued as per Income Tax Rules and in the absence of any such rules the perquisites shall be evaluated as actual costs to the Company.

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

8. Re-appointment and revision in remuneration of Mr. Santhosh Kumar (DIN: 08686131) as Executive Director of the Company.

**“RESOLVED THAT** pursuant to the provisions of Section 152, 197, 198 and Schedule V to the Companies Act, 2013 (“the Act”) read with the Rule 8, 9 and 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and other relevant rules made there under to the extent applicable, on the recommendation of Audit Committee, Nomination & Remuneration Committee and subject to other approvals as required, consent of the members, be and is hereby accorded for re-appointment of Mr. Santhosh Kumar w.e.f. 24.05.2022 revision in payment of consolidated remuneration w.e.f. 24.05.2022 not exceeding Rupees 14,07,984/- per annum to Mr. Santhosh Kumar (DIN: 08686131), Executive Director of the Company, provided that such variation or increase is within specified limit as under the relevant provisions of Section 197, 198 and Schedule V to the Companies Act, 2013 on the such terms and conditions of revision of remuneration as mentioned below:-

- a) He shall be entitled to receive incentives based on the performance under Key Result Area (KRA) evaluation.

- b) He shall also be entitled to Company’s contribution to Provident Fund, Pension Fund and Gratuity Encashment of leave and when applicable as Chairman & Managing Director of the Company.

- c) Perquisite benefits and allowance includes House Rent Allowance, House Maintenance etc. and any other Perquisite benefits and allowances.

- d) Allowances and perquisites shall be valued as per Income Tax Rules and in the absence of any such rules the perquisites shall be evaluated as actual costs to the Company.

**RESOLVED FURTHER THAT** the Board of Directors and the Nomination & Remuneration Committee be and is hereby authorized to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, with in specified limit as the case may be, as specified under the relevant provisions of Section 197, 198 and Schedule V to the Companies Act, 2013 subject to any amendment in the provisions of the aforesaid sections.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company.”

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

**Parth Matolia**  
**Company Secretary**

**Place: Mumbai**  
**Date: 29<sup>th</sup> August, 2022**

**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 here to and forms part of the Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE A VALID MUST BE DULY FILLED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. A person shall not act as a Proxy for more than 50 Members and holding in the aggregate not more than 10 percent of the total voting share capital of the Company. However, a single person can act as Proxy for a Member holding more than 10 percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
4. Members / Proxies are requested to bring their attendance slips duly filled in along with their copies of the Annual Report to the Meeting for attending the Meeting.
5. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
6. 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 Private Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serlingampally, Hyderabad – 500 032.
7. 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, May 05, 2020, January 13, 2021 and May 5, 2022 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.
8. 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](http://www.birlaprecision.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
9. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 21<sup>st</sup> September, 2022 to Monday, 27<sup>th</sup> September, 2022 (both days inclusive) for the purpose of Annual General Meeting.
10. The Board of Directors has appointed Mr. Rahul Gupta, of B R Gupta & Co, Company Secretary in Practice (Membership No.43021, COP No.20863) 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. Friday, 23<sup>rd</sup> September, 2022, 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 AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **Saturday, 24th September, 2022, at 09:00 a.m. and ends on Monday, 26th September, 2022 05:00 p.m.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e.

Friday, 16th September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 16th September, 2022.

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

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

#### Step I: Access to NSDL e-Voting system





#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS</b> facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>



Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store            Google Play         </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the EVoting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

## Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

### 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 ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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 on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

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 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to 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](https://www.evoting.nsdl.com).



- b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) 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 check box.
  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.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step I, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **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 [cs.guptarahul@gmail.com](mailto:cs.guptarahul@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto: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](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre (Sr. Manager) at [evoting@nsdl.co.in](mailto: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 e mail 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 email to [cs@birlaprecision.com](mailto: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](mailto:cs@birlaprecision.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**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 remote e-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 remote e-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.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM

through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

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 their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid 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, email id, mobile number at [cs@birlaprecision.com](mailto:cs@birlaprecision.com). The same will be replied by the company suitably.

The results declared along with the Scrutinizer's Report shall be placed on the Company's Website: [www.birlaprecision.com](http://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**

**Parth Matolia**  
**Company Secretary & Compliance Officer**

**Place: Mumbai**  
**Date: 29<sup>th</sup> August, 2022**

## ANNEXURE TO THE NOTICE

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

#### ITEM NO. 3

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 24.05.2022, 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, 2022 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 Personnel's 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. 3** of the Notice to the members for their approval.

#### ITEM NO. 4

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, Mr. Vikas Thapa (DIN: 07804776) was appointed as an Additional Director – Non-Executive Independent on the Board of Company on 8<sup>th</sup> August, 2022. He shall hold office upto the date of the ensuing Annual General Meeting.

The Board of Directors proposes to appoint Mr. Vikas Thapa as an Independent Director whose term shall not be subject to retirement by rotation, to hold office for five(5) consecutive years i.e. upto 7<sup>th</sup> August, 2027. Further, the Company has received declaration from Mr. Vikas Thapa that he is not disqualified and meets the criteria of independence.

Except Mr. Vikas Thapa 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. 4

The Board of Directors recommends the **Special Resolution** set out at **Item No. 4** of the Notice for approval by the Members.

#### 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. Raji Vishwanathan (DIN: 02680148) was appointed as an Additional Director – Non-Executive (Woman) Independent on the Board of Company on 8<sup>th</sup> August, 2022. She shall hold office upto the date of the ensuing Annual General Meeting.

The Board of Directors proposes to appoint Ms. Raji Vishwanathan as an Woman Independent Director whose term shall not be subject to retirement by rotation, to hold office for five (5) consecutive years i.e. upto 7<sup>th</sup> August, 2027. Further, the Company has received declaration from Ms. Raji Vishwanathan that she is not disqualified and meets the criteria of independence.

Except Ms. Raji Vishwanathan 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 **Special Resolution** set out at **Item No. 5** of the Notice for approval by the Members.

#### ITEM NO. 6

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. Tulsi Jayakumar (DIN: 09562207) was appointed as an Additional Director – Non-Executive Independent on the Board of Company on 8<sup>th</sup> August, 2022. She shall hold office

upto the date of the ensuing Annual General Meeting.

The Board of Directors proposes to appoint Ms. Tulsi Jayakumar as an Independent Director whose term shall not be subject to retirement by rotation, to hold office for five(5) consecutive years i.e. upto 7<sup>th</sup> August, 2027. Further, the Company has received declaration from Tulsi Jayakumar that she is not disqualified and meets the criteria of independence.

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

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

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

Mr. Vedant Birla has been re-appointed on the Board of the Company in as a Managing Director in their meeting held on 28<sup>th</sup> May, 2022. The Board decided to approve the reappointment and revision in remuneration of the Director. The special resolution for his re- appointment upto five years and revision in remuneration subject to the provisions of Section 196,197, 198, 203 read with schedule V and all other applicable provision of the Companies Act, 2013 is hereby accorded.

Reference to the provision of section 196, 197,198 and 203 of the Companies Act, 2013, read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) vide its notification dated 18th March, 2021 amended schedule V of Companies Act, 2013 which provides for payment of managerial remuneration by Companies, requires members approval for payment of managerial remuneration to the managerial person for period of not exceeding 5 years by way of special resolution. Hence the Board recommends the resolution for member approval by way of special resolution, provided that such variation or increase in remuneration is within specified limit as specified under the relevant provisions of Section 196, 197,198, 203 and Schedule V to the Companies Act, 2013.

Except Mr. Vedant Birla none of the other Directors, Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at item no.6.

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

Mr. Santosh Kumar has been re-appointed on the Board of the Company w.e.f. 24.05.2022. He is an Executive Director and involved in day to day affairs of the Company. With reference to the provision of Section 197,198 read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) vide its notification dated 18th March, 2021 amended schedule V of Companies Act, 2013 which provides for payment of managerial remuneration and other directors by Companies, requires members approval by way of special resolution. Hence the Board recommends the resolution for member approval, provided that such variation or increase in remuneration is within specified limit as specified under the relevant provisions of Section 197,198 and Schedule V to the Companies Act, 2013.

Except Mr. Santosh Kumar, none of the other Directors, Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at item no.8.

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

**Parth Matolia**  
**Company Secretary**

**Place: Mumbai**  
**Date: 29<sup>th</sup> August, 2022**

**Details of Directors Seeking Appointment/Re-appointment at the  
35th Annual General Meeting of the Company.**

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

<b>Name of Director</b>	Mr.Vedant Birla	Mr. Santosh Kumar	Mr.Vikas Thapa
<b>DIN</b>	03327691	08686131	07804776
<b>Date of Appointment/Re-appointment</b>	28-05-2022	24-05-2022	08.08.2022
<b>Date of Birth</b>	25-12-1991	15-02-1971	01-07-1965
<b>Qualification</b>	Master's Degree from Regents Business School, London	B.Com	MBA, Post Graduate Diploma in Industrial Relations
<b>List of other Indian Public Limited Companies in which Directorship held</b>	Nil	Nil	Nil
<b>Membership/Chairmanships of Committees of other public Companies (includes only Audit Committees and Shareholders/ Investors' Grievance Committee)</b>	Nil	Nil	Nil
<b>Number of Shares held in the Company</b>	Nil	Nil	Nil
<b>Relationship between Directors inter-se</b>	NA	NA	NA

<b>Name of Director</b>	Ms. Raji Vishwanathan	Ms. Tulsi Jayakumar
<b>DIN</b>	02680148	09562207
<b>Date of Appointment</b>	08.08.2022	08.08.2022
<b>Date of Birth</b>	23-05-1959	26-09-1969
<b>Qualification</b>	B.Sc (Microbiology), Diploma in Business Management and Masters in Law	Ph.d (Economics)
<b>List of other Indian Public Limited Companies in which Directorship held</b>	Nil	Nil
<b>Membership/Chairmanships of Committees of other public Companies (includes only Audit Committees and Shareholders/Investors' Grievance Committee)</b>	Nil	Nil
<b>Number of Shares held in the Company</b>	Nil	Nil
<b>Relationship between Directors inter-se</b>	N.A	N.A

## BOARD'S REPORT

To,  
The Members

Your Directors are pleased to present the 35<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2022.

## FINANCIAL HIGHLIGHTS

(Rs. In Lakhs)

Particulars	For the FY 2021-22	For the FY 2020-21
Total turnover including other income	24832.22	17332.20
Profit Before Interest, Depreciation, Exceptional Items and Tax	2066.85	1092.70
Less: Deprecation	408.11	444.87
Less: Interest & Financial Charges	527.58	503.36
Profit/(Loss) Before Exceptional Items and tax	1131.16	144.47
Less: Exceptional Items	-	-
Less: Provision for taxation	13.11	2.52
Profit/(Loss) after Tax	1118.05	141.95
Add: Other Comprehensive Income/Loss	48.30	(6.10)
Total Comprehensive Income carried to Other Equity	1166.35	135.85

## PERFORMANCE REVIEW

The turnover including other income of the Company for the Financial Year 2021-22 amounted to Rs. 24,832.22 Lakhs as against last year's Rs. 17,332.20 Lakhs. The Profit/ (Loss) before exceptional items and tax is Rs. 1131.16 as against Rs. 144.47 Lakhs of last year. Profit for the year is Rs. 1,166.35 Lakhs as against the profit of Rs. 135.85 Lakhs of last year. The Company has made commendable growth after slight slump due to Covid-19, with progressive outlook compounded with efforts to achieve maximum potential by the Company.

## DIVIDEND

Your Directors have not recommended dividend for the year ended 31st March, 2022.

## 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, 2022 stood at Rs. 1305.42 Lakhs consisting of 6,52,71,137 shares of Rs. 2/- each.

## NATURE OF BUSINESS

There was no change in the nature of business during the Financial Year 2021-22.

## SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

During the financial year the Company Incorporated three wholly owned Subsidiary Company's in the name and style of "Birla Accucast Private Limited", Birla Engineering Private Limited and a foreign subsidiary in the name and style of "Birla Precision Technologies GmbH incorporated in Germany.

Your Company does not have any, Associate & Joint Venture Company as on 31st March, 2022.

## 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.



## 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 has not issued any shares under ESOP scheme to any of its employees for the financial year ended 31<sup>st</sup> March, 2022.

## 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. Anil Verma (Non –Executive Independent Director) and Ms. Rekha Gupta (Non –Executive Independent Director) were appointed on 03.09.2021 and had resigned on 08.08.2022. Mr. Aditya resigned as the (Non –Executive Independent Director) on 12.11.2021 and Mr. Govind Gupta (Non –Executive Independent Director) was appointed as the (Non –Executive Independent Director) on 12.11.2021. Mr. Sanjay Kothari (Non-Executive Non Independent Director), Mr. Rajeev Sharma (Non –Executive Independent Director) and Mr. Srinivasa Raghavan Dorai Rajan (Non –Executive Independent Director) were appointed on 10.02.2022, wherein Mr. Govind Gupta (Additional Director) and Ms. Pooja Tiwari (Woman Independent Director) of the Company resigned on 10.02.2022. Mr. Rajeev Sharma resigned on 08.08.2022 alongwith Mr. Vikas Thapa (Non –Executive Independent Director), Ms. Raji Vishwanathan (Woman Non-Executive Independent Director) and Ms. Tulsi Jayakumar (Non –Executive Independent Director) who were appointed to the board on 08.08.2022.

The Board places on record their appreciation for the services rendered by them.

## KEYMANAGERIALPERSONNELS(APPOINTMENT AND CESSATION)

Mr. Parth Matolia has been appointed as Company Secretary w.e.f. 30th June, 2021 and Mr. Harish Pareek was appointed as CFO on 10.02.2022 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 during the year under review.

## 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:

- a) that in the preparation of the Annual Financial Statements for the year ended 31<sup>st</sup> March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied them consistently and judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and Profit- of Rs. 1166.35/- of the Company for the Year ended on that date;
- c) that the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis and;
- e) that directors has laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## 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.



There were no material changes and commitment occurred during the year under review affecting the financial position of the Company.

### **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](http://www.birlaprecision.com).

### **REPORTING OF FRAUDS & ERRORS**

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.

### **ANNUAL RETURN**

As per the provisions of section 92(3) read with section 134(3)(a) of the Act, Annual Return for the Financial Year ended on 31st March, 2022, in prescribed Form No. MGT-7 is available on the website of the Company on <https://www.birlaprecision.com/documents/investor/News%20&%20Announcement/MGT-7-Filed-Aug-2022.pdf>.

### **AUDITORS**

#### **i) Statutory Auditors**

The Shareholders at their 33rd Annual General Meeting (AGM) held on 29th December, 2020 has approved the appointment of M/s. Valawat & Associate., Chartered Accountants (ICAI Firm Registration No. 003623C), Chartered Accountants, as Statutory Auditors to hold the office for the period of 5 years till the conclusion of 38th Annual General Meeting, therefore their term of 5 years will be completed on conclusion of the ensuing AGM of the Company.

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, 2022 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 of Anil Somani & Associates Practicing Company Secretary to undertake the Secretarial Audit of the Company for the Financial Year Ended 31<sup>st</sup> March, 2022. The Secretarial Audit Report is annexed herewith as "**Annexure C**".

**Auditors Observation and Managements Reply:**

1. **The Company has not appointed Company Secretary as compliance officer after resignation of Shaijal Jain w.e.f.12.10.2020 to 29.06.2021 as per Companies Act, 2013 and Regulation 6 (1) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

After resignation of Ms. Shaijal Jain the Company was in process of appointing Company Secretary but due to Covid situation the Company was not able to find the suitable candidate. However the Company appointed Mr. Parth Matolia as Company Secretary & Compliance Officer w.e.f. 30<sup>th</sup> June, 2021.

2. **As per Regulation 31 (1) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 100% promoters and promoter group shareholding of the Company as on 31.03.2021 not in dematerialized form.**

The demat account of Mr. Yashovardhan Birla has been attached by a court order which is not related to the Company. Mr. Yashovardhan Birla has filed an application to detach the same which is yet to come up for hearing, as soon as the attachment will be removed the "Physical Holding consisting 21919 shares will be converted into the "Demat Holding"

3. **The Company has not maintained updated website as per Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The Company is continuously updating its website required as per Regulation 46 of the SEBI LODR and will be done shortly.

4. **The Company entity has not maintained Structured Digital Database (SDD) as required under Reg. 3(5) of SEBI (PIT) Regulations, 2015**

The Company was studying the implications of implementing the Structured Digital Database (SDD) last year, wherein the Company use to still maintain the data in Excel format as required with the details of the KMP mentioned therein. The Company has installed the SDD as on date.

5. **The Company has filed delayed of Corrigendum for the Audited Financial Results approved at the Board Meeting Held On 30<sup>th</sup> June, 2021 submitted on 05.08.2021**

There Company will take cautionary measure 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 behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company [www.birlaprecision.com](http://www.birlaprecision.com).

#### **BOARD MEETINGS**

During the Financial Year Six (6) Meetings of Board of Directors were held on 30.06.2021, 12.08.2021, 03.09.2021, 12.11.2021, 29.12.2021 and 10.02.2022.

#### **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 2021-22.

#### **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 (I) 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**

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

**Place: Mumbai**  
**Date: 29<sup>th</sup> August, 2022**

## ANNEXURE TO THE BOARD'S REPORT

### ANNEXURE – A

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

##### A. CONSERVATION OF ENERGY:

###### a) Energy conservation measures taken.

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

1. Avoidance of wastage of compressed air and electricity during idle time of machine, saving of enormous units.
2. Solar Panel installed for lighting purpose in Administration Deptt., hence reduction in power.
3. Installation of efficient LED lighting systems at all units of the Company more particularly streets of the plants.
4. Electric Motors converted star to Delta to reduce power consumption.
5. 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 types of oil filled Hydraulic chucks, ER Sealed collects, Tap in Tool Holder Division, was undertaken during the year.
- b) Development of new designs for Carbide Tool Sector entry viz a viz MRT UK acquisition.
- c) Machines for new Chalisgaon Factory built in-house.

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

- a) Meet Market demand of new sectors & application, which are import substitute items and export products to overseas countries.

##### 3. Future Plan of Action

- a) Development of new products, High Performance Carbide Cuttings Tools.
- b) Capacity improvement in drills by way of installing new machines, built in-house.
- c) Capacity improvement in Taps

##### 4. Expenditure on Machine Building Department

(Rs. In Lakhs)

a) Capital	(3091.54)
b) Recurring	( - )
c) Total	( 3091.54)

##### 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 to U.S.A, Europe and Asia Pacific countries.

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

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Total Foreign Exchange used	700.90	140.32
Total Foreign Exchange Earned	3184.28	1638.77

**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 10<sup>th</sup> February, 2022. 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	-
Ms. Pooja Tiwari@	Member	-
Mr.Aditya#	Member	-
Ms. Rekha Gupta^	Member	-
Mr. Govind Gupta\$	Member	I
Mr. Anil Santosh Verma !	Member	I
Mr. Rajeev Sharma !	Member	I

- \* Ms. Roshani Gangawane ceased to be a member of the Committee w.e.f. 03.09.2021
- ^ Ms. Rekha Gupta appointed as a member of the Committee w.e.f. 03.09.2021
- # Mr. Aditya ceased to be a member of the Committee w.e.f. 12.11.2021
- % Mr. Govind Gupta appointed as a member of the Committee w.e.f. 12.11.2021 and ceased to be a member of the Committee w.e.f. 10.02.2022.
- @ Ms. Pooja Tiwari ceased to be a member of the Committee w.e.f. 10.02.2022.

- ! Mr. Anil Santosh Verma and Mr. Rajeev Sharma were appointed as members of the Committee w.e.f. 10.02.2022.

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

5. The Company is not required to spend towards CSR.

6. Details of CSR spent during the Financial Year:

- a. Total amount spent for the Financial Year 2018-2019, 2019-2020 and 2020-2021: NIL

- b. Total amount to be spent for the Financial Year 2021-22: NIL

- c. Amount unspent: NIL

7. 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.

**Vedant Birla**

**Chairman-CSR Committee**

**Place: Mumbai**

**Date: 29<sup>th</sup> August, 2022**

**FORM MR-3****Secretarial Audit Report for the Financial Year ended 2021-2022**

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

To,  
The Members,  
**M/s BIRLA PRECISION TECHNOLOGIES LIMITED**  
**23, Birla Mansion No. 2, 1<sup>st</sup> 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 **31<sup>st</sup> March, 2022** 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 **31<sup>st</sup> March, 2022** 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:**

- 1. The Company has not appointed Company Secretary as compliance officer after resignation of Shaijal Jain w.e.f. 12.10.2020 to 29.06.2021 as per Companies Act, 2013 and Regulation 6 (1) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**
- 2. As per Regulation 31 (1) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 100% promoters and promoter group shareholding of the Company as on 31.03.2021 not in dematerialized form.**
- 3. The Company has not maintained updated website as per Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**
- 4. The Company has not maintained Structured Digital Database (SDD) as required under Reg. 3(5) of SEBI (PIT) Regulations, 2015**
- 5. The Company has delayed filed of Corrigendum for the Audited Financial Results approved at the Board Meeting Held On 30Th June, 2021 submitted on 05.08.2021**

**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.

**Further**

1. The Company has incorporated two new domestic subsidiaries namely Birla Engineering Private Limited and Birla Accucast Private Limited during the year with paid up equity share capital of 10000 equity shares at \* 10 each, no transactions has taken place during the financial year in this subsidiary.
2. The Company has incorporated new subsidiary in USA named as Birla Precision USA Ltd during the previous financial year with authorized equity share capital of 200 shares and paid up equity share capital of 10 shares at 1 USD each, EIN: 36-4974239, no transactions has taken place during the quarter in this subsidiary.
3. The Company has incorporated new subsidiary in Germany named as Birla Precision GMBH during the year with paid up equity share capital of 25000 shares at 1 Euro each, no transactions has taken place during the financial year in this subsidiary.

For **Anil Somani & Associates**  
Company Secretaries  
**PR 1869/2022**

Place: Bhilwara

Date: 29<sup>th</sup> August, 2022

**Anil Kumar Somani**  
**ACS: 36055**  
**COP: 13379**  
UDIN: A036055D000865136

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 - I**

To,  
The Members  
**M/s BIRLA PRECISION TECHNOLOGIES LIMITED**  
**23, Birla Mansion No. 2, 1<sup>st</sup> 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: 29<sup>th</sup> August, 2022

**Anil Kumar Somani**  
**ACS: 36055**  
**COP: 13379**

## Form No.AOC - I

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

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

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details			
1	Name of the subsidiary	Birla Precision USA Limited	Birla Accucast Private Limited	Birla Engineering Private Limited	Birla Precision Technologies GmbH
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA
4	Share capital	Rs. 759	Rs. 1,00,000	Rs. 1,00,000	Rs.21,01,550
5	Reserves & surplus	-	-	-	-
6	Total assets	-	-	-	-
7	Total Liabilities	-	-	-	-
8	Investments	-	-	-	-
9	Turnover (Gross)	-	-	-	-
10	Profit/Loss before taxation	-	-	-	-
11	Provision for taxation	-	-	-	-
12	Profit after taxation	-	-	-	-
13	Proposed Dividend	-	-	-	-
14	% of shareholding	100%	100%	100%	100%

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

- Names of subsidiaries which are yet to commence operations NIL
- Names of subsidiaries which have been liquidated or sold during the year. NIL

#### Part "B": Associates and Joint Ventures

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

There is no Associate or Joint Venture Companies.

- Names of associates or joint ventures which are yet to commence operations. NIL
- Names of associates or joint ventures which have been liquidated or sold during the year. NIL

**For M/s.Valawat & Associates**  
**Chartered Accountants**  
**Firm Registration No. 003623C**

**Jinendra Jain**  
**Partner**  
**Membership No. 072995**

**Place: Mumbai**  
**Date : 24th May, 2022**

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

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

**Harish Pareek**  
**Chief Financial Officer**

**Parth Matolia**  
**Company Secretary**

**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**

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

**Place:** Mumbai

**Date:** 29<sup>th</sup> August, 2022

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

gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations.

### II. COMPOSITION BOARD OF DIRECTORS AND DIRECTORSHIP HELD ON 31<sup>ST</sup> MARCH, 2022

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.

Name of Director	Category	No. of Directorships in Public Limited Companies*	Board Committee	
			Chairman**	Member**
Mr. Vedant Birla	Chairman, Managing Director	0	0	0
Ms. Rekha Gupta (From 03.09.2021 to 08.08.2022)	Independent, Non-Executive	0	0	0
Mr. Santhosh Kumar	Executive Director	0	0	0
Mr. Anil Santosh Verma (From 03.09.2021 to 08.08.2022)	Independent, Non-Executive	1	0	1
Mrs. Pooja Tiwari	Independent, Non-Executive	0	0	0
Mr. Govind Gupta (From 12.11.2021 to 10.02.2022)	Independent, Non-Executive	0	0	0
Mr. Sanjay Kothari (w.e.f. 10.02.2022)	Independent, Non-Executive	2	1	1
Mr. Srinivasa Raghavan Dorai Rajan (w.e.f. 10.02.2022)	Independent, Non-Executive	0	0	0
Mr. Rajeev Sharma (From 10.02.2022 to 08.08.2022)	Independent, Non-Executive	0	0	0
Mr. Aditya (Upto 12.11.2021)	Independent, Non-Executive	0	0	0
Ms. Roshani Gangawane (Upto 03.09.2021)	Independent, Non-Executive	0	0	0
Ms. Yashika Jain (Upto 03.09.2021)	Independent, Non-Executive	0	0	0

\* 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 six (6) Meetings of Board of Directors were held on 30<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 3<sup>rd</sup> September, 2021, 12<sup>th</sup> November, 2021, 29<sup>th</sup> December, 2021 and 10<sup>th</sup> February, 2022 and the particulars of attendance of the Directors are as under:

Name of Directors	No of Board Meetings Attended	Attendance at AGM held on 30 <sup>th</sup> September, 2021
Mr.Vedant Birla	6	No
Ms. Roshani Gangawane (Upto 03.09.2021)	3	No
Ms.Yashika Jain (Upto 03.09.2021)	3	No
Mr. Santhosh Kumar	6	Yes
Ms. Pooja Tiwari	6	Yes
Mr.Aditya	4	Yes
Ms. Rekha Gupta	4	No
Mr.Anil Santosh Verma	4	Yes
Mr. Govind Gupta	3	No
Mr. Sanjay Kothari	1	No
Mr. Srinivasa Raghavan Dorai Rajan	1	No
Mr. Rajeev Sharma	1	No

The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company i.e. [www.birlaprecision.com](http://www.birlaprecision.com).

During the year under review, separate meeting of the Independent Directors was held on 10<sup>th</sup> February, 2022 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

## III. COMMITTEES OF THE BOARD

As on 31<sup>st</sup> March 2022 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 30<sup>th</sup> September, 2021.

### Composition, Meetings & Attendance

During the year under review, the Committee met 4 (Four) times on 30<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021 and 10<sup>th</sup> February, 2022.

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

Name of the Member	Designation	No. of Meetings Attended
Ms. Pooja Tiwari (Upto 10.02.2022)	Chairperson	4
Mr. Vedant Birla	Member	4
Ms. Yashika Jain (Upto 03.09.2021)	Member	2
Ms. Rekha Gupta (From 03.09.2021 to 08.08.2022)	Member	2
Mr. Aditya (Upto 12.11.2021)	Member	2
Mr. Govind Gupta (From 12.11.2021 to 10.02.2022)	Member	2
Mr. Anil Verma (From 10.02.2022 to 08.08.2022)	Chairperson	1
Mr. Rajeev Sharma (From 10.02.2022 to 08.08.2022)	Member	1
Mr. Srinivasa Raghavan Dorai Rajan (w.e.f. 08.08.2022)	Chairperson	0
Mr. Sanjay Kothari (w.e.f. 08.08.2022)	Member	0
Mrs. Raji Vishwanathan (w.e.f. 08.08.2022)	Member	0

### Terms of reference:

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

- 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;
- Recommending the appointment, remuneration and terms of appointment of auditors of the company;
- Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- 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.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;
- 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 thereon;
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 3 (Three) times on 30<sup>th</sup> June, 2021, 20<sup>th</sup> October, 2021 & 10<sup>th</sup> February, 2022.

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

<b>Name of the Member</b>	<b>Designation</b>	<b>No. of Meetings Attended</b>
Ms. Pooja Tiwari (Upto 10.02.2022)	Chairperson	3
Mr.Vedant Birla	Member	3
Ms. Roshani Gangawane (Upto 03.09.2021)	Member	1
Mr.Aditya (Upto 12.11.2021)	Member	2
Ms. Rekha Gupta (From 03.09.2021 to 08.08.2022)	Member	2
Mr.Anil Verma (From 12.11.2021 to 08.08.2022)	Chairperson	2
Mr. Srinivasa Raghavan Dorai Rajan (w.e.f. 10.02.2022)	Member	1
Mr.Vikas Thapa (w.e.f. 08.08.2022)	Chairperson	0
Mrs.Tulsi Jayakumar (w.e.f. 08.08.2022)	Member	0
Mrs. Raji Vishwanathan (w.e.f. 08.08.2022)	Member	0

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

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

**Details of Remuneration, sitting fees, Commission paid to the Directors during the Financial Year ended 31<sup>st</sup> March, 2022 are given below:**

Sr. No.	Name of Director	Sitting Fees (in Lakhs)	Annual Remuneration / Commission (₹ in Lakhs)
1	Ms. Roshani Gangawane	4,500/-	NA
2	Mr. Aditya	9,000/-	NA
3	Ms. Pooja Tiwari	22,500/-	NA
4	Ms. Yashika Jain	4,500/-	NA
5	Ms. Rekha Gupta	13,500/-	NA
6	Mr. Govind Gupta	9,000/-	NA
7	Mr. Anil Verma	13,500/-	NA
8	Mr. Rajeev Sharma	NA	NA
9	Mr. Srinivasan Raghavan Dorai Rajan	NA	NA

**Notes:**

- The Non-Executive Directors were paid sitting fees of Rs. 5,000/- for attending the Board Meeting. There are no sitting fees for attending Audit Committee & 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 30th June, 2021, 12<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021 & 10<sup>th</sup> February, 2022.

**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 (Upto 03.09.2021)	Member	2
Ms. Pooja Tiwari (Upto 10.02.2022)	Chairperson	4
Mr. Aditya (Upto 12.11.2021)	Member	3
Ms. Rekha Gupta (From 03.09.2021 to 08.08.2022)	Member	2
Mr. Anil Verma (From 03.09.2021 to 08.08.2022)	Chairperson	2
Mr. Srinivasa Raghava Dorai Rajan (From 10.02.2022)	Member	1
Mr. Sanjay Kothari (w.e.f. 08.08.2022)	Chairperson	0
Mrs. Raji Vishwanathan (w.e.f. 08.08.2022)	Member	0

**Mr. Parth Matolia, 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 31<sup>st</sup> March, 2022.

**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 95 complaints during the Financial Year 2021-22 and all the complaints were redressed. There were no outstanding complaints as on 31<sup>st</sup> March, 2022.

## 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 One (1) on 10<sup>th</sup> February, 2022.

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

Name of the Member	Designation	No. of Meetings Attended
*Mr. Vedant Birla	*Chairman	1
Ms. Roshani Gangawane (Upto 03.09.2021)	Member	0
Ms. Pooja Tiwari (Upto 10.02.2022)	Member	1
Mr. Aditya (Upto 12.11.2021)	Member	0
Ms. Rekha Gupta (From 03.09.2021 to 08.08.2022)	Member	1
Mr. Govind Gupta (From 12.11.2021 to 10.02.2022)	Member	0
Mr. Anil Verma (From 03.09.2021 to 08.08.2022)	Member	1
Mr. Rajeev Sharma (From 10.02.2022 to 08.08.2022)	Member	1
Mrs. Tulsi Jayakumar (w.e.f. 08.08.2022)	Chairperson	-
Mr. Sanjay Kothari (w.e.f. 08.08.2022)	Member	-
Mr. Vikas Thapa (w.e.f. 08.08.2022)	Member	-

\* Mr. Vedant Birla was appointed as a member w.e.f. 08.08.2022.

## 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 meet at least once in a quarter, without the presence of Executive Directors or Management representatives.

The Independent Directors met one time during the Financial Year ended 31<sup>st</sup> March, 2022 on 10<sup>th</sup> February, 2022. 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 familiarization 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 familiarization 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
31 <sup>st</sup> March, 2019	28 <sup>th</sup> September, 2019	Nehru Centre Planetarium, Dr. Aniee Besant Road Worli, Mumbai-400018	Ratification of Preferential allotment
31 <sup>st</sup> March, 2020	29 <sup>th</sup> December, 2020	VC/OAVM	Issue of Shares on Preferential Basis to Birla Infrastructure Limited Reclassification of Mr. Yashovardhan Birla from Promoter category to Public category Birla Precision Technologies Limited- Employee Stock Option Scheme 2020-A Allotment of Equity Shares to Employees of Holding and Subsidiary Company(ies) (if any, in Future) under the Birla Precision Technologies Employee Stock Option Scheme 2020-A
31 <sup>st</sup> March, 2021	30 <sup>th</sup> September, 2021	VC/OAVM	-

##### (ii) Postal Ballot

During the year under review, no resolutions has been passed through postal ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing are solution 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 2021-22 does not contain any audit qualification.

#### iii. Reporting of Internal Auditor

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

## (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 31<sup>st</sup> March, 2022. The Annual Report contains declaration to this effect signed by Mr. Vedant Birla – Chairman and Managing Director of the Company.

## (vi) Subsidiary Companies

The Company has incorporated a subsidiary in USA in the name and style of "Birla Precision USA Limited" along with subsidiaries in India by name and style by "Birla Accucast Private Limited" & "Birla Engineering Private Limited". The Company has also incorporated a subsidiary in Germany to tap European markets by the name of "Birla Precision Technologies GmbH".

## (vii) Familiarization 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 the Familiarization Programme is available on the website of the Company at [www.birlaprecision.com](http://www.birlaprecision.com).

(viii) 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 2021-22

Day:- Saturday

Date:- 24<sup>th</sup> September, 2022 Time:- 11.00 a.m.

Venue:- VC/OAVM

### 2. Tentative Calendar for Financial Year ending 31<sup>st</sup> March, 2023 Results for the Quarter ending:

30 <sup>th</sup> June, 2022	On or before 14 <sup>th</sup> August, 2022.
30 <sup>th</sup> September, 2022	On or before 14 <sup>th</sup> November, 2022.
31 <sup>st</sup> December, 2022	On or before 14 <sup>th</sup> February, 2023
31 <sup>st</sup> March, 2023	On or before 30 <sup>th</sup> May, 2023

### 3. Date of book Closure: 18<sup>th</sup> September, 2022 to 24<sup>th</sup> September, 2022 (Both days inclusive)

**4. Listing on StockExchange**

The shares of the Company are listed on BSE. The Company has paid the Annual Listing fee to BSE Limited for the Financial Year 2022-23.

**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](mailto:einward.ris@kfintech.com).

**7. PlantLocations:****Tool Holder Division:**

1. B-15/4, M.I.D.C., Waluj, Aurangabad – 431133

**Cutting Tool Divisions:**

1. B-15/3/1, M.I.D.C., Waluj, Aurangabad – 431133
2. 62/63, M.I.D.C., Satpur, Nashik – 422007

**Foundry Division:**

1. Plot No. B-15/3/2, M.I.D.C. Area, Waluj, Aurangabad – 431133

**8. Registrar and Share TransferAgents**

Work related to both physical/demat Shares is handled by M/s. Kfin Technologies Private Limited at its address

**10. Stock Market price data for the year 2021-22**

Monthly high and low of market prices of the Company's equity shares traded at BSE Limited during the Financial Year 2021-22 along with the BSE Sensex:

Month	Birla Precision Technologies Limited			BSE SENSEX		
	High	Low	Close	High	Low	Close
Apr-21	11.58	9.20	11.58	50375.77	47204.5	48782.36
May-21	15.68	10.82	15.11	52013.22	48028.07	51937.44
Jun-21	16.50	13.50	16.50	53126.73	51450.58	52482.71
Jul-21	16.00	13.05	13.70	53290.81	51802.73	52586.84
Aug-21	14.35	9.90	10.86	57625.26	52804.08	57552.39
Sep-21	14.38	10.50	14.38	60412.32	57263.9	59126.36
Oct-21	19.90	14.42	17.38	62245.43	58551.14	59306.93
Nov-21	26.00	16.05	23.60	61036.56	56382.93	57064.87
Dec-21	66.40	22.45	66.40	59203.37	55132.68	58253.82
Jan-22	73.15	35.95	35.95	61475.15	56409.63	58014.17
Feb-22	41.45	26.25	28.40	59618.51	54383.20	56247.28
Mar-22	31.95	25.50	25.95	58890.92	52260.82	58568.51

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

given below:-

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@karvy.com](mailto:singh.us@karvy.com) Contract Person: Mr. Naveen

Investor's correspondence may be addressed to above address. Investors Grievance ID [einward.ris@karvy.com](mailto:einward.ris@karvy.com).

**9. Share transfer system**

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

As required by Regulation 40 of 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.

## 11. Distribution of Shareholding

Class-wise distribution of Equity Shares as on 31<sup>st</sup> March, 2022.

Sr. no.	Category	No. of Cases	% of Cases	Amount	% of Amount
1	1-5000	67725	98.40	14614200.00	11.19
2	5001- 10000	582	0.85	4432680.00	3.40
3	10001- 20000	266	0.39	3965982.00	3.04
4	20001- 30000	81	0.12	2010800.00	1.54
5	30001- 40000	37	0.05	1365050.00	1.05
6	40001- 50000	27	0.04	1221794.00	0.94
7	50001- 100000	60	0.09	4307410.00	3.30
8	100001 & Above	50	0.07	98624358.00	75.55
	<b>Total:</b>	<b>68828</b>	<b>100.00</b>	<b>130542274.00</b>	<b>100.00</b>

## 12. Shareholding pattern as on 31<sup>st</sup> March, 2022

Sr. No.	Description	No. of Cases	Total Shares	% Equity
1	BANKS	23	8785	0.01%
2	CLEARING MEMBERS	30	127916	0.20%
3	HUF	493	755023	1.16%
4	IEPF	1	116853	0.18%
5	INDIAN FINANCIAL INSTITUTIONS	6	819	0.00%
6	BODIES CORPORATES	243	3402202	5.21%
7	MUTUAL FUNDS	4	217	0.00%
8	NBFC	2	137	0.00%
9	NON RESIDENT INDIANS	171	582798	0.89%
10	NON RESIDENT INDIAN NON REPATRIABLE	140	111147	0.17%
11	PROMOTERS BODIES CORPORATE	7	38997739	59.75%
12	PROMOTER TRUST	3	41620	0.06%
13	PROMOTERS	2	21963	0.03%
14	RESIDENT INDIVIDUALS	66988	21102066	32.33%
15	QUALIFIED INSTITUTIONAL BUYER	-	-	-
16	TRUSTS	4	847	0.00%
17	UNIT TRUST OF INDIA	2	1005	0.00%
	<b>Total:</b>	<b>68119</b>	<b>65271137</b>	<b>100.00</b>

## 13. Dematerialization of shareholding

The Company's shares are admitted into both the depositories viz National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) and the ISIN allotted for the equity shares of the Company is INE372E01025. As on 31<sup>st</sup> March, 2022, total 6,39,80,074 shares representing 98.02% 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 /aid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

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

As required under 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 here to.

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

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

**Place: Mumbai**

**Date: 29<sup>th</sup> August, 2022**

## **CERTIFICATE ON CORPORATE GOVERNANCE BY PRACTISING COMPANY SECRETARY**

### **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

#### **THE MEMBERS OF**

#### **BIRLA PRECISION TECHNOLOGIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by BIRLA PRECISION TECHNOLOGIES LIMITED for the year ended on 31<sup>st</sup> March 2022 as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of 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, we certify that the Company has complied with the conditions of Corporate

Governance as stipulated in the above mentioned Listing Regulations except observations mentioned in secretarial audit report and annual secretarial compliance report.

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

For **Anil Somani & Associates**  
Company Secretaries

**CS Anil Kumar Somani**  
**ACS: 36055**  
**COP: 13379**  
**UDIN:A036055D000814789**

Date: 19<sup>th</sup> August, 2022  
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,  
BIRLA PRECISION TECHNOLOGIES LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BIRLA PRECISION TECHNOLOGIES LIMITED having CIN: L29220MH1986PLC041214 and having registered office at 23, Birla Mansion No. 2, 1<sup>st</sup> Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai MH 400004, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Vedant Birla	03327691	18/05/2016
2.	Mr. Santhosh Kumar	08686131	05/02/2020
3.	Ms. Rekha Gupta	09304184	03/09/2021
4.	Mr. Anil Santosh Verma	08580680	03/09/2021
5.	Mr. Srinivasa Raghavan Dorai Rajan	00628373	10/02/2022
6.	Mr. Rajeev Sharma	00496729	10/02/2022
7.	Mr. Sanjay Kothari	00258316	10/02/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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**

**CS Anil Kumar Somani**

**ACS: 36055**

**COP: 13379**

UDIN: A036055D000814778

Place: Bhilwara

Date: 19th August, 2022



## AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

THE MEMBERS OF  
BIRLA PRECISION TECHNOLOGIES LIMITED

We have examined the compliance of conditions of Corporate Governance by BIRLA PRECISION TECHNOLOGIES LIMITED for the year ended on 31<sup>st</sup> March 2022 as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations except observations mentioned in secretarial audit report and annual secretarial compliance report.

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

For **Anil Somani & Associates**  
Company Secretaries

**CS Anil Kumar Somani**  
**ACS: 36055**  
**COP: 13379**

UDIN:A036055D000814789

Date: 19<sup>th</sup> August, 2022  
Place: Bhilwara

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### OVERVIEW

Birla Precision's presents Management Discussion & Analysis Report to enlighten the key performance and business activities of the Company for the financial year ended on 31st March, 2022. This review is to be read in tandem with the reports presented in the earlier part of this Annual Report, the Company's financial statements, the schedules and notes thereto as mentioned in this Annual Report.

### INDIAN ECONOMY

It is a well-known fact that the Indian market is one of the most price-competitive when it comes to Indian industry. The cutting tools are used to remove material from the metallic work piece by the removal of the material. The Indian cutting tools market produces a wide range of tools such as saw blades, taps, reamers, hobs, chasers, broaches, rolling dies, drills, end mills, cutters, burrs, other gear cutting tools, tool bits, tips or inserts and many more. The cutting tools market size was USD 77.24 billion in 2019 and is projected to reach USD 101.48 billion by 2027, exhibiting a CAGR of 4.2 per cent during the forecast period. The increasing demand for metal cutting equipment from various industries including aerospace, defense, automotive and industrial machinery results in the growth of the market.

We have seen increased use of advanced CNC Machines, advancement in Additive Manufacturing as well as rise in cutting tools commercial demand coupled with challenges faced by them in the Indian market. The use of CNC Machines has contributed to the growth of our country as one of the factors owing to advantages offered by these precision cutting metal tools which are cost effective too which sometimes proves to be a decisive factor in its use. We have also seen an increase in popularity and technological advancements which has culminated in increase of metal tools. Cutting tools have enabled hassle free production of components, reducing the time required for manufacturing work pieces. The Companies have incorporated this tool in their large manufacturing facility which has contributed in their growth and increase in their market size.

### INDIAN AUTO COMPONENT INDUSTRY

Indian Auto Industry paints a picture of optimism, where it might become a USD 4.7 Trillion \$ Economy in 2023, which is derived by the country's anticipation a growing consumer class, enhanced ease of doing business, expanding infrastructure which are favorable factors and would propel our country forward and with it, Indian Automobile Industry.

India Automobile Industry is in a strong position as globally it is at the forefront of many segments, with it leading in Two Wheelers, segment cars and tractors. Indian Auto Component Industry has witnessed a growth of 65% during the first half of 2021-22.

Moving forward, while the performance of the vehicle industry during the festive season has not been on the expected lines, however, there are indications that the vehicle demand, in the coming months, will improve. This, together with the increased focus by the auto industry on deep localization of Auto & Auto Components will facilitate the creation of a state-of-the-art automotive value chain and develop India into an attractive alternative source of high-end auto components."

Favorable government policies, National Automotive Testing and R&D infrastructure Projects (NATIPs), have helped the Indian auto components industry to achieve considerable growth.

### GLOBAL ECONOMIC SCENARIO

Global growth revived impressively to register 6.1% growth in 2021 against the contraction of 3.0% in 2020. This growth was driven by strong consumer spending and some uptake in investment, with trade in goods surpassing pre-pandemic levels. The rebound was boosted through multiple factors that included increased demand alongwith streamlining of supply chain, better distribution chain and maximization of end use customers.

Rapid advancement in technology is expected to drive innovation in cutting tools and machine tool accessory, which is driving the market during the forecast period. Furthermore, technologies such as 3D printing, artificial intelligence and big data analytics as re being used in manufacturing thus are resulting in productivity, lower operating costs and higher margins.

### INDUSTRY STRUCTURE & OPPORTUNITIES

This industry is in constant search for technology solutions to the challenges it faces. A look into the advanced tools and technology trends in the industry tells us that India is aggressively looking to corner a role for itself as a global manufacturing hub and also aiming big on infrastructure which is boosted due to Government's positive intent of optimizing growth.

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 have 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 is looking forward to seize the opportunity which has risen due to demand from wide spectrum of various sectors such as General Engineering, Transportation, Energy and Aerospace market.

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

### **THREATS / RISKS & CONCERNS**

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

1. Increase in raw material costs, tough competition, change in tax structure, change in labour laws, change in government policies, development and stability of Indian economy against the negative external and internal forces may also impact the overall performance of the Company.
2. The Company is exposed to risks from market fluctuation of foreign exchange.
3. 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 segment on segment reporting. These are **Tools, Automobiles & Auto Components, Precision Components** and **Casting and Machining**. 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 2020-2021, wherein we have recently starting

for a new manufacturing plant at Chalisgaon in Nasik, Maharashtra of Cutting Tools and Drills with a capacity of 4.8 lakhs Pieces. This would help us in boosting our revenue and creating a platform for maximum optimization coupled with a developmental vision of our Management. The Company has added CNC Machines to its Units, for entering in the space of Carbide Field. The multiplying of our output has always been a basic objective of the Company which has shown results every quarter starting from last year. The Company has been striving day in day out which has been reaping us rewards and is a far sighted approach which is being seen by us.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has been constantly upgrading its systems which would help in minimizing inefficiency and planting a smoothly internally controlled systems which would help us in organizing and increasing our productivity and overall efficiency.

### **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 presented to the Audit Committee. Based on the review, the framework is strengthened and amended to incorporate the continuously evolving practices, 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**

Our company has started to sharpen its policies towards employee welfare and for the maximization of their overall growth which is being done by setting up better work culture and harmony amongst our employees which continues to lay emphasis on qualitative growth by providing hassle free and constructive work environment, in tandem with the bottom line of employee welfare as the primary reason of a company's growth. Moreover we have started employee welfare activities through various interactive sessions engaged with our employee's time-to-time which has been showing us the required results. 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 2021-22 stood at Rs. 24,832.22 Lakhs as against Rs. 17,332.20 Lakhs of last year. Profit/(Loss) after tax stood at Rs. 1,166.35 Lakhs as against Rs. 135.85 Lakhs of last year.

The Company's financial statements have been prepared in accordance with the 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).

### **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.

## INDEPENDENT AUDITOR'S REPORT

To

The Members

**Birla Precision Technologies Limited**

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the accompanying Standalone financial statements of Birla Precision Technologies Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

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

- In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022
- In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

- In the case of the Cash Flow Statement, 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 Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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

The Key Audit Matters	How our audit addressed the matter
Capitalisation of property, plant and equipment	Principal Audit Procedures
During the year ended 31 <sup>st</sup> March, 2022, the Company has incurred significant capital expenditure. Further the total additions to property, plant and equipment at various locations of the Company was Rs. 834.61 Lakhs in the current year as set out in Note No.2.	Our audit procedures included the following substantive procedures:
Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment.	<ul style="list-style-type: none"> <li>We assessed the capitalisation process and tested the design and operating effectiveness of the controls in the process.</li> <li>Assessed the nature of the additions made to property, plant and equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16.</li> <li>Reviewed the project completion details provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.</li> </ul>
As a result, the aforesaid matter was determined to be a key audit matter.	Based on the above procedures, management's assessment in respect of Capitalisation of property, plant and equipment in the Standalone Financial Statements are considered to be adequate.

## Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including the Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in

accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of The Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty



exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as issued by Central Government of India in terms of Sub Section (11) of Section 143 of the Act, we hereby give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Act read with Rule 7 of The Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March 2021, from being appointed as a Director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
    - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.
- iv. The Company has not declared or paid any dividend during the year.

For **Valawat & Associates**  
Chartered Accountants  
FRN: 003623C

**Jinendra Jain**  
Partner  
Membership No. 072995  
UDIN: **22072995AJNRXB5091**

Place: Mumbai  
Date: 24-05-2022

## **Annexure A to the Independent Auditors' Report**

**(Referred to in para I under "Report on other Legal and Regulatory Requirement" of our report of even date)**

1. According to the information and explanations given to us, in respect of the fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) There is a phased program 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 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 behalf of the examination of the records of the company, title deeds of immovable properties (other than properties where the company is the lessee and the lease agreement are duly executed in favor of the lessee) are in the name of the company.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. According to the information and explanations given to us, in respect of the Inventories:
  - (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management, the coverage and procedure of such verification by the management is appropriate, and discrepancies (which is less than 10% in the aggregate for each class of inventory) noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.
  - (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets; the quarterly returns or statements filed by the company with such bank are in agreement with the books of account of the Company.
3. 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 and therefore clause (iii) of paragraph 3 of the Order is not applicable.
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, guarantee, investments and security provided.
5. As per the Ministry of Corporate Affairs notification dated March 31, 2014 the provisions of Sections 73 to 76 or any other relevant provisions of The Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. According to information and explanations given to us, the Company has not accepted any deposits during the year.
6. We have broadly reviewed the books of accounts maintained by the company and are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government under Sub-Section (I) of Section 148 of the Companies Act, 2013 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. According to the information and explanations given to us:
  - a) The Company is regular in depositing undisputed statutory dues including Employees State Insurance, Income Tax, Cess, Goods and Service Tax and any other material statutory dues as applicable with the appropriate authorities.

- b) There are no undisputed statutory dues payable in respect of Employees' State Insurance, Income-tax, Cess, Goods and Service Tax and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- c) According to the information and explanation given to us and on 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 31<sup>st</sup> March 2022 on account of disputes is given below:

Name of Statute	Forum where dispute is pending	Period to which amount is 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. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to Financial Institutions and Banks. The Company has not taken loans or borrowings from Government or by way of Debentures.
- a) The Company has not raised funds by way of Term loans during the year.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- d) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- e) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries companies
10. According to the information and explanations given to us, the Company has not raised moneys by way of Initial Public Offer or Further Public Offer during the year. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- 11.
- (a) According to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- (c) As represented by the management, there are no whistle blower complaints received by the company during the year.
12. The Company is not a Nidhi Company; hence reporting under clause (xii) of paragraph 3 of the Order is not applicable to the Company.
13. According to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of The Companies Act, 2013, wherever applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the notes on Financial Statements as required by the applicable accounting standards.
- 14.
- (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him under provisions of Section 192 of The Companies Act, 2013.
- 16.
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20.
- (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

For **Valawat & Associates**  
Chartered Accountants  
FRN: 003623C

**Jinendra Jain**  
Partner  
Membership No. 072995  
UDIN: 22072995AJNRXB5091

Place: Mumbai  
Date: 24-05-2022

## Annexure B to the Independent Auditors' Report

(Referred to in para 2(f) under “Report on other Legal and Regulatory Requirement” of our report of even date)

### Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Birla Precision Technologies Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls 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 (the “Guidance Note”) 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 Act.

#### Auditor's 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 and the Standards on Auditing, issued by the ICAI and prescribed under Section 143(10) of the Act, 2013 to the extent applicable, to an audit of internal financial controls 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect

the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.



**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial

reporting were operating effectively as at March 31, 2022, 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”.

For **Valawat & Associates**

Chartered Accountants

FRN: 003623C

**Jinendra Jain**

Partner

Membership No. 072995

UDIN: **22072995AJNRXB5091**

Place: Mumbai

Date: 24-05-2022

**Balance sheet as a 31st March, 2022**

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	As at 31st Mar 2022	As at 31st March 2021
<b>I.</b>	<b>ASSETS</b>			
	<b>NON-CURRENT ASSETS</b>			
(a)	Property, plant and equipment	2	3,284.25	2,849.75
(b)	Capital work-in-progress	2	893.32	37.59
(c)	Intangible assets	2	9.31	17.31
(d)	Intangible assets under development	2	-	-
(e)	Financial assets			
	(i) Investments	3	738.51	700.00
	(ii) Loans	4	-	0.93
	(iii) Other Financial Assets	5	-	-
(f)	Other non-current assets	6	97.39	179.31
	<b>Total Non - Current Assets</b>		<b>5,022.78</b>	<b>3,784.89</b>
	<b>CURRENT ASSETS</b>			
(a)	Inventories	8	5,557.60	4,287.18
(b)	Financial assets			
	(i) Investments	3	-	-
	(ii) Trade receivables	9	3,682.56	3,310.74
	(iii) Cash and cash equivalents	10	2,037.55	2,033.53
	(iv) Bank balances other than (iii) above	11	35.59	299.61
	(v) Loans	4	1,149.84	1,161.19
	(vi) Other Financial Assets	5	209.51	209.76
(c)	Other current assets	6	3,363.38	4,640.90
(d)	Current tax assets (Net)	7	335.12	149.49
	<b>Total - Current Assets</b>		<b>16,371.15</b>	<b>16,092.40</b>
	<b>Total Assets</b>		<b>21,393.93</b>	<b>19,877.29</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
(a)	Equity share capital	12	1,305.42	1,305.42
(b)	Other equity	13	10,521.95	9,355.59
	<b>Total - Equity</b>		<b>11,827.37</b>	<b>10,661.01</b>
	<b>LIABILITIES</b>			
<b>A</b>	<b>Non-Current Liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	14	76.01	259.44
(b)	Provisions	18	371.70	366.69
(c)	Deferred tax liabilities (Net)	19	-	-
	<b>Total Non - Current Liabilities</b>		<b>447.71</b>	<b>626.13</b>
<b>B</b>	<b>Current Liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	14	2,336.69	2,394.73
	(ii) Trade payables	15	3,171.78	2,709.03
	(iii) Other financial liabilities	16	36.96	35.72
(b)	Other current liabilities	17	1,658.73	1,534.66
(c)	Provisions	18	1,649.57	1,819.89
(d)	Current tax liabilities (Net)	20	265.12	96.12
	<b>Total - Current Liabilities</b>		<b>9,118.85</b>	<b>8,590.15</b>
	<b>Total Equity and Liabilities</b>		<b>21,393.93</b>	<b>19,877.29</b>
<b>Significant Accounting Policies and Notes to Accounts</b>			-	-

form an integral part of the Financial Statements

I to 43

As per our attached report of even date

**For M/s. Valawat & Associates**  
**Chartered Accountants**  
**Firm Registration No. 003623C**

For and on behalf of Board of Directors

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

**Jinendra Jain**  
**Partner**  
**Membership No. 072995**

**Harish Pareek**  
**Chief Financial Officer**

**Parth Matolia**  
**Company Secretary**

**Place: Mumbai**  
**Date: 24th May, 2022**

## Statement of Profit and Loss for the period ended 31st March 2022

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	For the period ended 31st Mar 2022	For the period ended 31st Mar 2021
<b>I.</b>	<b>INCOME</b>			
	Revenue from operations	21	24,627.05	17,147.88
	Other income	22	205.17	184.32
	<b>Total Income</b>		<b>24,832.22</b>	<b>17,332.20</b>
<b>II.</b>	<b>EXPENSES</b>			
	Cost of Raw Materials and Components Consumed	23	7,694.43	5,061.30
	Purchases of Stock-in-Trade	24	409.54	64.11
	Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	25	(621.93)	711.35
	Employee benefits expense	26	4,566.37	4,029.92
	Finance costs	27	527.58	503.36
	Depreciation and amortization expense	28	408.11	444.87
	Other expenses	29	10,716.96	6,372.82
	<b>Total Expenses</b>		<b>23,701.06</b>	<b>17,187.73</b>
<b>III.</b>	<b>Profit / (Loss) before exceptional items and tax</b>		<b>1,131.16</b>	<b>144.47</b>
<b>IV.</b>	Exceptional item		-	-
<b>V.</b>	<b>Profit / (Loss) before tax (III - IV)</b>		<b>1,131.16</b>	<b>144.47</b>
<b>VI.</b>	Tax expense:			
	(1) Current tax		210.00	41.00
	(2) Short/(Excess) Provision Previous Financial Year		-	-
	(3) MAT Credit		(196.89)	(38.48)
	(4) Deferred tax		-	-
<b>VII.</b>	<b>Profit/(Loss) for the period (V-VI)</b>		<b>1,118.05</b>	<b>141.95</b>
<b>VIII.</b>	<b>OTHER COMPREHENSIVE INCOME</b>			
	(i) Items that will not be reclassified to profit or loss			
	Related to employee benefits		48.30	(6.10)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Other Comprehensive Income net of tax		48.30	(6.10)
	<b>Total Comprehensive income for the year, net of tax (VII+VIII)</b>		<b>1,166.35</b>	<b>135.85</b>
	Earnings per equity share:			
	(1) Basic EPS (₹)		1.71	0.22
	(2) Diluted EPS (₹)		1.71	0.22

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

I to 43

For and on behalf of Board of Directors

As per our attached report of even date

**For M/s. Valawat & Associates**  
**Chartered Accountants**  
**Firm Registration No. 003623C**

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

**Jinendra Jain**  
**Partner**  
**Membership No. 072995**

**Harish Pareek**  
**Chief Financial Officer**

**Parth Matolia**  
**Company Secretary**

**Place: Mumbai**  
**Date: 24th May, 2022**

## Cash Flow Statement for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Particulars	2021-22	2020-21
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	Net profit before exceptional item, taxation and prior period adjustments	1131.17	144.47
	Adjustments for:		
	Depreciation and Amortization	408.11	444.87
	(Profit)/Loss on sale of Fixed Assets (Net)	-	2.68
	Sundry Balances written off	1057.68	-
	Provision for Gratuity and Leave Salary	114.03	180.41
	Sundry Balances written back	-	(17.34)
	Exchange difference on translation (Net)	(10.56)	11.21
	Finance Costs	527.58	503.36
	Provision for doubtful debts	20.28	82.78
	Bad debts written off	514.51	24.05
	Interest Income Received	(79.25)	(50.38)
	Sub-total	2552.38	1181.64
	<b>Operating Profit Before Working Capital Changes</b>	<b>3683.55</b>	<b>1326.11</b>
	<b>Adjustments for changes in working capital :</b>		
	Inventories	(1,270.42)	184.89
	Trade Receivables	(833.02)	(191.20)
	Other Current Assets	296.57	(3,064.76)
	Trade Payables	467.16	182.78
	Provisions	(231.04)	(75.30)
	Other Financial Liabilities	1.25	3.16
	Loans to employees and others	12.29	3,842.34
	Other Current Liabilities	123.71	267.17
	Other Financial Assets	0.25	(13.31)
	Current Tax Assets	(12.28)	(3.27)
	Income Tax Paid	(17.45)	-
	Sub-total	(1,462.98)	1,132.50
	<b>Net Cash Flow From Operating Activities After Exceptional Item.....(A)</b>	<b>2,220.57</b>	<b>2,458.61</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
	Payments made for Property, Plant and Equipment	(1,752.68)	(178.51)
	Payments made for Intangible Assets	(7.23)	(2.55)
	Proceeds from sale of Property, Plant and Equipment	-	1.60
	Investments in subsidiaries and others	(38.51)	(700.00)
	Interest Received	86.90	42.69
	Sub-total	(1,711.52)	(836.77)
	<b>Net Cash used for Investing Activities..... (B)</b>	<b>(1,711.52)</b>	<b>(836.77)</b>

<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
	Proceeds from Issue of shares at premium	-		500.00	
	Proceeds from Borrowings	1,561.82		368.84	
	Repayment of Borrowings	(1,803.29)		(514.80)	
	Interest Paid	(527.58)		(503.36)	
	Sub-total		(769.05)		(149.32)
	<b>Net Cash used for Financing Activities.....(C)</b>		<b>(769.05)</b>		<b>(149.32)</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>(260.00)</b>		<b>1,472.52</b>
	<b>Cash and Cash Equivalents as at 01.04.2021</b>	<b>615.17</b>		<b>309.64</b>	
	<b>Add: (Increase) / Decrease in Fixed Deposit accounts kept as margin money with banks</b>	<b>850.44</b>		<b>(1,166.99)</b>	
		<b>1,465.61</b>		<b>(857.35)</b>	
	<b>Cash and Cash Equivalents as at 31.03.2022</b>	<b>1205.61</b>	<b>(260.00)</b>	<b>615.17</b>	<b>1,472.52</b>
			<b>1,205.61</b>		<b>615.17</b>
	<b>Reconciliation of Cash and Bank Balances given in Note No. 10 of Balance Sheet is as follows:</b>				
	Cash and Bank Balances	2,037.55		2,033.53	
	Less:				
	Balance in Fixed Deposit accounts with banks having a maturity period of more than three months	831.94		1,418.36	
	<b>Cash and Cash Equivalents as at 31.03.2022</b>	<b>1,205.61</b>		<b>615.17</b>	

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

As per our attached report of even date  
**For M/s.Valawat & Associates**  
**Chartered Accountants**  
**Firm Registration No. 003623C**

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

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

**Jinendra Jain**  
**Partner**  
**Membership No. 072995**

**Harish Pareek**  
**Chief Financial Officer**

**Parth Matolia**  
**Company Secretary**

**Place: Mumbai**  
**Date : 24th May, 2022**

## Statement of Changes in Equity for the year ended 31st March 2022

### (A) EQUITY SHARE CAPITAL

Sr. No.	Particulars	No. of Shares	Amount in ₹	Amount in ₹ Lakhs
	Equity shares of ₹ 2/- each Issued, Subscribed and Fully Paid up			
	<b>As at 1st April, 2020</b>	56,839,434	113,678,868.00	1,136.79
	Issued during the year	8,431,703	16,863,406.00	168.63
	<b>As at 31st March, 2021</b>	<b>65,271,137</b>	<b>130,542,274.00</b>	<b>1,305.42</b>
	Change in Equity Share Capital during the year	-	-	-
	<b>As at 31st March, 2022</b>	<b>65,271,137</b>	<b>130,542,274.00</b>	<b>1,305.42</b>
	The Company has only one class of equity shares having a par value of ₹ 2/- Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend if any, in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.			
	In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.			

(i)	The details of Shareholders holding more than 5% shares:	As at 31st March 2022		As at 31st March, 2021	
		No. of Shares	% held	No. of Shares	% held
	Equity shares of ₹ 2/- each fully paid				
	Birla Bombay Private Limited	16,423,113	25.16	16,423,113	25.16
	Birla Infrastructure Limited	14,015,589	21.47	14,015,589	21.47
	Vedant Consultancy Private Limited	4,607,663	7.06	4,607,663	7.06

### (B) OTHER EQUITY

(₹ in Lakhs)

Sr. No.	Particulars	Stand alone Reserves and Surplus				
		Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	<b>As at 1st April, 2021</b>	50.02	2,874.93	2,963.31	3,467.33	9,355.59
	Add: Addition during the year	-	-	-	-	-
	Add: Profit for the year	-	-	-	1,118.06	1,118.06
	Add: Other Comprehensive Income	-	-	-	48.30	48.30
	<b>Total Comprehensive Income</b>	50.02	2,874.93	2,963.31	4,633.69	10,521.95
	Less: Issue of Bonus shares	-	-	-	-	-
	Less: Transfer to general reserves	-	-	-	-	-
	<b>As at 31st March, 2022</b>	50.02	2,874.93	2,963.31	4,633.69	10,521.95

Sr. No.	Particulars	Stand alone Reserves and Surplus				
		Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	<b>As at April 1, 2020</b>	50.02	2,543.56	2,963.31	3,331.48	8,888.37
	Add: Addition during the year	-	331.37	-	-	331.37
	Add: Profit for the year	-	-	-	141.95	141.95
	Add: Other Comprehensive Income	-	-	-	(6.10)	(6.10)
	<b>Total Comprehensive Income</b>	50.02	2,874.93	2,963.31	3,467.33	9,355.59
	Less: Issue of Bonus shares	-	-	-	-	-
	Less: Transfer to general reserves	-	-	-	-	-
	<b>As at 31st March, 2021</b>	50.02	2,874.93	2,963.31	3,467.33	9,355.59

As per our attached report of even date  
**For M/s.Valawat & Associates**  
**Chartered Accountants**  
**Firm Registration No. 003623C**

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

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

**Jinendra Jain**  
**Partner**  
**Membership No. 072995**

**Harish Pareek**  
**Chief Financial Officer**

**Parth Matolia**  
**Company Secretary**

**Place: Mumbai**  
**Date : 24th May, 2022**



## Notes on financial statements for the year ended 31st March, 2022

### 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:

The standalone 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.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy used in preparation of financial statements.

#### (B) Use of estimates and judgements

The preparation of standalone 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 standalone 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.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from COVID-19 in the preparation of these Standalone financial statements. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these Standalone financial statements.

#### (C) Revenue recognition:

- (i) Revenue from the sale of goods is recognized upon the passage of title to the customers, which generally coincides with delivery.
- (ii) Export sales are accounted based on the dates of Bill of Lading.
- (iii) 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. Investment in subsidiaries are valued at cost.

**(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.

**(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.

Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note 2 Property, Plant and Equipment - Standalone

(₹ in Lakhs)

Description of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 01.04.2021	Additions	Deductions / Adjustments	As on 31.03.2022	Up to 01.04.2021	For the Year	Deductions / Adjustments	Up to 31.03.2022	As on 31.03.2022	As on 31.03.2021
(A) Tangible Assets										
Leasehold Land	357.90	80.67	-	438.57	94.66	5.65	-	100.31	338.26	263.24
Buildings	1,879.62	77.00	-	1,956.62	963.35	71.44	-	1,034.79	921.83	916.27
Plant & Machinery	10,128.45	625.12	-	10,753.57	8,583.60	276.53	-	8,860.13	1,893.44	1,544.85
Furniture & Fixtures	157.26	3.12	-	160.38	131.38	4.39	-	135.77	24.61	25.88
Office Equipments	263.41	20.74	-	284.15	226.78	15.11	-	241.89	42.26	36.63
Vehicles	329.75	20.73	-	350.48	266.87	19.76	-	286.63	63.85	62.88
Total Tangible Assets (A)	13,116.39	827.38	-	13,943.77	10,266.64	392.88	-	10,659.52	3,284.25	2,849.75
(B) Capital Work - in Progress	37.59	933.99	78.26	893.32	-	-	-	-	893.32	37.59
(C') Intangible Assets										
Technical Knowhow Fee	50.39	-	-	50.39	50.39	-	-	50.39	-	-
Software	233.01	7.23	-	240.24	215.70	15.23	-	230.93	9.31	17.31
Total Intangible Assets (C')	283.40	7.23	-	290.63	266.09	15.23	-	281.32	9.31	17.31
(D) Intangible Assets Under Development	-	-	-	-	-	-	-	-	-	-
Total Property, Plant and Equipment (A+B+C+D)	13,437.38	1,768.60	78.26	15,127.72	10,532.73	408.11	-	10,940.84	4,186.88	2,904.65

## Note 2 Property, Plant and Equipment - Standalone

Description of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 01.04.2020	Additions	Deductions / Adjustments	As on 31.03.2021	Up to 01.04.2020	For the Year	Deductions / Adjustments	Up to 31.03.2021	As on 31.03.2021	As on 31.03.2020
(A) Tangible Assets										
Leasehold Land	357.90	-	-	357.90	89.01	5.65	-	94.66	263.24	268.89
Buildings	1,879.62	-	-	1,879.62	892.64	70.71	-	963.35	916.27	986.98
Plant & Machinery	10,021.87	108.76	2.18	10,128.45	8,262.21	321.60	0.21	8,583.60	1,544.85	1,759.66
Furniture & Fixtures	153.72	3.54	-	157.26	126.12	5.26	-	131.38	25.88	27.60
Office Equipments	248.56	14.85	-	263.41	213.48	13.30	-	226.78	36.63	35.08
Vehicles	334.60	-	4.85	329.75	249.55	19.86	2.54	266.87	62.88	85.05
Total Tangible Assets (A)	12,996.27	127.15	7.03	13,116.39	9,833.01	436.38	2.75	10,266.64	2,849.75	3,163.26
(B) Capital Work - in Progress	10.54	53.05	26.00	37.59	-	-	-	-	37.59	10.54
(C') Intangible Assets										
Technical Knowhow Fee	50.39	-	-	50.39	50.39	-	-	50.39	-	-
Software	229.06	3.95	-	233.01	207.21	8.49	-	215.70	17.31	21.85
Total Intangible Assets (C')	279.45	3.95	-	283.40	257.60	8.49	-	266.09	17.31	21.85
(D) Intangible Assets Under Development	1.40	-	1.40	-	-	-	-	-	-	1.40
Total Property, Plant and Equipment (A+B+C+D)	13,287.66	184.15	34.43	13,437.38	10,090.61	444.87	2.75	10,532.73	2,904.65	3,197.05

**Note 3 : INVESTMENTS**

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
	<b>Carried at cost:</b>		
	In equities unquoted	-	
	(70,00,000 Equity shares of ₹10 each in Zenith Steel Pipes & Industries Limited)	700.00	700.00
	In Shares of Janta Sahakari Bank Limited	15.00	-
	<b>In subsidiaries unquoted</b>	-	-
	Birla Precision USA Ltd ( 10 Eq. shares fully paid up at \$1 per share)	0.01	-
	Birla Precision GMBH ( 25000 Eq. shares fully paid up at euro1 per share)	21.50	-
	Birla Engineering Pvt Ltd (10000 eq. shares @ ` 10 each paid up)	1.00	-
	Birla Accucast Pvt Ltd ((10000 eq. shares @ ` 10 each paid up)	1.00	-
	<b>Total Non - Current</b>	<b>738.51</b>	<b>700.00</b>
	(a) Equity shares in Zenith Steel Pipes & Industries Limited were acquired by way of preferential allotment (conversion of loan into equity).		
	(b) The Company has made investment in shares of Janta Sahakari Bank Limited for Cash Credit loan worth ₹15 Crores.		
	(c) Investments made by the Company other than those with a maturity of less than one year, are intended to be held for long term.		
	(d) The Company has incorporated new subsidiary in USA named as Birla Precision USA Ltd in previous financial year, EIN: 36-4974239, no transactions has taken place during the financial year in this subsidiary.		
	(e) The Company has incorporated new subsidiary in Germany named as Birla Precision GMBH and two domestic subsidiaries named Birla Engineering Pvt. Ltd., Birla Accucast Pvt. Ltd during the year. No transactions has taken place during the financial year in this subsidiaries.		
	<b>Current</b>		
	In equities unquoted	-	-
	In subsidiaries unquoted	-	-
	<b>Total - Current</b>	<b>-</b>	<b>-</b>

**Note 4 : LOANS**

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
	<b>Unsecured; considered good :</b>		
	Loan & Advance to Employees	-	0.93
	<b>Total Non - Current</b>	<b>-</b>	<b>0.93</b>
	<b>Current</b>		
	<b>Unsecured; considered good :</b>		
	Loans and advances	798.61	797.56
	Less: Provision for doubtful advances	-	-
		798.61	797.56
	Loan & Advance to Employees	36.51	29.62
	Loan & Advance to Others	314.72	334.01
	Less: Provision for doubtful advances	-	-
		314.72	334.01
	<b>Total - Current</b>	<b>1,149.84</b>	<b>1,161.19</b>

**Note 5 : OTHER FINANCIAL ASSETS**

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
	<b>Unsecured; considered good :</b>	-	-
	<b>Total Non - Current</b>	-	-
	<b>Current</b>		
	<b>Unsecured; considered good :</b>		
	Deposits with Others	209.51	209.76
	<b>Total - Current</b>	<b>209.51</b>	<b>209.76</b>

**Note 6 : OTHER ASSETS**

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
	<b>Unsecured; considered good :</b>		
	Capital Advances	97.39	179.31
	Less: Provision for doubtful advances	-	-
	<b>Total Non - Current</b>	<b>97.39</b>	<b>179.31</b>
	<b>Current</b>		
	<b>Unsecured; considered good :</b>		
A)	<b>Advances Paid to Suppliers/Services</b>	<b>3,094.69</b>	<b>3,457.32</b>
B)	<b>Balances with Government Authorities :</b>		
	Cenvat Credit and export incentive receivable	33.06	15.05
	Value Added Tax Receivable	68.04	86.83
	Goods & Service Tax	36.15	5.78
	<b>Sub Total (B)</b>	<b>137.25</b>	<b>107.66</b>
C)	<b>Others :</b>		
	Prepaid Expenses	44.78	54.85
	Pre-operative expenses	36.70	-
	Pattern Under Development	12.80	2.80
	Interest accrued on fixed deposits and others	37.16	1,018.27
	Less: Written off during the year	-	-
		<b>37.16</b>	<b>1,018.27</b>
	<b>Sub Total (C)</b>	<b>131.44</b>	<b>1,075.92</b>
	<b>Total - Current (A+B+C)</b>	<b>3,363.38</b>	<b>4,640.90</b>

**Note 7 : CURRENT TAX ASSETS (NET)**

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	Tax deducted at source	28.28	15.34
	Advance fringe benefit tax (Net of provisions for tax)	2.17	2.17
	Mat Credit Entitlement	260.62	87.28
	Income Tax Refund Receivable	44.05	44.70
	<b>Total</b>	<b>335.12</b>	<b>149.49</b>



**Note 8 : INVENTORIES**

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	Raw Materials and Components	2,016.52	1,451.73
	Semi-Finished Goods	1,505.22	1,150.29
	Finished Goods	1,409.09	1,323.09
	Stock-in Trade	247.90	66.89
	Stores, Cutting Tools and Packing Materials	378.87	295.18
	<b>Total</b>	<b>5,557.60</b>	<b>4,287.18</b>

**Note 09 : TRADE RECEIVABLES**

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Unsecured, considered good :</b>		
	Considered good	324.10	243.09
	Considered doubtful	73.49	95.17
	Less: Provision for doubtful debts	(73.49)	(95.17)
		<b>324.10</b>	<b>243.09</b>
	<b>Other considered good</b>	<b>3,358.46</b>	<b>3,067.65</b>
	<b>Total</b>	<b>3,682.56</b>	<b>3,310.74</b>
9.1	<b>Undisputed trade receivables - considered good</b>		
	Less than 6 Months	3,358.45	-
	6 Months - 1 year	105.71	-
	1 - 2 years	15.25	-
	2 - 3 years	111.18	-
	More than 3 years	12.91	-
	<b>Total</b>	<b>3,603.50</b>	<b>-</b>
9.2	<b>Disputed trade receivables - considered good</b>		
	Less than 6 Months	-	-
	6 Months - 1 year	14.73	-
	1 - 2 years	40.70	-
	2 - 3 years	9.42	-
	More than 3 years	14.21	-
	<b>Total</b>	<b>79.06</b>	<b>-</b>

**Note 10 : CASH AND CASH EQUIVALENTS**

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
A)	Balances with Banks	1,151.97	560.53
B)	Deposits with Banks	831.94	1,418.36
C)	Cheques on hand	50.94	53.20
D)	Cash on Hand	2.70	1.44
	<b>Total</b>	<b>2,037.55</b>	<b>2,033.53</b>

**Note 11 : OTHER BANK BALANCES**

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	Balances in Margin Money Account	35.59	34.82
	Balances in UP DDU Account	-	264.79
	<b>Total</b>	<b>35.59</b>	<b>299.61</b>
	The Company has received amount of ₹ 264.79 Lakhs during the previous financial year for utilising the funds to UP DDU project but the same cannot be utilised due to Covid Pandemic Situations and the same was returned in current financial year.		

**Note 12 : EQUITY SHARE CAPITAL**

(₹ in Lakhs)

Sr. No.	Particulars	As at 3 1st March 2022	As at 31st March 2021
<b>A)</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	60,00,00,000 (60,00,00,000) Equity Shares of ₹ 2/- each	12,000.00	12,000.00
	<b>Total</b>	<b>12,000.00</b>	<b>12,000.00</b>
<b>B)</b>	<b>ISSUED, SUBSCRIBED &amp; PAID UP SHARE CAPITAL</b>		
	6,52,71,137 (6,52,71,137) Equity Shares of ₹ 2/- each, as fully paid-up	1,305.42	1,305.42
	<b>Total</b>	<b>1,305.42</b>	<b>1,305.42</b>

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

(₹ in Lakhs)

	Equity Shares	As at 31st March 2022	As at 31st March 2021
	At the beginning of the year ( No. of Shares)	65,271,137	56,839,434
	At the beginning of the year (₹ in Lakhs)	1,305.42	1,136.79
	Issued during the year ( No. of Shares)	-	8,431,703
	Issued during the year (₹ in Lakhs)	-	168.63
	<b>Outstanding at the end of the year ( No. of Shares)</b>	<b>65,271,137</b>	<b>65,271,137</b>
	<b>Outstanding at the end of the year ( ₹ in Lakhs)</b>	<b>1,305.42</b>	<b>1,305.42</b>

The Company has only one class of equity shares having a par value of ₹ 2/- Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend if any, in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**12.2 : The details of Shareholders holding more than 5% shares:**

(₹ in Lakhs)

	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Equity shares of ₹ 2/- each fully paid</b>		
	Birla Bombay Private Limited (No. of Shares)	16,423,113	16,423,113
	Birla Bombay Private Limited (% held)	25.16	25.16
	Birla Infrastructure Limited (No. of Shares)	14,015,589	14,015,589
	Birla Infrastructure Limited (% held)	21.47	21.47
	Vedant Consultancy Private Limited (No. of Shares)	4,607,663	4,607,663
	Vedant Consultancy Private Limited (% held)	7.06	7.06
	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.		

**12.3 : Promoters shareholding as on 31st March, 2022**

(₹ in Lakhs)

	Promoters shareholding	As at 31st March 2022
	Mrs.Avanti Birla (No. of Shares)	44
	Mrs.Avanti Birla (% held)	0.00%
	Mr.Yashovardhan Birla (No. of Shares)	21,919
	Mr.Yashovardhan Birla (% held)	0.03%
	Birla Bombay Pvt Ltd (No. of Shares)	16,423,113
	Birla Bombay Pvt Ltd (% held)	25.16%
	Khopoli Investments Ltd (No. of Shares)	500,000
	Khopoli Investments Ltd (% held)	0.77%
	Birla ShlokaEdutech Ltd (No. of Shares)	231
	Birla ShlokaEdutech Ltd (% held)	0.00%
	Vedant Consultancy Pvt Ltd (No. of Shares)	4,607,663
	Vedant Consultancy Pvt Ltd (% held)	7.06%
	Zenith Dyeintermediates (No. of Shares)	3,223,491
	Zenith Dyeintermediates (% held)	4.94%
	Birla Industries Group Charity Trust (No. of Shares)	5,947
	Birla Industries Group Charity Trust (% held)	0.01%
	MatriSevaSadan Charity Trust (No. of Shares)	10,617
	MatriSevaSadan Charity Trust (% held)	0.02%
	Yash Society (No. of Shares)	25,056
	Yash Society (% held)	0.04%
	Birla Infrastructure Limited (No. of Shares)	14,015,589
	Birla Infrastructure Limited (% held)	21.47%
	Shearson investment and Trading Co Pvt Ltd (No. of Shares)	227,652
	Shearson investment and Trading Co Pvt Ltd (% held)	0.35%

**Note 13 OTHER EQUITY**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
A)	Capital Reserve	50.02	50.02
B)	Securities Premium Reserve	2,874.93	2,874.93
C)	General Reserves	2,963.31	2,963.31
D)	Retained Earnings	4,633.69	3,467.33
	<b>Total (A to D)</b>	<b>10,521.95</b>	<b>9,355.59</b>

**Note 14 BORROWINGS**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
A)	<b>Secured Loans</b>		
	<b>Vehicle Loans :</b>		
	Car Loan	-	-
	Sub Total (A)	-	-
B)	<b>Unsecured Loans</b>		
	Sales Tax Deferred Payment Loan (Refer note (a) below)	-	30.94
	Current maturities of long-term borrowings	76.01	228.50
	<b>Total Non - Current</b>	<b>76.01</b>	<b>259.44</b>
	<b>Security and Salient Terms:</b>		
	(a) Sales Tax deferred payment loan of ` 76.01 lakhs (Previous Year ` 259.44 lakhs) is interest free and payable in instalments starting from April 2017 and ending in April 2022.		
	<b>Current</b>		
A)	<b>Secured Loans</b>		
	<b>Working Capital Loans From Banks</b>		
	Foreign Currency Loan (Refer note (a) below)	-	1,022.85
	Rupee Loan (Refer note (b),(c), (d) and (e) below)	2,143.15	1,161.95
	Subtotal (A)	2,143.15	2,184.80
B)	<b>Unsecured Loans</b>		
	From Bodies Corporates	-	-
	From Other	193.54	209.93
	Subtotal (B)	193.54	209.93
	<b>Total - Current</b>	<b>2,336.69</b>	<b>2,394.73</b>

**Security and Salient Terms:**

- (a) Foreign currency loan of ` Nil lakhs (Previous Year ₹ 1022.85 lakhs) first charge by way of hypothecation of company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, ranking pari-passu with existing bankers. Exclusive First charge by way of hypothecation of all Plant and Machinery and other movable fixed assets of the company to be funded from the term loan from the Bank.
- (b) Rupee loan of ₹ Nil lakhs (Previous Year ₹ 382.54 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.
- (d) Rupee loans of ₹ 1390.37 lakhs (Previous Year ₹ Nil lakhs) (Sanctioned Limit ₹ 1500.00 lakhs) first charge by way of hypothecation of company's entire paid up stock and trade receivables, present and future on pari pasu basis with other working capital bankers and

second pari pasu charge over the land along with construcion thereon and all machineries situated at B-15/4, MIDC, Aurangabad - 431133 of the Company to be shared with other working capital bankers. The loan has been disbursed by Janta Sahakari Bank Ltd at the interest rate of 11% p.a. by taking over the exisiting loan from ICICI Bank Ltd.

- (d) Rupee loans of ₹ 752.78 lakhs (Previous Year ₹ 779.41 lakhs) first charge by way of hypothecation of company's entire current assets on pari pasu basis with other working capital bankers and second pari pasu charge over the entire fixed assets of the Company to be shared with other working capital bankers.
- (e) The rates of interest for rupee loan ranges from 12% p.a. to 13% p.a.

#### Note 15 TRADE PAYABLES

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Current</b>		
	Micro, Small and Medium Enterprises	527.09	686.35
	Others	2,644.69	2,022.68
	<b>Total - Current</b>	<b>3,171.78</b>	<b>2,709.03</b>

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

Particulars	As at 31st March 2022	As at 31st March 2021
Principal amount due and remaining unpaid	527.09	686.35
Interest due on above and the unpaid interest	-	-

#### 15.1 Ageing of trade payables as on 31st March, 2022

(i)	MSME		
	Less than 1 year	305.65	-
	1 - 2 years	10.18	-
	2 -3 years	3.38	-
	More than 3 Years	1.66	-
	<b>Total</b>	<b>320.87</b>	<b>-</b>
(ii)	Others		
	Less than 1 year	1,589.33	-
	1 - 2 years	53.62	-
	2 -3 years	32.49	-
	More than 3 Years	170.17	-
	<b>Total</b>	<b>1,845.61</b>	<b>-</b>
(iii)	Disputed MSME		
	Less than 1 year	111.16	-
	1 - 2 years	56.23	-
	2 -3 years	7.60	-
	More than 3 Years	31.23	-
	<b>Total</b>	<b>206.22</b>	<b>-</b>
(iv)	Disputed Others		
	Less than 1 year	655.68	-
	1 - 2 years	42.74	-
	2 -3 years	24.27	-
	More than 3 Years	76.39	-
	<b>Total</b>	<b>799.08</b>	<b>-</b>

**Note 16 OTHER FINANCIAL LIABILITIES**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Current</b>		
	Current maturities of long-term debts	-	-
	Security Deposit from dealers / others	36.96	35.72
	<b>Total - Current</b>	<b>36.96</b>	<b>35.72</b>

**Note 17 OTHER CURRENT LIABILITIES**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Current</b>		
	Advances from Customers	1,006.64	1,030.53
	Payable to employees	537.42	416.34
	Statutory Liabilities	114.67	87.79
	<b>Total - Current</b>	<b>1,658.73</b>	<b>1,534.66</b>

**Note 18 PROVISIONS**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
	<b>Provision for Employee Benefits</b>		
	Gratuity	203.42	195.44
	Leave benefits	168.28	171.25
	<b>Total Non - Current</b>	<b>371.70</b>	<b>366.69</b>
	<b>Current</b>		
A)	<b>Provision for Employee Benefits</b>		
	Gratuity	733.11	712.30
	Leave benefits	44.08	43.13
	Sub Total	777.19	755.43
B)	Provision for expenses	872.38	1,064.46
	<b>Total - Current</b>	<b>1,649.57</b>	<b>1,819.89</b>

**Note 19 DEFERRED TAX LIABILITIES**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Deferred Tax Liability</b>		
	Related to fixed assets	122.43	106.20
	<b>Deferred Tax Assets</b>		
	Disallowances under the Income Tax Act, 1961	122.43	106.20
	<b>Total</b>	<b>-</b>	<b>-</b>

**Note 20 CURRENT TAX LIABILITIES (NET)**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	Provision for Current Tax	265.12	96.12
	<b>Total</b>	<b>265.12</b>	<b>96.12</b>

**Note 21 REVENUE FROM OPERATIONS**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	Sale of Products	23,938.19	16,848.94
	Sale of Services	77.64	71.53
	Other operating revenue	611.22	227.41
	<b>Revenue from operations</b>	<b>24,627.05</b>	<b>17,147.88</b>

**Note 22 OTHER INCOME**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	<b>Interest:</b>		
	From Bank deposits	74.24	44.49
	From Others	5.01	5.89
		<b>79.25</b>	<b>50.38</b>
	Exchange rate difference (Net)	30.28	16.30
	Sundry balances written back (Net)	-	17.34
	Miscellaneous Income	37.95	64.55
	Merchandise Exports From India Scheme	14.98	-
	Training completion skill poor youth	42.71	35.75
	Provision no longer required written back	-	-
		125.92	133.94
	<b>Total</b>	<b>205.17</b>	<b>184.32</b>

**Note 23 COST OF RAW MATERIALS AND COMPONENTS CONSUMED**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	<b>Inventory at the beginning of the year</b>	1,451.73	948.25
	Add : Purchases	8,259.22	5,564.78
		<b>9,710.95</b>	<b>6,513.03</b>
	Less : Inventory at the end of the year	2,016.52	1,451.73
	<b>Cost of Raw Materials and Components Consumed</b>	<b>7,694.43</b>	<b>5,061.30</b>

**Note 24 PURCHASES OF STOCK-IN-TRADE**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	Files	409.54	64.11
	<b>Total</b>	<b>409.54</b>	<b>64.11</b>



**Note 25 CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	<b>Inventories at the end of the year</b>		
	Finished Goods	1,409.09	1,323.09
	Semi-Finished Goods	1,505.22	1,150.29
	Stock-in-Trade	247.90	66.89
		<b>3,162.21</b>	<b>2,540.27</b>
	<b>Inventories at the beginning of the year</b>		
	Finished Goods	1,323.09	1,759.53
	Semi-Finished Goods	1,150.29	1,409.70
	Stock-in-Trade	66.90	82.39
		<b>2,540.28</b>	<b>3,251.62</b>
	<b>Change in Inventories</b>		
	Finished Goods	(86.00)	436.44
	Semi-Finished Goods	(354.93)	259.41
	Stock-in-Trade	(181.00)	15.50
	<b>Total</b>	<b>(621.93)</b>	<b>711.35</b>

**Note 26 EMPLOYEE BENEFITS EXPENSE**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	Salaries, Wages and Bonus	3,925.11	3,472.14
	Contribution to Provident and Other Funds	369.51	346.07
	Staff Welfare Expenses	271.75	211.71
	<b>Total</b>	<b>4,566.37</b>	<b>4,029.92</b>

**Note 27 FINANCE COSTS**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	Interest Expenses:		
	Fixed Loan	376.34	-
	Other	62.38	439.37
	Bank charges	88.86	63.99
	<b>Total</b>	<b>527.58</b>	<b>503.36</b>

**Note 28 DEPRECIATION AND AMORTIZATION EXPENSES**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	Depreciation on Tangible Assets	392.89	436.38
	Amortisation of Intangible Assets	15.22	8.49
	<b>Total</b>	<b>408.11</b>	<b>444.87</b>

**Note 29 OTHER EXPENSES**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
<b>A)</b>	<b>Manufacturing Expenses</b>		
	Stores, cutting tools and packing materials consumed	1,439.07	992.41
	Sub-contracting expenses	1,839.97	1,217.03
	Power, fuel and water	1,468.60	1,204.18
	Repairs and maintenance:		
	Buildings	18.98	10.04
	Plant and machinery	188.50	103.42
	<b>Sub Total (A)</b>	<b>4,955.12</b>	<b>3,527.08</b>
<b>B)</b>	<b>Administrative, Selling and Other Expenses:</b>		
	Rent	62.73	78.30
	Rates and taxes	11.08	18.30
	Postage and telephone	35.55	31.38
	Printing and stationery	42.80	30.11
	Insurance	26.75	35.61
	Travelling and conveyance	181.11	153.06
	Foreign travelling expenses	52.20	2.09
	Vehicle expenses	16.19	7.07
	Advertisement , publicity etc.	90.50	64.76
	Sales promotion and other selling expenses	2,202.32	943.87
	Sales commission	326.20	300.04
	Freight on sales	313.44	236.61
	Training and welfare expenses	8.54	8.62
	Training expenses skill of poor youth	33.43	2.10
	Directors' sitting fees	0.90	2.05
	Auditors' remuneration (excluding service tax/GST)		
	As Auditor	8.06	11.92
	For Limited Review	-	3.00
	For other service	-	1.50
	For Certifications	-	0.08
	For Reimbursement of Expenses	0.15	0.45
		<b>8.21</b>	<b>16.95</b>
	Corporate social responsibility expenses	-	-
	Legal and professional fees	522.96	421.18
	Security services	37.48	34.00
	Software maintenance expenses	8.12	6.25
	Sundry balances written off	1,057.68	-
	Exchange rate variation loss (Net)	-	9.37
	Bad debts written off	514.51	24.05
	Provision for doubtful debts	20.28	82.78
	Loss on sale of fixed assets	-	2.68
	Miscellaneous expenses	188.86	334.51
	<b>Sub Total (B)</b>	<b>5,761.84</b>	<b>2,845.74</b>
	<b>Total (A+B)</b>	<b>10,716.96</b>	<b>6,372.82</b>

**30. Earnings per share (EPS):**

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Net Profit / (Loss) after tax attributable to Equity Shareholders (A)</b>	1118.05	141.95
No. of Equity Shares outstanding during the year for calculating Basic EPS <b>(B)</b>	65271137	65271137
No. of Equity Shares outstanding during the year for calculating Diluted EPS <b>(C)</b>	65271137	65271137
Nominal Value of Equity Shares (₹)	2/-	2/-
Basic EPS (₹) <b>(A / B)</b>	1.71	0.22
Diluted EPS (₹) <b>(A / C)</b>	1.71	0.22

**31. Contingent liabilities:**

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

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Capital Commitments:</b>		
Tangible Assets	202.20	431.79

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

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
(i) Amount of duty saved under EPCG Scheme against export obligations	13.87	13.87
(ii) Sales Tax Demands in Appeals	87.12	87.12
(iii) Bank Guarantees / Letters of Credit	25.06	25.06
(iv) Claims against Company not acknowledged as debts	9.66	9.66

- (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.

**32.** Balances of Sundry Creditors, Debtors, Loans and Advances and Other current assets are subject to confirmation.**33. Employee Benefits:****(A) Defined Contribution Plans:**

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

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Contribution to Employees Provident Fund and Other Funds	369.51	346.07
<b>Total</b>	<b>369.51</b>	<b>346.07</b>

**(B) Defined Benefit Plans :****I. (a) Contribution to Gratuity:**

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

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

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Amount recognised in Balance Sheet</b>		
Present value of defined benefit obligation	1145.10	1104.64
Fair value of plan assets	208.57	197.13
<b>Funded Status</b>	<b>(936.53)</b>	<b>(907.51)</b>
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current service cost	71.12	69.32
Net Interest	56.58	55.48
<b>Total expense charged to Profit and Loss Account</b>	<b>127.70</b>	<b>124.80</b>
<b>Amount recorded as Other Comprehensive Income</b>		
Actuarial (Gain)/Loss recognised for the period	(46.87)	13.83
Return on Plan Assets excluding net interest	(1.43)	(7.73)
<b>Total Actuarial (Gain)/Loss recognised in OCI</b>	<b>(48.30)</b>	<b>6.10</b>
<b>Reconciliation of net liability/(Asset)</b>		
Opening net liability	907.51	854.38
Adjustment to opening balance	(3.25)	0.70
Expenses charged to the Statement of Profit and Loss	127.71	124.80
Contribution paid	(47.14)	(78.47)
Other Comprehensive Income (OCI)	(48.30)	6.10
<b>Closing net defined benefit liability/(asset)</b>	<b>936.53</b>	<b>907.51</b>
<b>Movement in benefit obligation</b>		
<b>Opening defined benefit obligation</b>	<b>1104.63</b>	<b>1112.23</b>
Interest on defined benefit obligation	68.98	70.16
Current service cost	71.12	69.32
Benefits paid	(49.76)	(160.91)
Actuarial (Gain)/Loss on obligation	(46.87)	13.83
<b>Closing of defined benefit obligation</b>	<b>1148.10</b>	<b>1104.63</b>
<b>Movement in Plan Assets</b>		
<b>Opening fair value of plan assets</b>	<b>197.13</b>	<b>257.85</b>
Adjustment to opening fair value of plan assets	3.25	(0.69)
Return on plan assets excluding interest income	1.43	7.73
Interest Income	12.39	14.68
Contribution by employer	47.14	78.47
Benefits paid	(49.76)	(160.91)
<b>Closing fair value of plan assets</b>	<b>211.58</b>	<b>197.13</b>
<b>Asset Information</b>		
Insurer managed funds	211.57	197.13
Others	-	-
<b>Grand Total</b>	<b>211.57</b>	<b>197.13</b>
<b>Principal actuarial assumptions</b>		
Discount rate (p.a.)	7.10%	6.32 % to 6.79 %
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, 2022, based on actuarial valuation carried out using projected unit credit method amounting to ₹ 7.98 Lakhs (Previous Year ₹ 48.59 Lakhs) has been recognized in statement of profit and loss.

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

(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>Segment Revenue</b>		
a) Tooling	20092.07	13562.97
b) Automotive Components	4697.03	3733.48
c) Other	43.12	35.75
<b>Total Income from operations</b>	<b>24832.22</b>	<b>17332.20</b>
<b>Segment Results Profit(+)/(Loss)(-)</b>		
<b>(before Interest and Tax) from segment</b>		
a) Tooling	1967.11	1731.80
b) Automotive Components	(310.35)	(1084.01)
c) Other	1.98	0.04
<b>Total</b>	<b>1658.74</b>	<b>647.83</b>
<b>Less: Interest and Finance Charges</b>	527.58	503.36
<b>Less: Exceptional Items</b>	0.00	0.00
<b>Profit before Tax</b>	<b>1131.16</b>	<b>144.47</b>
<b>Less: Provision for Taxation</b>		
Current Tax	210.00	41.00
Provision For Earlier Periods	-	-
Mat Credit	(196.89)	(38.48)
Deferred Tax	-	-
<b>Profit / (Loss) after Tax</b>	<b>1118.05</b>	<b>141.95</b>
<b>Segment Assets</b>		
a) Tooling	18161.41	16533.96
b) Automotive Components	2770.30	2769.25
c) Other	127.10	424.59
d) Unallocated Assets	335.12	149.49
<b>Total</b>	<b>21393.93</b>	<b>19877.29</b>
<b>Segment Liabilities</b>		
a) Tooling	6147.13	5576.73
b) Automotive Components	3136.17	3108.80
c) Other	18.14	328.43
d) Unallocated Liabilities	265.12	202.32
<b>Total</b>	<b>9566.56</b>	<b>9216.28</b>
<b>Capital employed</b>		
a) Tooling	12014.28	10957.23
b) Automotive Components	(365.87)	(339.55)
c) Other	108.96	96.16
d) Unallocable	70.00	(52.83)
<b>Total</b>	<b>11827.37</b>	<b>10661.01</b>
<b>Capital Expenditure</b>		
a) Tooling	1688.19	115.33
b) Automotive Components	80.40	68.82
c) Other	-	-
<b>Total</b>	<b>1768.59</b>	<b>184.15</b>

<b>Depreciation</b>		
a) Tooling	272.66	283.17
b) Automotive Components	135.45	161.70
c) Other	-	-
<b>Total</b>	<b>408.11</b>	<b>444.87</b>
<b>Non Cash Expenditure</b>		
a) Tooling	-	-
b) Automotive Components	-	-
c) Other	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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
<b>Segment Revenue</b>	22071.70	1197.42	1563.10	24832.22
	(15693.43)	(663.39)	(975.38)	(17332.20)

(Figures in brackets indicates 31st March, 2021 figures)

**(c) Ratios:**

Additional information pursuant to Regulations 52 (4) of Securities and Exchange Board of India (Listing obligation and disclosure requirements) Regulations 2015, as amended

The ratios for the year ended 31st March, 2022 and 31st March 2021 are as follows:

Particulars	Standalone	
	Year Ended	
	31.03.2022	31.03.2021
<b>Debt-Equity Ratio (In times)</b>		
Non current Borrowing + Current Borrowing / Total Equity	0.20	0.25
<b>Debt Service Coverage Ratio (In times)</b>		
Profit before tax+ Interest on loan / Interest on loan + Principal repayments made during the period for long term loan	2.33	1.12
<b>Interest Service Coverage Ratio (In times)</b>	3.14	1.29
Profit before tax+ Interest on loan / Interest on loan		
<b>Current Ratio (In times)</b>	1.80	1.87
Current Assets / Current Liabilities		
<b>Long Term Debt to Working Capital Ratio (In times)</b>	0.01	0.03
Non current borrowings / Current Assets - Current Liabilities		
<b>Bad Debts to Account Receivable Ratio (In times)</b>	0.14	0.01
Bad Debts / Trade Receivables		
<b>Current Liability Ratio (In times)</b>	0.95	0.93
Current Liabilities / Total Liabilities		
<b>Total Debts to Total Assets (In times)</b>	0.11	0.13

Total Borrowings (Current + Non Current) / Total Assets		
<b>Debtors Turnover (In times)</b>	6.69	5.18
Revenue From Operations / Average Trade Receivables		
<b>Inventory Turnover (In times)</b>	2.24	2.18
Cost of Goods Sold (Raw Material and Components Consumed + Purchase of Stock in Trade + Change in Inventories + Mfg. expenses) / Average Inventories of Finished Goods, Semi Finished Goods, Stock in Trade, Stores Cutting Tools and Raw Material and Components		
<b>Operating Margin (%)</b>	5.90	2.70
Earnings Before Interest and Tax Less Other Income / Revenue From Operations		
<b>Net Profit Margin (%)</b>	4.50	0.82
Profit After Tax / Total Income		

**35. Related party disclosures:****(A) Name of related parties and nature of relationships (as per Ind AS 24):**

<b>(a) Key Management Personnel</b>	
1. Shri Vedant Birla - Chairman & Managing Director.	
2. Shri Harish Pareek - Chief Financial Officer.	
<b>(b) Enterprises owned or significantly influenced by Key Management personnel or their relatives:</b>	
1 ACE Trusteeship Services Private Limited	5 Edufocus International Education LLP
2 Birla Earth Private Limited	6 Eduserve International Education LLP
3 Birla Infrastructure & Constructions Private Limited	7 Hair Station LLP
4 Birla Infrastructure & Developers Private Limited	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, 2022 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 31.03.2022 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2022 CREDIT Balance Current Year (Previous Year)
Shri.Vedant Birla	Remuneration Paid	31.48	-	-
		(26.89)	-	(1.59)
Hilton Consultancy	Professional and consultancy charges	6.00	-	-
		(6.00)	-	(0.46)

(Figures in brackets indicate 31st March, 2021 figures)

**36. 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.

### 37. 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:

Particulars	31st March, 2022	31st March, 2021
<b>Level 1 (Quoted price in active markets)</b>	-	-
<b>Level 2</b>		
Financial assets measured at fair value through profit or loss	-	-
Financial liability measured at fair value through profit or loss	-	-
<b>Level 3</b>		
<b>Financial assets measured at fair value through profit or loss</b>		
Trade receivables	3682.56	3310.74
Cash and cash equivalents	2037.55	2033.53
Bank balances other than cash and cash equivalent	35.59	299.61
Loans and advances	1149.84	1161.19
Other financial assets	209.51	209.76
Other current assets	3363.38	4640.90

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	2336.69	2394.73
Trade Payables	3171.78	2709.03
Other financial liabilities	36.96	35.72
Other current liabilities	1658.73	1534.66

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.

### 38. 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.

**39. 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, 2022	31st March, 2021
(i) Total equity	11827.37	10661.01
(ii) Total debt	2412.70	2654.17
(iii) Overall financing (i+ii)	14240.07	13315.18
(iv) Gearing ratio (ii/iii)	0.17	0.20

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022, 31 March 2021.

40. The Company has incorporated new subsidiary in USA named as Birla Precision USA Ltd during the previous financial year with authorised equity share capital of 200 shares and paid up equity share capital of 10 shares at 1 USD each, EIN: 36-4974239, no transactions has taken place during the financial year in this subsidiary.
41. The Company has incorporated new subsidiary in Germany named as Birla Precision GMBH during the year with paid up equity share capital of 25000 shares at 1 Euro each, no transactions has taken place during the financial year in this subsidiary. The Company has incorporated two new domestic subsidiary namely Birla Engineering Private Limited and Birla Accucast Private Limited during the year with paid up equity share capital of 10000 equity shares at 10 each, no transactions has taken place during the financial year in these subsidiaries.

**42. Corporate social responsibility:**

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

**43.** 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 M/s.Valawat & Associates**  
**Chartered Accountants**  
**Firm Registration No. 003623C**

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

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

**Jinendra Jain**  
**Partner**  
**Membership No. 072995**

**Harish Pareek**  
**Chief Financial Officer**

**Parth Matolia**  
**Company Secretary**

**Place: Mumbai**  
**Date : 24th May, 2022**

## INDEPENDENT AUDITOR'S REPORT

**To**

**The Members**

**Birla Precision Technologies Limited**

**Report on the Audit of the Consolidated Financial Statements**

### Opinion

We have audited the accompanying Consolidated financial statements of Birla Precision Technologies Limited ("the Company") and its subsidiaries ("the Group") which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

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

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31<sup>st</sup> March, 2022
- b) In the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

- c) In the case of the Consolidated Cash Flow Statement, 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 Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Financial Results section of our report. We are independent of the Company and the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

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

### Description of Key Audit Matters

The Key Audit Matters	How our audit addressed the matter
Capitalisation of property, plant and equipment	Principal Audit Procedures
<p>During the year ended 31<sup>st</sup> March, 2022, the Group has incurred significant capital expenditure. Further the total additions to property, plant and equipment at various locations of the Company was Rs. 834.61 Lakhs in the current year as set out in Note No.2.</p> <p>Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment.</p> <p>As a result, the aforesaid matter was determined to be a key audit matter.</p>	<p>Our audit procedures included the following substantive procedures:</p> <ul style="list-style-type: none"> <li>• We assessed the capitalisation process and tested the design and operating effectiveness of the controls in the process.</li> <li>• Assessed the nature of the additions made to property, plant and equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16.</li> <li>• Reviewed the project completion details provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.</li> </ul> <p>Based on the above procedures, management's assessment in respect of Capitalisation of property, plant and equipment in the Standalone Financial Statements are considered to be adequate.</p>

### **Information other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including the Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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

consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid. In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity 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 entity or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statement**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the

current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- (a) We did not audit the financial statements of the 2 foreign subsidiaries of the Company, namely Birla Precision GMBH and Birla Precision USA Ltd. These financial statements have been audited/ reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- (b) Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as issued by Central Government of India in terms of Sub Section (11) of Section 143 of the Act, we hereby give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
  - d. In our opinion, the aforesaid financial statements



comply with the Accounting Standards referred to in Section 133 of the Act read with Rule 7 of The Companies (Accounts) Rules, 2014;

- e. On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March 2021, from being appointed as a Director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group does not have any pending litigations which would impact its financial position;
  - ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company or the Group.
    - a. The respective Management of the Company and the Group has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested ( either from borrowed funds or share premium or any other sources or kind of funds) by the Company

to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. The respective Management of the Company and the Group has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.
- iv. The Company has not declared or paid any dividend during the year.

For **Valawat & Associates**  
Chartered Accountants  
FRN: 003623C

**Jinendra Jain**  
Partner  
Membership No. 072995  
UDIN: **22072995AJNSMY2009**

Place: Mumbai  
Date: 24-05-2022



## Annexure A to the Independent Auditors' Report

(Referred to in para I under "Report on other Legal and Regulatory Requirement" of our report of even date)

Re: Birla Precision Technologies Limited ('the Company')

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **Valawat & Associates**

Chartered Accountants

FRN: 003623C

**Jinendra Jain**

Partner

Membership No. 072995

UDIN: **22072995AJNSMY2009**

Place: Mumbai

Date: 24-05-2022

## Annexure B to the Independent Auditors' Report

(Referred to in para 2(f) under "Report on other Legal and Regulatory Requirement" of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of Birla Precision Technologies Limited ("the Company") and its subsidiaries ("the Group") which are incorporated in India as on that date.

### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 ("the 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

### **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 authorizations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an internal financial controls with reference to financial statements as at 31st March, 2022, based on the internal control over financial reporting criteria established by the respective companies 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 **Valawat & Associates**  
Chartered Accountants  
FRN: 003623C

**Jinendra Jain**  
Partner  
Membership No. 072995  
UDIN: **22072995AJNSMY2009**

Place: Mumbai  
Date: 24-05-2022

## Balance sheet as at 31st March, 2022

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Consolidated	
			As at 31st Mar 2022	As at 31st March 2021
<b>I.</b>	<b>ASSETS</b>			
	<b>NON-CURRENT ASSETS</b>			
(a)	Property, plant and equipment	2	3,284.25	2,849.75
(b)	Capital work-in-progress	2	893.32	37.59
(c)	Intangible assets	2	9.31	17.31
(d)	Intangible assets under development	2	-	-
(e)	Financial assets			
	(i) Investments	3	715.00	700.00
	(ii) Loans	4	-	0.93
	(iii) Other Financial Assets	5	-	-
(f)	Other non-current assets	6	97.39	179.31
	<b>Total Non - Current Assets</b>		<b>4,999.27</b>	<b>3,784.89</b>
	<b>CURRENT ASSETS</b>			
(a)	Inventories	8	5,557.60	4,287.18
(b)	Financial assets			
	(i) Investments	3	-	-
	(ii) Trade receivables	9	3,682.56	3,310.74
	(iii) Cash and cash equivalents	10	2,040.55	2,033.53
	(iv) Bank balances other than (iii) above	11	35.59	299.61
	(v) Loans	4	1,170.35	1,161.19
	(vi) Other Financial Assets	5	209.51	209.76
(c)	Other current assets	6	3,363.38	4,640.90
(d)	Current tax assets (Net)	7	335.12	149.49
	<b>Total - Current Assets</b>		<b>16,394.66</b>	<b>16,092.40</b>
	<b>Total Assets</b>		<b>21,393.93</b>	<b>19,877.29</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
(a)	Equity share capital	12	1,305.42	1,305.42
(b)	Other equity	13	10,521.95	9,355.59
	<b>Total - Equity</b>		<b>11,827.37</b>	<b>10,661.01</b>
	<b>LIABILITIES</b>			
<b>A</b>	<b>Non-Current Liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	14	76.01	259.44
(b)	Provisions	18	371.70	366.69
(c)	Deferred tax liabilities (Net)	19	-	-
	<b>Total Non - Current Liabilities</b>		<b>447.71</b>	<b>626.13</b>
<b>B</b>	<b>Current Liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	14	2,336.69	2,394.73
	(ii) Trade payables	15	3,171.78	2,709.03
	(iii) Other financial liabilities	16	36.96	35.72
(b)	Other current liabilities	17	1,658.73	1,534.66
(c)	Provisions	18	1,649.57	1,819.89
(d)	Current tax liabilities (Net)	20	265.12	96.12
	<b>Total - Current Liabilities</b>		<b>9,118.85</b>	<b>8,590.15</b>
	<b>Total Equity and Liabilities</b>		<b>21,393.93</b>	<b>19,877.29</b>

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

I to 43

As per our attached report of even date

For M/s. Valawat & Associates  
Chartered Accountants  
Firm Registration No. 003623C

For and on behalf of Board of Directors

Jinendra Jain  
Partner  
Membership No. 072995

Vedant Birla  
Chairman & Managing Director  
DIN: 03327691

Harish Pareek  
Chief Financial Officer

Parth Matolia  
Company Secretary

Place: Mumbai  
Date : 24th May, 2022

**Statement of Profit and Loss for the period ended 31st March 2022**

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Consolidated	
			For the period ended 31st Mar 2022	For the year ended 31st March 2021
<b>I.</b>	<b>INCOME</b>			
	Revenue from operations	21	24,627.05	17,147.88
	Other income	22	205.17	184.32
	<b>Total Income</b>		<b>24,832.22</b>	<b>17,332.20</b>
<b>II.</b>	<b>EXPENSES</b>			
	Cost of Raw Materials and Components Consumed	23	7,694.43	5,061.30
	Purchases of Stock-in-Trade	24	409.54	64.11
	Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	25	(621.93)	711.35
	Employee benefits expense	26	4,566.37	4,029.92
	Finance costs	27	527.58	503.36
	Depreciation and amortization expense	28	408.11	444.87
	Other expenses	29	10,716.96	6,372.82
	<b>Total Expenses</b>		<b>23,701.06</b>	<b>17,187.73</b>
<b>III.</b>	<b>Profit / (Loss) before exceptional items and tax</b>		<b>1,131.16</b>	<b>144.47</b>
<b>IV.</b>	Exceptional item		-	-
<b>V.</b>	<b>Profit / (Loss) before tax (III - IV)</b>		<b>1,131.16</b>	<b>144.47</b>
<b>VI.</b>	Tax expense:			
	(1) Current tax		210.00	41.00
	(2) Short/(Excess) Provision Previous Financial Year		-	-
	(3) MAT Credit		(196.89)	(38.48)
	(4) Deferred tax		-	-
<b>VII.</b>	<b>Profit/(Loss) for the period (V-VI)</b>		<b>1,118.05</b>	<b>141.95</b>
<b>VIII.</b>	<b>OTHER COMPREHENSIVE INCOME</b>			
	(i) Items that will not be reclassified to profit or loss			
	Related to employee benefits		48.30	(6.10)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Other Comprehensive Income net of tax		48.30	(6.10)
	<b>Total Comprehensive income for the year, net of tax (VII+VIII)</b>		<b>1,166.35</b>	<b>135.85</b>
	Earnings per equity share:			
	(1) Basic EPS (₹)		1.71	0.22
	(2) Diluted EPS (₹)		1.71	0.22

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

I to 43

As per our attached report of even date

For and on behalf of Board of Directors

**For M/s.Valawat & Associates**
**Chartered Accountants**
**Firm Registration No. 003623C**
**Jinendra Jain**
**Partner**
**Membership No. 072995**

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

**Harish Pareek**  
**Chief Financial Officer**

**Parth Matolia**  
**Company Secretary**

**Place: Mumbai**
**Date : 24th May, 2022**

## Statement of Changes in Equity for the year ended 31st March 2022

## (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, 2020	5,68,39,434	11,36,78,868.00	1,136.79
	Issued during the year	84,31,703	1,68,63,406.00	168.63
	As at 31st March, 2021	6,52,71,137	13,05,42,274.00	1,305.42
	Change in Equity Share Capital during the year	-	-	-
	As at 31st March, 2022	6,52,71,137	13,05,42,274.00	1,305.42

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 2022		31st March 2021	
				No. of Shares	% held	No. of Shares	% held
Equity shares of ₹ 2/- each fully paid							
Birla Bombay Private Limited				1,64,23,113	25.16	1,64,23,113	25.16
Birla Infrastructure Limited				1,40,15,589	21.47	1,40,15,589	21.47
Vedant Consultancy Private Limited				46,07,663	7.06	46,07,663	7.06

## (B) OTHER EQUITY

		Consolidated Reserves and Surplus					(₹ in Lakhs)	
Sr. No.	Particulars	Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity		
	As at 1st April, 2021	50.02	2,874.93	2,963.31	3,467.33	9,355.59		
Add:	Addition during the year	-	-	-	-	-		
Add:	Profit for the year	-	-	-	1,118.06	1,118.06		
Add:	Other Comprehensive Income	-	-	-	48.30	48.30		
	Total Comprehensive Income	50.02	2,874.93	2,963.31	4,633.69	10,521.95		
Less:	Issue of Bonus shares	-	-	-	-	-		
Less:	Transfer to general reserves	-	-	-	-	-		
	As at 31st March, 2022	50.02	2,874.93	2,963.31	4,633.69	10,521.95		
		Consolidated Reserves and Surplus						
Sr. No.	Particulars	Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity		
	As at April 1, 2020	50.02	2,543.56	2,963.31	3,331.48	8,888.37		
Add:	Addition during the year	-	331.37	-	-	331.37		
Add:	Profit for the year	-	-	-	141.95	141.95		
Add:	Other Comprehensive Income	-	-	-	(6.10)	(6.10)		
	Total Comprehensive Income	50.02	2,874.93	2,963.31	3,467.33	9,355.59		
Less:	Issue of Bonus shares	-	-	-	-	-		
Less:	Transfer to general reserves	-	-	-	-	-		
	As at 31st March, 2021	50.02	2,874.93	2,963.31	3,467.33	9,355.59		

**Cash Flow Statement for the year ended 31st March, 2022**

(₹ in Lakhs)

Sr. No.	Particulars	Consolidated			
		2021-22		2020-21	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
	Net profit before exceptional item, taxation and prior period adjustments		<b>1131.17</b>		<b>144.47</b>
	Adjustments for:				
	Depreciation and Amortization	408.11		444.87	
	(Profit)/Loss on sale of Fixed Assets (Net)	-		2.68	
	Sundry Balances written off	1,057.68		-	
	Provision for Gratuity and Leave Salary	114.03		180.41	
	Sundry Balances written back	-		(17.34)	
	Exchange difference on translation (Net)	(10.56)		11.21	
	Finance Costs	527.58		503.36	
	Provision for doubtful debts	20.28		82.78	
	Bad debts written off	514.51		24.05	
	Interest Income Received	(79.25)		(50.38)	
	Sub-total		2552.38		1181.64
	<b>Operating Profit Before Working Capital Changes</b>		<b>3683.55</b>		<b>1326.11</b>
	<b>Adjustments for changes in working capital :</b>				
	Inventories	(1,270.42)		184.89	
	Trade Receivables	(833.02)		(191.20)	
	Other Current Assets	296.57		(3,064.76)	
	Trade Payables	467.16		182.78	
	Provisions	(231.04)		(75.30)	
	Other Financial Liabilities	1.25		3.16	
	Loans to employees and others	(8.22)		3,842.34	
	Other Current Liabilities	123.71		267.17	
	Other Financial Assets	0.25		(13.31)	
	Current Tax Assets	(12.28)		(3.27)	
	Income Tax Paid	(17.45)			
	Sub-total		(1,483.49)		1,132.50
	<b>Net Cash Flow From Operating Activities After Exceptional Item.....(A)</b>		<b>2,200.06</b>		<b>2,458.61</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
	Payments made for Property, Plant and Equipment	(1,752.68)		(178.51)	
	Payments made for Intangible Assets	(7.23)		(2.55)	
	Proceeds from sale of Property, Plant and Equipment	-		1.60	
	Investments in subsidiaries and others	(15.00)		(700.00)	
	Interest Received	86.90		42.69	
	Sub-total		(1,688.01)		(836.77)
	<b>Net Cash used for Investing Activities..... (B)</b>		<b>(1,688.01)</b>		<b>(836.77)</b>

<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds from Issue of shares at premium	-		500.00	
Proceeds from Borrowings	1,561.82		368.84	
Repayment of Borrowings	(1,803.29)		(514.80)	
Interest Paid	(527.58)		(503.36)	
Sub-total		(769.05)		(149.32)
<b>Net Cash used for Financing Activities.....(C)</b>		<b>(769.05)</b>		<b>(149.32)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>(257.00)</b>		<b>1,472.52</b>
<b>Cash and Cash Equivalents as at 01.04.2021</b>	<b>615.17</b>		<b>309.64</b>	
<b>Add: (Increase) / Decrease in Fixed Deposit accounts kept as margin money with banks</b>	850.44		(1,166.99)	
	<b>1,465.61</b>		<b>(857.35)</b>	
<b>Cash and Cash Equivalents as at 31.03.2022</b>	<b>1208.61</b>	<b>(257.00)</b>	<b>615.17</b>	<b>1,472.52</b>
		<b>1,208.61</b>		<b>615.17</b>
<b>Reconciliation of Cash and Bank Balances given in Note No. 10 of Balance Sheet is as follows:</b>				
Cash and Bank Balances	2,040.55		2,033.53	
Less:				
Balance in Fixed Deposit accounts with banks having a maturity period of more than three months	831.94		1,418.36	
<b>Cash and Cash Equivalents as at 31.03.2022</b>	<b>1,208.61</b>		<b>615.17</b>	

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

**I to 43**

As per our attached report of even date

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

**For M/s.Valawat & Associates**

**Chartered Accountants**

**Firm Registration No. 003623C**

**Jinendra Jain**

**Partner**

**Membership No. 072995**

**Place: Mumbai**

**Date : 24th May, 2022**

**Harish Pareek**

**Chief Financial Officer**

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

**Parth Matolia**  
**Company Secretary**



## Notes to consolidated financial statements for the year ended 31st March, 2022

### 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:

The consolidated 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.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy used in preparation of financial statements.

#### Basis of consolidation:

The Consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in Note 3. Subsidiaries are consolidated from the date of control commences until the date control ceases.

The financial statements of the Group Companies are consolidated on a line-by-line basis and intra - group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

#### (B) Use of estimates and judgements

The preparation of consolidated 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 consolidated 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. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Group has considered the possible effects that may result from COVID-19 in the preparation of these Consolidated financial statements. The impact of COVID-19 on the Group's

financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

### (C) Revenue recognition:

- (i) Revenue from the sale of goods is recognized upon the passage of title to the customers, which generally coincides with delivery.
- (ii) Export sales are accounted based on the dates of Bill of Lading.
- (iii) 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 Group 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 consolidated 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 consolidated 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 Group.

**(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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated balance sheet.
- (e) Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in consolidated 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. Investment in subsidiaries are valued at cost.

(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.

xAccordingly, MAT is recognized as an asset in the consolidated balance sheet when it is probable that the future economic benefit associated with it will flow to the Group 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 consolidated 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 consolidated 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.

(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 consolidated financial statements.

Note 2 Property, Plant and Equipment - Consolidated									
Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on	Additions	Deductions /	As on	Up to	For the	As on	Up to	As on
	01.04.2021		Adjustments	31.03.2022	01.04.2021	Year	31.03.2022	31.03.2022	31.03.2021
(A) Tangible Assets									
Leasehold Land	357.90	80.67	-	438.57	94.66	5.65	338.26	100.31	263.24
Buildings	1,879.62	77.00	-	1,956.62	963.35	71.44	921.83	1,034.79	916.27
Plant & Machinery	10,128.45	625.12	-	10,753.57	8,583.60	276.53	1,893.44	8,860.13	1,544.85
Furniture & Fixtures	157.26	3.12	-	160.38	131.38	4.39	24.61	135.77	25.88
Office Equipments	263.41	20.74	-	284.15	226.78	15.11	42.26	241.89	36.63
Vehicles	329.75	20.73	-	350.48	266.87	19.76	63.85	286.63	62.88
Total Tangible Assets (A)	13,116.39	827.38	-	13,943.77	10,266.64	392.88	3,284.25	10,659.52	2,849.75
(B) Capital Work - in Progress	37.59	933.99	78.26	893.32	-	-	893.32	-	37.59
(C') Intangible Assets									
Technical Knowhow Fee	50.39	-	-	50.39	50.39	-	-	50.39	-
Software	233.01	7.23	-	240.24	215.70	15.23	9.31	230.93	17.31
Total Intangible Assets (C')	283.40	7.23	-	290.63	266.09	15.23	9.31	281.32	17.31
(D) Intangible Assets Under Development	-	-	-	-	-	-	-	-	-
Total Property, Plant and Equipment (A+B+C+D)	13,437.38	1,768.60	78.26	15,127.72	10,532.73	408.11	4,186.88	10,940.84	2,904.65
Note 2 Property, Plant and Equipment - Consolidated									
Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on	Additions	Deductions /	As on	Up to	For the	As on	Up to	As on
	01.04.2020		Adjustments	31.03.2021	01.04.2020	Year	31.03.2021	31.03.2021	31.03.2020
(A) Tangible Assets									
Leasehold Land	357.90	-	-	357.90	89.01	5.65	263.24	94.66	268.89
Buildings	1,879.62	-	-	1,879.62	892.64	70.71	916.27	963.35	986.98
Plant & Machinery	10,021.87	108.76	2.18	10,128.45	8,262.21	321.60	1,544.85	8,583.60	1,759.66
Furniture & Fixtures	153.72	3.54	-	157.26	126.12	5.26	25.88	131.38	27.60
Office Equipments	248.56	14.85	-	263.41	213.48	13.30	36.63	226.78	35.08
Vehicles	334.60	-	4.85	329.75	249.55	19.86	62.88	266.87	85.05
Total Tangible Assets (A)	12,996.27	127.15	7.03	13,116.39	9,833.01	436.38	2,849.75	10,266.64	3,163.26
(B) Capital Work - in Progress	10.54	53.05	26.00	37.59	-	-	37.59	-	10.54
(C') Intangible Assets									
Technical Knowhow Fee	50.39	-	-	50.39	50.39	-	-	50.39	-
Software	229.06	3.95	-	233.01	207.21	8.49	17.31	215.70	21.85
Total Intangible Assets (C')	279.45	3.95	-	283.40	257.60	8.49	17.31	266.09	21.85
(D) Intangible Assets Under Development	1.40	-	1.40	-	-	-	-	-	1.40
Total Property, Plant and Equipment (A+B+C+D)	13,287.66	184.15	34.43	13,437.38	10,090.61	444.87	2,904.65	10,532.73	3,197.05

**Notes forming part of the consolidated financial statements for the year ended 31st March, 2022**

**Note 3 INVESTMENTS**

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
	<b>Carried at cost:</b>		
	<b>In equities unquoted</b>		-
	70,00,000 Equity shares of ` 10 each in Zenith Steel Pipes & Industries Limited	700.00	700.00
	In Shares of Janta Sahakari Bank Limited	15.00	-
	<b>In subsidiaries unquoted</b>	-	-
	Birla Precision USA Ltd ( 10 Eq. shares fully paid up at \$1 per share)	-	-
	Birla Precision GMBH ( 25000 Eq. shares fully paid up at euro1 per share)	-	-
	Birla Engineering Pvt Ltd (10000 eq. shares @ ` 10 each paid up)	-	-
	Birla Accucast Pvt Ltd ((10000 eq. shares @ ` 10 each paid up)	-	-
	<b>Total Non - Current</b>	<b>715.00</b>	<b>700.00</b>
	(a) Equity shares in Zenith Steel Pipes & Industries Limited were acquired by way of preferential allotment (conversion of loan into equity).		
	(b) The Group has made investment in shares of Janta Sahakari Bank Limited for Cash Credit loan worth ` 15 Crores.		
	(c) Investments made by the Group other than those with a maturity of less than one year, are intended to be held for long term.		
	(d) The Group has incorpo rated new subsidiary in USA named as Birla Precision USA Ltd in previous financial year, EIN: 36-4974239, no transactions has taken place during the financial year in this subsidiary.		
	(e) The Group has incorporated new subsidiary in Germany named as Birla Precision GMBH and two domestic susidiaries named Birla Engineering Pvt. Ltd., Birla Accucast Pvt. Ltd during the year. No transactions has taken place during the financial year in this subsidiaries.		
	<b>Current</b>		
	In equities unquoted	-	-
	In subsidiaries unquoted	-	-
	<b>Total - Current</b>	<b>-</b>	<b>-</b>

**Note 4 LOANS**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
	<b>Unsecured; considered good :</b>		
	Loan & Advance to Employees	-	0.93
	<b>Total Non - Current</b>	<b>-</b>	<b>0.93</b>
	<b>Current</b>		
	<b>Unsecured; considered good :</b>		
	Loans and advances	797.61	797.56
	Less: Provision for doubtful advances	-	-
		797.61	797.56
	Loan & Advance to Employees	36.51	29.62
	Loan & Advance to Others	336.23	334.01
	Less: Provision for doubtful advances	-	-
		336.23	334.01
	<b>Total - Current</b>	<b>1,170.35</b>	<b>1,161.19</b>

**Note 5 OTHER FINANCIAL ASSETS**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
	Unsecured; considered good :	-	-
	<b>Total Non - Current</b>	-	-
	<b>Current</b>		
	Unsecured; considered good :		
	Deposits with Others	209.51	209.76
	<b>Total - Current</b>	<b>209.51</b>	<b>209.76</b>

**Note 6 OTHER ASSETS**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
	Unsecured; considered good :		
	Capital Advances	97.39	179.31
	Less: Provision for doubtful advances	-	-
	<b>Total Non - Current</b>	<b>97.39</b>	<b>179.31</b>
	<b>Current</b>		
	Unsecured; considered good :		
A)	<b>Advances Paid to Suppliers/Services</b>	<b>3,094.69</b>	<b>3,457.32</b>
B)	<b>Balances with Government Authorities :</b>		
	Cenvat Credit and export incentive receivable	33.06	15.05
	Value Added Tax Receivable	68.04	86.83
	Goods & Service Tax	36.15	5.78
	<b>Sub Total (B)</b>	<b>137.25</b>	<b>107.66</b>
C)	<b>Others :</b>		
	Prepaid Expenses	44.78	54.85
	Pre-operative expenses	36.70	-
	Pattern Under Development	12.80	2.80
	Interest accrued on fixed deposits and others	37.16	1,018.27
	Less: Written off during the year	-	-
		<b>37.16</b>	<b>1,018.27</b>
	<b>Sub Total (C)</b>	<b>131.44</b>	<b>1,075.92</b>
	<b>Total - Current (A+B+C)</b>	<b>3,363.38</b>	<b>4,640.90</b>

**Note 7 CURRENT TAX ASSETS (NET)**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	Tax deducted at source	28.28	15.34
	Advance fringe benefit tax (Net of provisions for tax)	2.17	2.17
	Mat Credit Entitlement	260.62	87.28
	Income Tax Refund Receivable	44.05	44.70
	<b>Total</b>	<b>335.12</b>	<b>149.49</b>

**Note 8 INVENTORIES**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	Raw Materials and Components	2,016.52	1,451.73
	Semi-Finished Goods	1,505.22	1,150.29
	Finished Goods	1,409.09	1,323.09
	Stock-in Trade	247.90	66.89
	Stores, Cutting Tools and Packing Materials	378.87	295.18
	<b>Total</b>	<b>5,557.60</b>	<b>4,287.18</b>

**Note 09 TRADE RECEIVABLES**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Unsecured, considered good :</b>		
	Considered good	324.10	243.09
	Considered doubtful	73.49	95.17
	Less: Provision for doubtful debts	(73.49)	(95.17)
		<b>324.10</b>	<b>243.09</b>
	<b>Other considered good</b>	<b>3,358.46</b>	<b>3,067.65</b>
	<b>Total</b>	<b>3,682.56</b>	<b>3,310.74</b>

9.1	<b>Undisputed trade receivables - considered good</b>		
	Less than 6 Months	3,358.45	-
	6 Months - 1 year	105.71	-
	1 - 2 years	15.25	-
	2 - 3 years	111.18	-
	More than 3 years	12.91	-
	<b>Total</b>	<b>3,603.50</b>	<b>-</b>
9.2	<b>Disputed trade receivables - considered good</b>		
	Less than 6 Months	-	-
	6 Months - 1 year	14.73	-
	1 - 2 years	40.70	-
	2 - 3 years	9.42	-
	More than 3 years	14.21	-
	<b>Total</b>	<b>79.06</b>	<b>-</b>

**Note 10 CASH AND CASH EQUIVALENTS**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
A)	Balances with Banks	1,154.97	560.53
B)	Deposits with Banks	831.94	1,418.36
C)	Cheques on hand	50.94	53.20
D)	Cash on Hand	2.70	1.44
	<b>Total</b>	<b>2,040.55</b>	<b>2,033.53</b>



**Note 11 OTHER BANK BALANCES**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	Balances in Margin Money Account	35.59	34.82
	Balances in UP DDU Account	-	264.79
	<b>Total</b>	<b>35.59</b>	<b>299.61</b>

The Group has received amount of ` 264.79 Lakhs during the previous financial year for utilising the funds to UP DDU project but the same cannot be utilised due to Covid Pandemic Situations and the same was returned in current financial year.

**Note 12 EQUITY SHARE CAPITAL**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
<b>A)</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	60,00,00,000 (60,00,00,000) Equity Shares of ` 2/- each	12,000.00	12,000.00
	<b>Total</b>	<b>12,000.00</b>	<b>12,000.00</b>
<b>B)</b>	<b>ISSUED, SUBSCRIBED &amp; PAID UP SHARE CAPITAL</b>		
	6,52,71,137 (6,52,71,137) Equity Shares of ` 2/- each, as fully paid-up	1,305.42	1,305.42
	<b>Total</b>	<b>1,305.42</b>	<b>1,305.42</b>

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

Equity Shares	As at 31st March 2022	As at 31st March 2021
At the beginning of the year ( No. of Shares)	6,52,71,137	5,68,39,434
At the beginning of the year ( ` in Lakhs)	1,305.42	1,136.79
Issued during the year ( No. of Shares)	-	84,31,703
Issued during the year ( ` in Lakhs)	-	168.63
<b>Outstanding at the end of the year ( No. of Shares)</b>	<b>6,52,71,137</b>	<b>6,52,71,137</b>
<b>Outstanding at the end of the year ( ` in Lakhs)</b>	<b>1,305.42</b>	<b>1,305.42</b>

The Group 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 Group 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 of Group, 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.

**12.2 The details of Shareholders holding more than 5% shares:**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Equity shares of ₹ 2/- each fully paid</b>		
Birla Bombay Private Limited (No. of Shares)	1,64,23,113	1,64,23,113
Birla Bombay Private Limited (% held)	25.16	25.16
Birla Infrastructure Limited (No. of Shares)	1,40,15,589	1,40,15,589
Birla Infrastructure Limited (% held)	21.47	21.47
Vedant Consultancy Private Limited (No. of Shares)	46,07,663	46,07,663
Vedant Consultancy Private Limited (% held)	7.06	7.06

As per records of the Group, 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.

### 12.3 Promotors shareholding as on 31st March, 2022

	As at 31st March 2022
Mrs.Avanti Birla (No. of Shares)	44
Mrs.Avanti Birla (% held)	0.00%
Mr.Yashovardhan Birla (No. of Shares)	21,919
Mr.Yashovardhan Birla (% held)	0.03%
Birla Bombay Pvt Ltd (No. of Shares)	1,64,23,113
Birla Bombay Pvt Ltd (% held)	25.16%
Khopoli Investments Ltd (No. of Shares)	5,00,000
Khopoli Investments Ltd (% held)	0.77%
Birla ShlokaEdutech Ltd (No. of Shares)	231
Birla ShlokaEdutech Ltd (% held)	0.00%
Vedant Consultancy Pvt Ltd (No. of Shares)	46,07,663
Vedant Consultancy Pvt Ltd (% held)	7.06%
Zenith Dyeintermediates (No. of Shares)	32,23,491
Zenith Dyeintermediates (% held)	4.94%
Birla Industries Group Charity Trust (No. of Shares)	5,947
Birla Industries Group Charity Trust (% held)	0.01%
MatriSevaSadan Charity Trust (No. of Shares)	10,617
MatriSevaSadan Charity Trust (% held)	0.02%
Yash Society (No. of Shares)	25,056
Yash Society (% held)	0.04%
Birla Infrastructure Limited (No. of Shares)	1,40,15,589
Birla Infrastructure Limited (% held)	21.47%
Shearson investment and Trading Co Pvt Ltd (No. of Shares)	2,27,652
Shearson investment and Trading Co Pvt Ltd (% held)	0.35%

### Note 13 OTHER EQUITY

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
A)	Capital Reserve	50.02	50.02
B)	Securities Premium Reserve	2,874.93	2,874.93
C)	General Reserves	2,963.31	2,963.31
D)	Retained Earnings	4,633.69	3,467.33
	<b>Total (A to D)</b>	<b>10,521.95</b>	<b>9,355.59</b>

### Note 14 BORROWINGS

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
<b>A)</b>	<b>Non-Current</b>		
	<b>Secured Loans</b>		
	<b>Vehicle Loans :</b>		
	Car Loan	-	-
	Sub Total (A)	-	-
<b>B)</b>	<b>Unsecured Loans</b>		
	Sales Tax Deferred Payment Loan (Refer note (a) below)	-	30.94
	Current maturities of long-term borrowings	76.01	228.50
	<b>Total Non - Current</b>	<b>76.01</b>	<b>259.44</b>
	<b>Security and Salient Terms:</b>		

- (a) Sales Tax deferred payment loan of ` 76.01 lakhs (Previous Year ` 259.44 lakhs) is interest free and payable in instalments starting from April 2017 and ending in April 2022.

<b>A)</b>	<b>Current</b>		
	<b>Secured Loans</b>		
	<b>Working Capital Loans From Banks</b>		
	Foreign Currency Loan (Refer note (a) below)	-	1,022.85
	Rupee Loan (Refer note (b),(c), (d) and (e) below)	2,143.15	1,161.95
	Subtotal (A)	2,143.15	2,184.80
<b>B)</b>	<b>Unsecured Loans</b>		
	From Bodies Corporates	-	-
	From Other	193.54	209.93
	Subtotal (B)	193.54	209.93
	<b>Total - Current</b>	<b>2,336.69</b>	<b>2,394.73</b>
	<b>Security and Salient Terms:</b>		

- (a) Foreign currency loan of ` Nil lakhs (Previous Year ` 1022.85 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 Group Company to be funded from the term loan from the Bank.
- (b) Rupee loan of ` Nil lakhs (Previous Year ` 382.54 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 Group Company to be funded from the term loan from the Bank.
- (d) Rupee loans of ` 1390.37 lakhs (Previous Year ` Nil lakhs) (Sanctioned Limit ` 1500.00 lakhs) first charge by way of hypothecation of company's entire paid up stock and trade receivables, present and future on pari pasu basis with other working capital bankers and second pari pasu charge over the land along with construction thereon and all machineries situated at B-15/4, MIDC, Aurangabad - 431133 of the Group Company to be shared with other working capital bankers. The loan has been disbursed by Janta Sahakari Bank Ltd at the interest rate of 11% p.a. by taking over the existing loan from ICICI Bank Ltd.
- (d) Rupee loans of ` 752.78 lakhs (Previous Year ` 779.41 lakhs) first charge by way of hypothecation of company's entire current assets on pari pasu basis with other working capital bankers and second pari pasu charge over the entire fixed assets of the Group Company to be shared with other working capital bankers.
- (e) The rates of interest for rupee loan ranges from 12% p.a. to 13% p.a.

#### Note 15 TRADE PAYABLES

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Current</b>		
	Micro, Small and Medium Enterprises	527.09	686.35
	Others	2,644.69	2,022.68
	<b>Total - Current</b>	<b>3,171.78</b>	<b>2,709.03</b>

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

Particulars	As at 31st March 2022	As at 31st March 2021
Principal amount due and remaining unpaid	527.09	686.35
Interest due on above and the unpaid interest	-	-

#### 15.1 Ageing of trade payables as on 31st March, 2022

(i)	MSME		
	Less than 1 year	305.65	-
	1 - 2 years	10.18	-
	2 -3 years	3.38	-
	More than 3 Years	1.66	-
	<b>Total</b>	<b>320.87</b>	<b>-</b>
(ii)	Others		
	Less than 1 year	1,589.33	-
	1 - 2 years	53.62	-
	2 -3 years	32.49	-
	More than 3 Years	170.17	-
	<b>Total</b>	<b>1,845.61</b>	<b>-</b>
(iii)	Disputed MSME		
	Less than 1 year	111.16	-
	1 - 2 years	56.23	-
	2 -3 years	7.60	-
	More than 3 Years	31.23	-
	<b>Total</b>	<b>206.22</b>	<b>-</b>
(iv)	Disputed Others		
	Less than 1 year	655.68	-
	1 - 2 years	42.74	-
	2 -3 years	24.27	-
	More than 3 Years	76.39	-
	<b>Total</b>	<b>799.08</b>	<b>-</b>

#### Note 16 OTHER FINANCIAL LIABILITIES

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Current</b>		
	Current maturities of long-term debts	-	-
	Security Deposit from dealers / others	36.96	35.72
	<b>Total - Current</b>	<b>36.96</b>	<b>35.72</b>

#### Note 17 OTHER CURRENT LIABILITIES

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Current</b>		
	Advances from Customers	1,006.64	1,030.53
	Payable to employees	537.42	416.34
	Statutory Liabilities	114.67	87.79
	<b>Total - Current</b>	<b>1,658.73</b>	<b>1,534.66</b>

**Note 18 PROVISIONS**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non-Current</b>		
	<b>Provision for Employee Benefits</b>		
	Gratuity	203.42	195.44
	Leave benefits	168.28	171.25
	<b>Total Non - Current</b>	<b>371.70</b>	<b>366.69</b>
	<b>Current</b>		
A)	<b>Provision for Employee Benefits</b>		
	Gratuity	733.11	712.30
	Leave benefits	44.08	43.13
	Sub Total	777.19	755.43
B)	Provision for expenses	872.38	1,064.46
	<b>Total - Current</b>	<b>1,649.57</b>	<b>1,819.89</b>

**Note 19 DEFERRED TAX LIABILITIES**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Deferred Tax Liability</b>		
	Related to fixed assets	122.43	106.20
	<b>Deferred Tax Assets</b>		
	Disallowances under the Income Tax Act, 1961	122.43	106.20
	<b>Total</b>	<b>-</b>	<b>-</b>

**Note 20 CURRENT TAX LIABILITIES (NET)**

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
	Provision for Current Tax	265.12	96.12
	<b>Total</b>	<b>265.12</b>	<b>96.12</b>

**Note 21 REVENUE FROM OPERATIONS**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	Sale of Products	23,938.19	16,848.94
	Sale of Services	77.64	71.53
	Other operating revenue	611.22	227.41
	<b>Revenue from operations</b>	<b>24,627.05</b>	<b>17,147.88</b>

**Note 22 OTHER INCOME**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	<b>Interest:</b>		
	From Bank deposits	74.24	44.49
	From Others	5.01	5.89
		<b>79.25</b>	<b>50.38</b>
	Exchange rate difference (Net)	30.28	16.30
	Sundry balances written back (Net)	-	17.34
	Miscellaneous Income	37.95	64.55
	Merchandise Exports From India Scheme	14.98	-
	Training completion skill poor youth	42.71	35.75
	Provision no longer required written back	-	-
		125.92	133.94
	<b>Total</b>	<b>205.17</b>	<b>184.32</b>

**Note 23 COST OF RAW MATERIALS AND COMPONENTS CONSUMED**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	<b>Inventory at the beginning of the year</b>	1,451.73	948.25
	Add : Purchases	8,259.22	5,564.78
		<b>9,710.95</b>	<b>6,513.03</b>
	Less : Inventory at the end of the year	2,016.52	1,451.73
	<b>Cost of Raw Materials and Components Consumed</b>	<b>7,694.43</b>	<b>5,061.30</b>

**Note 24 PURCHASES OF STOCK-IN-TRADE**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	Files	409.54	64.11
	<b>Total</b>	<b>409.54</b>	<b>64.11</b>

**Note 25 CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	<b>Inventories at the end of the year</b>		
	Finished Goods	1,409.09	1,323.09
	Semi-Finished Goods	1,505.22	1,150.29
	Stock-in-Trade	247.90	66.89
		<b>3,162.21</b>	<b>2,540.27</b>
	<b>Inventories at the beginning of the year</b>		
	Finished Goods	1,323.09	1,759.53
	Semi-Finished Goods	1,150.29	1,409.70
	Stock-in-Trade	66.90	82.39
		<b>2,540.28</b>	<b>3,251.62</b>
	<b>Change in Inventories</b>		
	Finished Goods	(86.00)	436.44
	Semi-Finished Goods	(354.93)	259.41
	Stock-in-Trade	(181.00)	15.50
	<b>Total</b>	<b>(621.93)</b>	<b>711.35</b>

**Note 26 EMPLOYEE BENEFITS EXPENSE**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	Salaries, Wages and Bonus	3,925.11	3,472.14
	Contribution to Provident and Other Funds	369.51	346.07
	Staff Welfare Expenses	271.75	211.71
	<b>Total</b>	<b>4,566.37</b>	<b>4,029.92</b>

**Note 27 FINANCE COSTS**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	Interest Expenses:		
	Fixed Loan	376.34	-
	Other	62.38	439.37
	Bank charges	88.86	63.99
	<b>Total</b>	<b>527.58</b>	<b>503.36</b>

**Note 28 DEPRECIATION AND AMORTIZATION EXPENSES**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
	Depreciation on Tangible Assets	392.89	436.38
	Amortisation of Intangible Assets	15.22	8.49
	<b>Total</b>	<b>408.11</b>	<b>444.87</b>

**Note 29 OTHER EXPENSES**

Sr. No.	Particulars	For the period ended 31st March 2022	For the year ended 31st March 2021
<b>A)</b>	<b>Manufacturing Expenses</b>		
	Stores, cutting tools and packing materials consumed	1,439.07	992.41
	Sub-contracting expenses	1,839.97	1,217.03
	Power, fuel and water	1,468.60	1,204.18
	Repairs and maintenance:		
	Buildings	18.98	10.04
	Plant and machinery	188.50	103.42
	<b>Sub Total (A)</b>	<b>4,955.12</b>	<b>3,527.08</b>
<b>B)</b>	<b>Administrative, Selling and Other Expenses:</b>		
	Rent	62.73	78.30
	Rates and taxes	11.08	18.30
	Postage and telephone	35.55	31.38
	Printing and stationery	42.80	30.11
	Insurance	26.75	35.61
	Travelling and conveyance	181.11	153.06
	Foreign travelling expenses	52.20	2.09
	Vehicle expenses	16.19	7.07
	Advertisement , publicity etc.	90.50	64.76
	Sales promotion and other selling expenses	2,202.32	943.87
	Sales commission	326.20	300.04
	Freight on sales	313.44	236.61
	Training and welfare expenses	8.54	8.62
	Training expenses skill of poor youth	33.43	2.10
	Directors' sitting fees	0.90	2.05
	Auditors' remuneration (excluding service tax/GST)		



As Auditor	8.06	11.92
For Limited Review	-	3.00
For other service	-	1.50
For Certifications	-	0.08
For Reimbursement of Expenses	0.15	0.45
	<b>8.21</b>	<b>16.95</b>
Corporate social responsibility expenses	-	-
Legal and professional fees	522.96	421.18
Security services	37.48	34.00
Software maintenance expenses	8.12	6.25
Sundry balances written off	1,057.68	-
Exchange rate variation loss (Net)	-	9.37
Bad debts written off	514.51	24.05
Provision for doubtful debts	20.28	82.78
Loss on sale of fixed assets	-	2.68
Miscellaneous expenses	188.86	334.51
	<b>Sub Total (B)</b>	<b>2,845.74</b>
	<b>Total (A+B)</b>	<b>6,372.82</b>

### 30. Earnings per share (EPS):

		(₹ in Lakhs)
Particulars	31st March, 2022	31st March, 2021
<b>Net Profit / (Loss) after tax attributable to Equity Shareholders (A)</b>	1118.05	141.95
No. of Equity Shares outstanding during the year for calculating Basic EPS (B)	65271137	65271137
No. of Equity Shares outstanding during the year for calculating Diluted EPS ©	65271137	65271137
Nominal Value of Equity Shares (₹)	2/-	2/-
Basic EPS (₹) (A / B)	1.71	0.22
Diluted EPS (₹) (A / C)	1.71	0.22

### 31. Contingent liabilities:

(a) Estimated amount of contracts remaining to be executed (net of advances), not provided for:		
		(₹ in Lakhs)
Particulars	31st March, 2022	31st March, 2021
<b>Capital Commitments:</b>		
Tangible Assets	202.20	431.79
(b) Contingent liabilities not provided for in respect of:		
		(₹ in Lakhs)
Particulars	31st March, 2022	31st March, 2021
(i) Amount of duty saved under EPCG Scheme against export obligations	13.87	13.87
(ii) Sales Tax Demands in Appeals	87.12	87.12
(iii) Bank Guarantees / Letters of Credit	25.06	25.06
(iv) Claims against Group not acknowledged as debts	9.66	9.66

(c) The Group 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.

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

**33. Employee Benefits:**

(₹ in Lakhs)

<b>(A) Defined Contribution Plans:</b>		
The Company has recognized the following amounts in consolidated statement of profit and loss for the year:		
<b>Particulars</b>	<b>31st March, 2022</b>	<b>31st March, 2021</b>
Contribution to Employees Provident Fund and Other Funds	369.51	346.07
<b>Total</b>	<b>369.51</b>	<b>346.07</b>

**(B) Defined Benefit Plans :****I. (a) Contribution to Gratuity:**

Provision for Gratuity has been made in the accounts based on an actuarial valuation carried out at the close of the year. The Group 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)

<b>Particulars</b>	<b>31st March, 2022</b>	<b>31st March, 2021</b>
<b>Amount recognised in Consolidated Balance Sheet</b>		
Present value of defined benefit obligation	1145.10	1104.64
Fair value of plan assets	208.57	197.13
<b>Funded Status</b>	<b>(936.53)</b>	<b>(907.51)</b>
<b>Expense recognised in the Consolidated Statement of Profit and Loss</b>		
Current service cost	71.12	69.32
Net Interest	56.58	55.48
<b>Total expense charged to Consolidated Profit and Loss Account</b>	<b>127.70</b>	<b>124.80</b>
<b>Amount recorded as Other Comprehensive Income</b>		
Actuarial (Gain)/Loss recognised for the period	(46.87)	13.83
Return on Plan Assets excluding net interest	(1.43)	(7.73)
<b>Total Actuarial (Gain)/Loss recognised in OCI</b>	<b>(48.30)</b>	<b>6.10</b>
<b>Reconciliation of net liability/(Asset)</b>		
Opening net liability	907.51	854.38
Adjustment to opening balance	(3.25)	0.70
Expenses charged to the Consolidated Statement of Profit and Loss	127.71	124.80
Contribution paid	(47.14)	(78.47)
Other Comprehensive Income (OCI)	(48.30)	6.10
<b>Closing net defined benefit liability/(asset)</b>	<b>936.53</b>	<b>907.51</b>
<b>Movement in benefit obligation</b>		
<b>Opening defined benefit obligation</b>	<b>1104.63</b>	<b>1112.23</b>
Interest on defined benefit obligation	68.98	70.16
Current service cost	71.12	69.32
Benefits paid	(49.76)	(160.91)
Actuarial (Gain)/Loss on obligation	(46.87)	13.83
<b>Closing of defined benefit obligation</b>	<b>1148.10</b>	<b>1104.63</b>
<b>Movement in Plan Assets</b>		
<b>Opening fair value of plan assets</b>	<b>197.13</b>	<b>257.85</b>
Adjustment to opening fair value of plan assets	3.25	(0.69)

Return on plan assets excluding interest income	1.43	7.73
Interest Income	12.39	14.68
Contribution by employer	47.14	78.47
Benefits paid	(49.76)	(160.91)
<b>Closing fair value of plan assets</b>	<b>211.58</b>	<b>197.13</b>
<b>Asset Information</b>		
Insurer managed funds	211.57	197.13
Others	-	-
<b>Grand Total</b>	<b>211.57</b>	<b>197.13</b>

<b>Principal actuarial assumptions</b>		
Discount rate (p.a.)	7.10%	6.32 % to 6.79 %
Salary escalation rate (p.a.)	3.00% to 5.00%	3.00% to 5.00%
<b>II. Leave Encashment:</b>		

The leave encashment provision for the year ended 31st March, 2022, based on actuarial valuation carried out using projected unit credit method amounting to ` 7.98 Lakhs (Previous Year ` 48.59 Lakhs) has been recognized in consolidated statement of profit and loss.

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

(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>Segment Revenue</b>		
a) Tooling	20092.07	13562.97
b) Automotive Components	4697.03	3733.48
c) Other	43.12	35.75
<b>Total Income from operations</b>	<b>24832.22</b>	<b>17332.20</b>
<b>Segment Results Profit(+)/(Loss)(-)</b>		
<b>(before Interest and Tax) from segment</b>		
a) Tooling	1967.11	1731.80
b) Automotive Components	(310.35)	(1084.01)
c) Other	1.98	0.04
<b>Total</b>	<b>1658.74</b>	<b>647.83</b>
<b>Less: Interest and Finance Charges</b>	<b>527.58</b>	<b>503.36</b>
<b>Less: Exceptional Items</b>	<b>0.00</b>	<b>0.00</b>
<b>Profit before Tax</b>	<b>1131.16</b>	<b>144.47</b>
<b>Less: Provision for Taxation</b>		
Current Tax	210.00	41.00
Provision For Earlier Periods	-	-
Mat Credit	(196.89)	(38.48)
Deferred Tax	-	-
<b>Profit / (Loss) after Tax</b>	<b>1118.05</b>	<b>141.95</b>
<b>Segment Assets</b>		
a) Tooling	18161.41	16533.96
b) Automotive Components	2770.30	2769.25
c) Other	127.10	424.59
d) Unallocated Assets	335.12	149.49

<b>Total</b>	<b>21393.93</b>	<b>19877.29</b>
<b>Segment Liabilities</b>		
a) Tooling	6147.13	5576.73
b) Automotive Components	3136.17	3108.80
c) Other	18.14	328.43
d) Unallocated Liabilities	265.12	202.32
<b>Total</b>	<b>9566.56</b>	<b>9216.28</b>
<b>Capital employed</b>		
a) Tooling	12014.28	10957.23
b) Automotive Components	(365.87)	(339.55)
c) Other	108.96	96.16
d) Unallocable	70.00	(52.83)
<b>Total</b>	<b>11827.37</b>	<b>10661.01</b>
<b>Capital Expenditure</b>		
a) Tooling	1688.19	115.33
b) Automotive Components	80.40	68.82
c) Other	-	-
<b>Total</b>	<b>1768.59</b>	<b>184.15</b>
<b>Depreciation</b>		
a) Tooling	272.66	283.17
b) Automotive Components	135.45	161.70
c) Other	-	-
<b>Total</b>	<b>408.11</b>	<b>444.87</b>
<b>Non Cash Expenditure</b>		
a) Tooling	-	-
b) Automotive Components	-	-
c) Other	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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):**

	<b>(₹ in Lakhs)</b>			
<b>Particulars</b>	<b>India</b>	<b>USA</b>	<b>Rest of the World</b>	<b>Total</b>
<b>Segment Revenue</b>	22071.70	1197.42	1563.10	24832.22
	(15693.43)	(663.39)	(975.38)	(17332.20)

(Figures in brackets indicates 31st March, 2021 figures)

**(c) Ratios:**

Additional information pursuant to Regulations 52 (4) of Securities and Exchange Board of India (Listing obligation and disclosure requirements) Regulations 2015, as amended

The ratios for the year ended 31st March, 2022 and 31st March 2021 are as follows:

Particulars	Year Ended	
	31.03.2022	31.03.2021
<b>Debt-Equity Ratio (In times)</b>		
Non current Borrowing + Current Borrowing / Total Equity	0.20	0.25
<b>Debt Service Coverage Ratio (In times)</b>		
Profit before tax+ Interest on loan / Interest on loan + Principal repayments made during the period for long term loan	2.33	1.12
<b>Interest Service Coverage Ratio (In times)</b>	3.14	1.29
Profit before tax+ Interest on loan / Interest on loan		
<b>Current Ratio (In times)</b>	1.80	1.87
Current Assets / Current Liabilities		
<b>Long Term Debt to Working Capital Ratio (In times)</b>	0.01	0.03
Non current borrowings / Current Assets - Current Liabilities		
<b>Bad Debts to Account Receivable Ratio (In times)</b>	0.14	0.01
Bad Debts / Trade Receivables		
<b>Current Liability Ratio (In times)</b>	0.95	0.93
Current Liabilities / Total Liabilities		
<b>Total Debts to Total Assets (In times)</b>	0.11	0.13
Total Borrowings (Current + Non Current) / Total Assets		
<b>Debtors Turnover (In times)</b>	6.69	5.18
Revenue From Operations / Average Trade Receivables		
<b>Inventory Turnover (In times)</b>	2.24	2.18
Cost of Goods Sold (Raw Material and Components Consumed + Purchase of Stock in Trade + Change in Inventories + Mfg. expenses) / Average Inventories of Finished Goods, Semi Finished Goods, Stock in Trade, Stores Cutting Tools and Raw Material and Components		
<b>Operating Margin (%)</b>	5.90	2.70
Earnings Before Interest and Tax Less Other Income / Revenue From Operations		
<b>Net Profit Margin (%)</b>	4.50	0.82
Profit After Tax / Total Income		

**35. 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 Harish Pareek - Chief Financial Officer.

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

- |  |  |
|--|--|
| 1 ACE Trusteeship Services Private Limited             | 7 Hair Station LLP                                 |
| 2 Birla Earth Private Limited                          | 8 Hilton Consultancy                               |
| 3 Birla Infrastructure & Constructions Private Limited | 9 Birla Precision USA Ltd - foreign subsidiary     |
| 4 Birla Infrastructure & Developers Private Limited    | 10 Birla Precision GMBH - foreign subsidiary       |
| 5 Edufocus International Education LLP                 | 11 Birla Engineering Pvt Ltd - domestic subsidiary |
| 6 Eduserve International Education LLP                 | 12 Birla Accucast Pvt Ltd - domestic subsidiary    |

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

**(B) Transactions during the year ended 31st March, 2022 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 31.03.2022 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2022 CREDIT Balance Current Year (Previous Year)
Shri.Vedant Birla	Remuneration Paid	31.48	-	-
		(26.89)	-	(1.59)
Hilton Consultancy	Professional and consultancy charges	6.00	-	-
		(6.00)	-	(0.46)

(Figures in brackets indicate 31st March, 2021 figures)

**36. 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.

**37. 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, 2022	31st March, 2021
<b>Level 1 (Quoted price in active markets)</b>	-	-
<b>Level 2</b>		
Financial assets measured at fair value through profit or loss	-	-
Financial liability measured at fair value through profit or loss	-	-
<b>Level 3</b>		
<b>Financial assets measured at fair value through profit or loss</b>		
Trade receivables	3682.56	3310.74
Cash and cash equivalents	2040.55	2033.53
Bank balances other than cash and cash equivalent	35.59	299.61
Loans and advances	1170.35	1161.19
Other financial assets	209.51	209.76
Other current assets	3363.38	4640.90
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.		
<b>Financial liability measured at amortized cost</b>		
Borrowings	2336.69	2394.73
Trade Payables	3171.78	2709.03
Other financial liabilities	36.96	35.72
Other current liabilities	1658.73	1534.66

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.

### 38. 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 Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group 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 Group exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

##### (ii) Foreign currency risk:

The Group 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:

The Group 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 Group does not foresee any credit risks on deposits with regulatory authorities.



**(C) Liquidity risk:**

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

**39. Capital management:**

For the purpose of the Group'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 Group's capital management is to maximize the shareholder value and to ensure the Group's ability to continue as a going concern.

The Group 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 Group 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, 2022	31st March, 2021
(i) Total equity	11827.37	10661.01
(ii) Total debt	2412.70	2654.17
(iii) Overall financing (i+ii)	14240.07	13315.18
(iv) Gearing ratio (ii/iii)	0.17	0.20

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022, 31 March 2021.

40. The Group has incorporated new subsidiary in USA named as Birla Precision USA Ltd during the previous financial year with authorised equity share capital of 200 shares and paid up equity share capital of 10 shares at 1 USD each, EIN: 36-4974239, no transactions has taken place during the financial year in this subsidiary.
41. The Group has incorporated new subsidiary in Germany named as Birla Precision GMBH during the year with paid up equity share capital of 25000 shares at 1 Euro each, no transactions has taken place during the financial year in this subsidiary. The Group has incorporated two new domestic subsidiary namely Birla Engineering Private Limited and Birla Accucast Private Limited during the year with paid up equity share capital of 10000 equity shares at `10 each, no transactions has taken place during the financial year in these subsidiaries.
42. **Corporate social responsibility:**
- (A) Gross amount spend by the Group towards Corporate Social Responsibility is ` Nil (Previous Year ` Nil Lakhs).
- (B) No expenditure has been paid to a related party, in relation to CSR expenditure as per Ind-AS 24, Related Party Disclosures.
43. **Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.**

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

As per our attached report of even date

**For M/s. Valawat & Associates**  
**Chartered Accountants**  
**Firm Registration No. 003623C**

**I to 43**

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

**Jinendra Jain**  
**Partner**  
**Membership No. 072995**

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

**Harish Pareek**  
**Chief Financial Officer**

**Parth Matolia**  
**Company Secretary**

**Place: Mumbai**  
**Date : 24th May, 2022**

**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](http://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.





FOUNDRY DIVISION AURANGABAD



CUTTING TOOLS DIVISION  
ITM Unit 1, Nashik



CUTTING TOOLS DIVISION  
ITM Unit 2, Aurangabad



TOOL HOLDERS DIVISION AURANGABAD

**Website**

[www.birlaprecision.com](http://www.birlaprecision.com)

**Email**

[info@birlaprecision.com](mailto:info@birlaprecision.com)

[itmnsk@indiantool.com](mailto:itmnsk@indiantool.com)

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