

STRONGER THAN EVER



A new vision, A new mission, A new reality.

The company is now at the threshold of a new era, new possibilities and a future that shall change the way we think about manufacturing at the component level. The company's dictum of **Aspire**, **Innovate** and **Achieve** continues to be the mantra that drives it towards the creation of a customer centric, innovation driven, technology oriented, socially responsible organization, and its vision and mission statements in the context of this new reality has led to the definition of a new vision, a new mission.



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



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

We feel this new vision and mission defines who we are as an organization, what we stand for and what we want to achieve in the coming years. We believe these shall serve as guiding principles, and help us to distinguish between the paths that lie before us in order to stay true to our purpose and to achieve that highest pinnacles of success in a morally, socially and ethically responsible manner.

PTC continues to, **Aspire**, to be a full service supplier for our customers, thereby becoming an integral part of their value chain;

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

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

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

*Those whose minds are established in sameness and equanimity
have already conquered the cycle of birth and death in this very life.
They possess the flawless qualities of the Brahman, and are therefore
are already seated in the Absolute Truth.
- Shrimad Bhagwat Gita, Chapter 5, Verse 19*

**Satish Agarwal
was a man
with a vision.**

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



This pioneer of many firsts in the industry left us on October 7, 2016, leaving behind a legacy which was founded on his values of passion and innovation.

His passing marks the end of an era of technological excellence, manufacturing brilliance and qualitative distinction in the foundry industry.

He was our inspiration and the voice of reason, always leading us from the front to the pinnacles of success. His work, his teachings and his ideals shall always continue to light our path. He is the soul of this company and his spirit shall forever endure in the identity of PTC Industries.

CONTENTS

CORPORATE OVERVIEW

- 04 Chairman and Managing Director's Letter
- 10 Message from the COO
- 14 Company Profile
- 24 Financial Highlights
- 26 Company Information
- 27 Board of Directors

MANAGEMENT REVIEW

- 28 Directors' Report
- 42 Annexures to the Directors' Report
- 56 Corporate Social Responsibility Report
- 59 Secretarial Audit Report
- 65 Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo
- 72 Management Discussion & Analysis





GOVERNANCE

- 84** CEO & CFO Certification
 - 85** Corporate Governance Report
 - 102** Certificate on Corporate Governance
-

FINANCIALS

- 103** Independent Auditors' Report
- 111** Balance Sheet
- 113** Statement of Profit & Loss
- 115** Cash Flow Statement
- 117** Statement of Change in Equity
- 118** Notes on Financial Statements
- 171** Five Years at a Glance
- 172** Notice to Annual General Meeting



CHAIRMAN & MANAGING DIRECTOR'S LETTER

Dear Shareholders,

The past few months have been a sobering reminder about the nature of inter-connectedness of our worlds. As of this writing, the Covid-19 pandemic continues to be a significant challenge that humanity will have faced for more than a century. In these trying times, however, it has been increasingly inspiring to watch society emerge as one unified entity with the clear promise of indomitable resilience. During the extraordinary times the world has faced, PTC has persevered in its pursuit to be a leader in technology by fuelling growth in India and emerging stronger than ever.



The year 2019-20 became our highest income grossing year as Total Income crossed Rs. 175 crores recording a nearly 13 percent growth from Rs. 155.47 crores in the previous year.



Our percentage of earnings before interest, taxes, depreciation and amortisation (EBITDA) rose to a robust 21 percent from 18.7 percent in the previous year.



At the same time, Profit before Tax increased by 47 percent from Rs. 9.42 crores in the previous year to Rs. 13.9 crores in 2019-20.



Earnings Per Share (EPS) remained stable this year at Rs. 20.05 compared to Rs. 20.83 last year.



The COVID-19 pandemic delivered an economic shock of enormous magnitude and the world is still grappling with the uncertainty that it has brought upon us. The World Bank predicts that global growth shall shrink by 5.2 percent in 2020 triggering a global crisis that has never been seen before. A key concern is that the longer it takes to bring the crisis in control, the deeper will the world plunge into the worst global recession since the Second World War. The immediate priority for all governments is to put in place measures to protect its people and reinforce health infrastructure in order to minimise the loss of life and reduce human costs while also seeking to alleviate short term economic losses.

The Indian government responded swiftly to the worsening pandemic situation and enforced lockdown measures along with physical distancing and travel restrictions to limit the spread of the disease and ease the strain on the healthcare systems. At the same time, the government and the Reserve Bank of India announced significant reform measures and economic packages aggregating to nearly 10 percent of the GDP which helped to ease the strain on the financially distressed sectors and the micro, small and medium enterprises.

PTC's biggest priority in dealing with this crisis has been to protect the health and safety of our employees, whilst remaining mindful of our obligation towards our customers and maintaining business continuity. I am proud of the entire PTC team which demonstrated incredible resilience and complete dedication during this time. Most of the staff shifted to working from home while the lockdown was imposed. Once plant operations resumed, the entire team worked with perfect coordination and agility to ensure that manufacturing functions could be scaled up effectively. It also became quickly apparent to us that the infrastructure and capabilities that we had built over the years became our key strength during this period.

At such a time, when our customers needed assurance that their supply chains were minimally affected by the crisis, we were able to successfully manage their requirements while taking complete care of the well-being and safety of our people. Our smart manufacturing practices, which enabled remote working and management of operations using digital tools, allowed us to deliver on our promises and helped to create opportunities in the face of a pandemic. Our stable, experienced and highly committed executive team continued to deliver high quality services and experience to our customers and showed remarkable efficacy in the management of their responsibilities and processes.

I am proud to share that the spirit of PTC strengthens our unwavering commitment to the community that we are a part of. We have always embraced our responsibilities as a good citizen, and leveraged our capabilities for the greater good. Due to the lockdown, a large number of families struggled for food and basic necessities. The efforts of PTC Foundation, which engaged with a non-government organisation during the lockdown, supported over 2,500 families with basic amenities and food and medical supplies.

What has kept us going is our unending passion to develop transformative technologies that serve the purposes of our customers in newer, better ways. This year, our Titanium Casting facility became fully operational and will start yielding results in the coming periods for both domestic and international markets. We saw a number of advancements in operations this year - we poured 4,700 kilogram single-piece castings for waterjet engines using RapidCAST Ultra™ and established a continuous pattern making line using 3D printing. New capabilities for powder fabrication were developed in-house by utilising pre-existing strengths of hot isostatic pressing and powder metallurgy. We continued to further our growth aspirations by venturing into new product categories and industry segments using the technologies and capabilities that exist in our Advanced Manufacturing and Technology Centre.



Now, with the advent of Titanium casting manufacturing technology in India, PTC is leading the way towards indigenisation of many critical Defence and Aerospace parts while also opening up avenues for export of these components from India. This brings the true spirit of AatmaNirbhar Bharat to Indian Defence and Aerospace.



The dynamic nature of our business coupled with PTC's commitment to deliver bottom-line improvement has made it essential that we create change from within by nurturing our people.

For the past few years, the Company has been developing technology, processes and products for Aerospace and Defence applications and made substantial investments in research and development in this area. Production trials were being conducted to develop high integrity products for a variety of applications for use in Land, Sea and Air platforms. This investment of time, money and other resources has been designed to enable the company to extend its capabilities beyond making parts only for industrial applications and widen its scope and markets into this new sunrise industry in India.

The focus has been on many core manufacturing technologies that are required for producing Aerospace and Defence components, and which have not been available in India since its independence. Rather than assembling imported components and remaining dependent on other countries for such parts, spares and equipment, PTC chose to respond to the call of our honourable Prime Minister for Aatma Nirbhar Bharat (Self-Reliance) and brought the most vital core manufacturing technologies for metal component and spares in India for the first time. This will bring a monumental change to the Aerospace and Defence manufacturing ecosystem within the country.

The manufacturing technology for Titanium castings has always been a niche and closely guarded technology. For the first time ever, it has been brought to India with a purpose to enable complete indigenous production of critical titanium parts which are required across a wide spectrum of applications in the aerospace and defence sectors. Since its commercialisation in the 1970s, this technology remains available in only 5 countries and less than 10 companies worldwide. These castings are vital in manufacture of components and spares for aircrafts, ships, submarines, Ultra-Lightweight Howitzer artillery guns, all of which are currently being developed in India, some for the first time ever. Over the last 70 years, the country has had to import all such components and spares making them extremely expensive and often subject to numerous restrictions by other countries. Now, with the advent of Titanium casting manufacturing technology in India, PTC is leading the way towards indigenisation of many critical Defence and Aerospace parts while also opening up avenues for export of these components from India. This brings the true spirit of Aatma Nirbhar Bharat to Indian Defence and Aerospace.

Simultaneously, advanced manufacturing technology for production of all metal components for Water Jet engines for naval ships and frigates, and Propellers for ships and submarines has also been brought to the country. Besides making the country self-reliant, this is also bringing in precious foreign exchange to the country as we are also exporting this to all the major OEMs worldwide. PTC remains fully committed to creating total self-reliance in the country for all metal related components used in Aerospace and Defence. We have developed and will continue to develop all necessary Core Manufacturing Technologies to achieve this mission and contribute towards Aatma Nirbhar Bharat that our Prime Minister has set the vision for.

A number of other technologies that the company has been developing will find application in various platforms, systems and sub-systems for aerospace, defence and allied industries. During the year, we formed Aerolloy Technologies Limited (ATL), a wholly-owned subsidiary of PTC dedicated to the development of in-house capabilities for manufacture of metal components in these sectors. ATL's brand new facility is under construction in Lucknow and shall house the latest and most advanced equipment for this purpose. This facility shall have all internationally-recognised certifications and approvals for supply of Aerospace and Defence components both within the country and overseas. This facility is expected to commence operations by the end of this financial year.

As we venture into new and crucial sectors like Aerospace and Defence, there shall be an ever-growing demand to leverage our technologies and capabilities to realise the full potential of the Company. We recognise that passionate, committed and skilled people are paramount to building successful technology and investment in industrial science must be accompanied with a matching investment in people. To this end, we have already begun augmenting our knowledge skills and expertise by recruiting highly experienced specialists in their domain across quality, operations and technology. We have also worked on creating a talent value chain that nurtures local and diverse talent by offering learning and growth opportunities. This year, our structured and multidimensional training and mentoring programs saw two Materials Engineering undergraduate students from Imperial College London enrol for a summer program to gain knowledge and technical skills at our newly functional powder fabrication facility. A strong graduate recruitment program for students is a powerful way to engage with budding talent brimming with new ideas and

eager to learn about working at the fore of technology.

This year, we bid farewell to Mr Anthony Rowett who completed his three-year tenure this year as Chief Operating Officer. Anthony has been a distinguished member of the PTC family and channelled innovation and growth with great enthusiasm, while establishing world class manufacturing excellence at PTC. His presence has been a source of great support to me personally, and I am extremely thankful for his contribution to the Company. His guidance and commitment to PTC shall be deeply missed.

I am also deeply grateful to each of our customers, suppliers, bankers, central and state government agencies, shareholders and employees for their strength and belief as we dealt with these extraordinary times. I am extremely thankful for the steps that have been taken by the central government and the government of Uttar Pradesh to provide economic and operational support to industries across the country. Over the past years, our experience of the positive and pro-active approach of various government agencies and officials is a testament to the changing investment environment in Uttar Pradesh.

We have always believed in creating value for our stakeholders by putting them first and respecting their expectations. We have built lasting relationships with our customers, suppliers and other stakeholders, and are committed to delivering long-term value to all of them. We are convinced that the trust, integrity and passion that brings our employees together as one team also forms the fundamental base of successful partnerships for our business. We know that these are the key ingredients to a successful value-driven growth strategy for the future.

The road ahead seems all but clear. The uncertainty of these times is here to stay. But we are propelled by a determination and optimism that comes from a strong financial infrastructure, powerful and dedicated people and a great growth momentum. That is why I firmly believe this is the time to rise to the challenge. This past year, we worked hard to foster growth in the Company, create value for our customers and most importantly, lead the way forward for our stakeholders. The addition of Aerolloy Technologies, the recruitment of new, more capable individuals, and our reinforced commitment to our vision and values will help us create a future that we shall be proud of.

Sachin Agarwal
Chairman & Managing Director

The road ahead seems all but clear. The uncertainty of these times is here to stay. But we are propelled by a determination and optimism that comes from a strong financial infrastructure, powerful and dedicated people and a great growth momentum. That is why I firmly believe this is the time to rise to the challenge. This past year, we worked hard to foster growth in the Company, create value for our customers and most importantly, lead the way forward for our stakeholders. The addition of Aerolloy Technologies, the recruitment of new, more capable individuals, and our reinforced commitment to our vision and values will help us create a future that we shall be proud of.





MESSAGE FROM THE COO



It has always been a prerequisite for PTC that it constantly strives to exceed customer expectations in delivering operational excellence at a market competitive price. As a testament to this, we came into the financial year fuelled by the growing momentum and improvement in financial performance which has been consistently developed during our presence in the Advanced Manufacturing and Technology Centre (AMTC) site.

Leveraging our diverse technical capabilities to support customers continued to create a favourable atmosphere for all our products. During the year, we made substantial strides in generating new business opportunities while diversifying our product mix with the addition of High Integrity Vacuum-Melt Titanium, Powder Fabrication and various other technologies earning acclaim for our commitment to innovation and quality, particularly in the Aerospace and Defence sectors. Most noteworthy of these was during our showcase of technologies and capabilities at the Indian Defence Expo held in Lucknow in February 2020.

For our customers, the PTC brand speaks of diversity in technical capability and manufacturing processes, which has lead to strong brand awareness. We continue to service our existing customers who are able to expand their portfolios as we add increased value to the products they deliver to the market. Notably, through the year we transformed 75% of our sales into fully CNC finished parts, adding additional capacity within our machine shop by both improving our operating systems and capital expansion. Furthermore, the company continued to build on its customer value proposition, providing additive manufacturing solutions to support Prototype Development and Rapid Manufacturing.

Our objective has been to translate our knowledge, technology, systems and talents to achieve sustainable, profitable growth. To deliver on this promise to our stakeholders, the focus of development was placed on:

- ✓ **Management Leadership**
- ✓ **Commercialisation of Innovation**
- ✓ **Customer Support**
- ✓ **Maintaining and Accelerating our Technology Leadership**

One of our primary objectives has been coaching and championing people to provide a sustainable talent base capable of matching our current requirements and growth ambitions. This has been achieved through intensive development of training and leadership programs combined with external recruitment and internal promotions into new and existing senior leadership roles to strengthen leadership and deepen functional capability. As a result, we looked to coordinate investment in people development by building operative as well as technical skills to support the development of future leaders.



The dynamic nature of our business coupled with PTC's commitment to deliver bottom-line improvement has made it essential that we create change from within by nurturing our people.

The dynamic nature of our business coupled with PTC's commitment to deliver bottom-line improvement has made it essential that we create change from within by nurturing our people. Skills and training have been at the heart of this. We continued to realise the potential of our ERP system as well as compliance and QMS software. By using these tools, the PTC team has also worked together to identify gaps in performance; we have been able to quantify main areas of opportunity and development. Using this approach productivity has been increased in every department which is demonstrated in our annual results.

Consolidated efforts around core technologies and the opportunity to create a critical mass increased the payback efficacy of our research and development spend and accelerated key projects. Creating positive momentum into new sales opportunities and driving competitiveness has been a virtue at PTC.

During the year, we reviewed our sales model by enhancing our approach to Key Account Management, regional sales and new business development. We successfully introduced a new Customer Relations Management software to standardise the way we communicate by collecting and organising actionable customer data. The software has served to enable our Customer Support team to work more effectively than ever before by utilising key features of the new software.

Tools like this one have been of value in the development of new business, through direct sales and marketing activities. Furthermore, to build on our new technologies, we have commenced development of a global sales strategy to deliver greater revenue and margin across new market sectors, including aerospace and defence.

Through our continuous improvement in our flagship processes, and introduction of new processes, advancements such as Reactive Alloy Production, Vacuum Melting, and Metal Powder Manufacture have widened our material capability and subsequently increased requirements for metallurgical competence.

To this end, we implemented production capability in the areas of Ultra Large Investment Casting, Titanium & Superalloys and Additive & Powder Metallurgy. These areas are now working to industry recognised standards and quality, contributing significantly to production output.

Overall, in applying this methodology, we have enjoyed a successful year with expansion into targeted long-term markets and secured strategically significant business wins, notably in the Land Systems, Marine, and Aerospace sectors. This was underpinned by an extension into a new onsite facility for our new subsidiary, Aerolloy Technologies Limited's business and implementation of AS9100. This demonstrates PTC's wide vision with both alignments to the customer's requirements and a strong commitment to upskilling the workforce.


Today we have the appropriate structure and systems combined with our unique manufacturing technologies offering volume on-time production uniquely specified for the applications they serve.

With these current developments we are now well-positioned to capitalise on the potential of our installed base to accelerate the growth of PTC. Moving forward we understand that developing our technical strength will be critical to sustaining our success as technologists, engineers and industry-leaders. These strengths will drive innovation in both product, process and material development, and in turn, will drive continued improvement and success.

PTC is pursuing a range of regulatory and supervisory measures to alleviate the financial stability impact of the Coronavirus pandemic (COVID-19) and maintain the safety and soundness of its employees. These measures are aimed at ensuring we continue to provide robust and consistent standards. It is important to recognise that while the reduction in activity associated with COVID-19 may be large, it is likely to rebound sharply when social distancing measures and international trade embargo are lifted.

Despite the current upheaval, the underlying trend which has been favourable to us has been the redefinition of supply chains to address the risks related to trade conflicts. This has resulted in increased sourcing from our plants as a safeguard against economic fluctuations influenced by regions such as China. This, combined with new contracts utilising our newly invested capability, will serve as a catalyst for robust growth over the next few years making us stronger than ever.

Anthony Rowett
Chief Operating Officer



Despite the current upheaval, the underlying trend which has been favourable to us has been the redefinition of supply chains to address the risks related to trade conflicts. This has resulted in increased sourcing from our plants as a safeguard against economic fluctuations influenced by regions such as China. This, combined with new contracts utilising our newly invested capability, will serve as a catalyst for robust growth over the next few years making us **stronger than ever.**



COMPANY PROFILE

PTC Industries Limited is one of the world's leading suppliers of high precision metal components for critical and super-critical applications. The name PTC Industries has come to signify quality, innovation and advanced technologies. Over the years, it has successfully set many examples in terms of advancement and expansion in the industry at a global level. With more than 80% of its products being supplied outside India, it has set new benchmarks in Indian component manufacturing. Starting operations on a modest scale in 1963 by a few family members, with a passion for manufacturing high quality castings which could be exported from India, today it has emerged as a supplier of choice for the finest engineering companies across the world.



EARLY YEARS AND GROWTH

In 1963, Precision Tools & Castings Private Limited (now PTC Industries Limited) was incorporated with a vision to set up a technologically advanced and innovative foundry. The company began to manufacture parts using the new Lost Wax (Investment Casting) technology for import substitution primarily for Valves, Pumps and Impeller Castings. This was amongst the first such units in India. The company added latest equipment like a Plasma Arc Furnace and Induction Furnace. In 1981, PTC's research and development efforts gained cognizance and its In-house R&D Laboratory was recognized by the Department of Science & Technology (DST), Government of India.

PTC also formed alliances and entered into a technical collaboration with Aciéries et Fonderies de l'Est (AFE) of France for technological know-how for manufacture of critical Castings by Sand Moulding process. A Joint Venture for expansion of business in the US was also set up with a US Company.

During this period, several awards including the 'Dhatu Nayak' award by the All India Induction Furnaces' Association, were presented to Mr. Sateesh Agarwal. PTC was awarded the Best Exporter Shield from EEP (Northern Region) for many years and also received the Certificate of Excellence in 1992 for Iron & Steel based products.

PTC began to expand its operations and in 1990 acquired a sand-moulding foundry in Bhiwadi, Rajasthan to supplement its growing export demand in the US for castings with marine applications. In 1991, a machine shop was acquired in Lucknow for value addition to the existing products. The Ahmedabad Plant was set up in 2001 with

facilities for Investment Castings and later a CNC Machine Shop fully equipped with Turning Centres, Turn Mill Centres, Vertical & Horizontal Machining Centres was also added.

Over the last few years, PTC Industries has been working on a facility that would house the most advanced technologies, equipment and processes across the world. This led to the conception of the Advanced Manufacturing & Technology Centre (AMTC) – the most advanced metal component manufacturing facility in the world which houses under a single roof, more than 20 unique technologies, the most sophisticated equipment in the world, supported by robotics, automation and best practices in every process. With the establishment of this plant, PTC has become unparalleled in its capabilities to manufacture engineered metal components and products for the most critical applications where precision and quality are the most crucial criteria.

PTC has also focused on disinvesting from its non-core businesses and focusing on streamlining its existing portfolio to concentrate on products which required a very high level of precision, quality and are complex and difficult to manufacture while at the same time are extremely critical to the systems or parts where they are to be used. The key industries where PTC has chosen to build its strength are Oil & Gas, Marine, Power, Flow-control and Infrastructure. It has been recognised for its ability to re-engineer critical parts for its customers in order to make them more efficient, cost-effective and reliable. It seeks to emerge as a leader in the industry by giving 'Innovation' a new definition, a new dimension and a delineation that no one has ever envisioned before.

ACCOLADES AND ACHIEVEMENTS

PTC excelled at absorption and development of new technologies, and even proceeded to indigenize them to deliver maximum value to the customer. This was recognized by the Indian Government too, and in November 2006, PTC was awarded the prestigious National Award for R&D Efforts in the Industry by the Department of Science and Industrial Research, Government of India for successful indigenization and commercialization of the Replicast® technology. PTC also has a technical collaboration with the prestigious Castings Technology International (CTI), a research and technology organization based in the UK with capabilities in castings design, materials development and selection, specifications, manufacturing technologies, quality control, testing and performance.

In July 2014, Forbes India identified PTC Industries as one of the sixteen 'Hidden Gems' of Indian industries. These are fast growing companies which are constantly innovating and aiming for greater heights. Forbes' selection of PTC was due to its investments in unique technology and commitment to innovation.



PTC's entrepreneurial spirit and penchant for innovation was recognized once again in January 2017 when it became the only foundry in India to be bestowed with the Special Jury Award in the MSME Innovator of the Year category at the 2017 Time India Awards by TIME India magazine for exhibiting overall competitiveness and pursuing innovation, and standing out for its remarkable export orientation, pioneering adoption of Industry 4.0 and focus on sustainable manufacturing. PTC is also the winner of the CII (Confederation of Indian Industries) Industrial Innovation Awards 2018 in the category of Manufacturing for the medium segment. This was a singular recognition of PTC's abilities by one of the leading industrial associations in the country.





PTC has always believed in working in close collaboration with the government to develop new technologies, systems and processes to bring best-in-class manufacturing capabilities to India. It has entered joint projects along with the Department of Science & Technology, Ministry of Science & Technology for development and commercialization of the RapidCast™ technology and the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises for acquisition of technology and development of Titanium Castings with Ceramic Shelling. These projects shall contribute immensely to the creation of an indigenous facility for manufacture of critical components and support India's quest for 'Self Reliance' in the core manufacturing sectors.

COMMITMENT TO QUALITY



PTC believes that its commitment to quality impacts directly on the customers' success, and therefore our company. Quality at PTC includes quality of work environment, technology and services offered. PTC ensures desired quality by conducting in-depth testing and inspection based on customer requirements and international standards.

A series of inspection tests and inspections are scrupulously carried out at every stage. Destructive and Non-Destructive tests that are carried out include Tensile Testing, Impact Testing, Wet Analysis Ultrasonic Flaw Detection, Magna Flux Crack Detection, Pressure Testing, and others.

PTC has the following approvals in place:

Quality Management System:

- ISO 9001:2015
- Pressure Equipment Directive (PED)
- AD 2000 Merkblatt W0

Marine Classification Approvals:

- ABS
- Det Norske VERITAS (DNV)
- Lloyd's Register (LR)
- Bureau VERITAS (BV)

Other Approvals:

- Department of Scientific and Industrial Research (DSIR)

Approval of our In-House R&D Unit

MANPOWER - OUR KEY STRENGTH

PTC recognises people as the primary source of its competitiveness and continues to focus on the development of people by leveraging technology and innovation. The development and growth of employees has always been the focal point of human resource functions at PTC which is imbibed in the culture of care for people. PTC therefore, endeavours to adopt the best standards for employee well-being and quality of life.

The company focuses particularly on the health and safety of its employees. Various health schemes, camps and voluntary movements are organised by PTC for its employees' and their families. The company has laid down foundations for a quality-centric work culture by involving its employees and ensuring a good work environment. It is a firm belief that the growth of the company is directly proportional to the satisfaction level of the employees. Conduction of regular interaction sessions with the employees assist in outlining a framework of their expectations from the organization, and allows them to express their views freely, all of which helps to augment their performance level to a great extent.

PTC encourages employees to perform to their best ability and supports open collaboration, engagement and involvement. Constant improvements are brought about in work practices and productivity by adherence to the best practices and an efficient system of motivation. PTC

believes in being an equal opportunity employer and strives to attract the best available talent and ensure diversity in its workforce. Diversity and Inclusion are important aspects of sustainable business growth and we call this the 'winning balance'. The culture imbibes values that aim to enhance the quality of life of the employees. PTC's team of highly motivated and dedicated employees is its primary asset, who are also considered to be the seeds for its holistic growth and prosperity.

PTC helps to improve skills of employed people and to create a workplace where every person can reach his or her full potential. The work environment gives employees the freedom to learn and improve their proficiency. The employees are given full freedom to explore not only the external environment, but also their own capabilities, which encourages them to experiment, transform and achieve. The company believes in talent acquisition and retention, to augment its plan of making its presence more prominent in global markets.

PTC has excellent relations with its workers and staff. It has excellent co-operation and support from the entire hierarchy of well-trained and experienced personnel. The constant growth of the organization is an apparent reflection of employee satisfaction and the Company's positive corporate culture.





INFRASTRUCTURE

Over the years, PTC has built an infrastructure that includes all facilities in house. Today, PTC has manufacturing facilities in Uttar Pradesh and Gujarat which include 2 foundries, 2 CNC machine shops and a DSIR approved Research & Development lab.

PTC's foundries are fully equipped with facilities for computerized methoding through solid modelling and casting simulation. PTC has invested in setting up a Design Unit, complete with high end designing software along with qualified design engineers.

A large Robotic 7-Axis Machining Centre has been developed by PTC to machine patterns using the concept of Virtual Tooling for the its RapidCast™ technology. Fully automated Robot assisted Shell Coating systems have been

installed in both the Lucknow and Ahmedabad plants for shelling and moulding leading to remarkable consistency in quality, increase in efficiency, shorter lead times and less wastage.

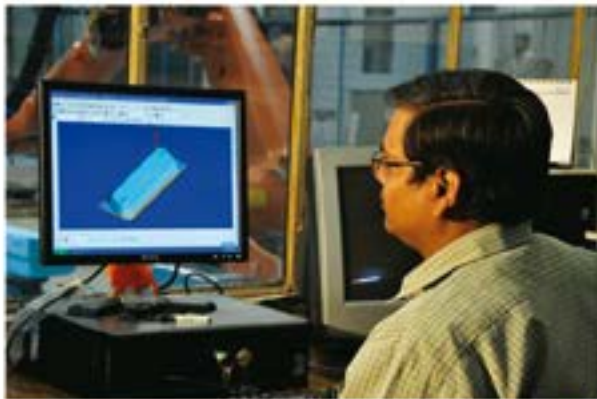
PTC's high level of quality has materialized due to a gradual process that the company has imbibed over the last 53 years. The company's comprehensive testing facilities ensure that the desired quality is ensured by conducting in-depth tests and inspections as per the customers' requirements.

The Foundries are supplemented by Complete Machine Shops which include state of the art Turning Centres, Vertical Machining Centres and Horizontal Machining Centres from Japan and Europe.

BUILDING CAPACITY & CAPABILITY

With the experience and learning that PTC has acquired in the past 10 to 15 years with Replicast®, automation, robotics, CNC machining and other technologies, PTC has built a new state-of-the-art Advanced Manufacturing & Technology Centre, (AMTC) in Lucknow, India with the most advanced technologies and equipment in the world.

The technologies and facilities available in this plant create an indigenous capability for manufacture of high precision components with unparalleled quality, consistency and reliability for super-critical applications. For the first time ever, Titanium Casting technology and manufacturing capability has been brought to India within this facility. The unit provides import substitution for key components that are crucial to the realization of our nation's dream of 'Self Reliance' and 'Make in India' and shall pave the way for a new era of best-in-class manufacturing in the country.



This facility exhibits PTC's trademarked indigenously developed technologies like RapidCast™, PrintCast™, forgeCast™, Powderforge™ and TiCast™, and house the most advanced equipment, robots, CNC machines, automation and best-in-class technologies installed with the technology partners, machine manufacturers and vendors across the world from countries like the United Kingdom, USA, Germany, Japan etc.

PTC's CNC machining capability has also been expanded and includes the latest 5-Axis CNC machines also. This facility has the added capability to produce single piece castings of up to 6,000 kgs. As planned, in the first phase, the built-up area for the plant is 150,000 square feet. All our manufacturing technologies have not just improved the quality and performance of products, but the entire process has been re-engineered to make it greener and reduce or eliminate wastage at every stage of the manufacturing process.

Considerable improvements in productivity have been kept in mind, and automation and robot-assisted manufacturing has been employed which further increases the consistency and reliability of the process. The new technologies that have been introduced by PTC are one of the most environmentally neutral technologies available today.

Besides bringing world-class technologies to India, this plant has the best practices for sustainable manufacturing. Environmental conscientiousness forms the very essence of these technologies. Keen focus and validation were maintained right through their development to ensure that every step of the process has no adverse impact on the environment. Using these technologies, the Company is able to recycle and re-use a significant amount of materials while generating a minimum amount of waste. Further, it has chosen to construct a green building with a rooftop solar plant, rainwater harvesting, and effluent and waste treatment plants and investment in fume extraction and exhaust systems because of which we are able to deliver the highest quality parts while honouring our responsibility towards the environment and future generations.



GLOBAL RECOGNITION AND LOCAL STRENGTH

In the last few years, amidst the global economic crisis, PTC has reinforced its position globally and emerged stronger than ever with strong customer relationships coupled with specialized manufacturing capabilities. Its relentless focus on technology and innovation has opened up new opportunities and transformed the Company into a globally recognized engineering brand.

PTC manufactures products for various critical applications for a wide spectrum of industries including Aerospace, Oil & Gas, Liquefied Natural Gas (LNG), Ships & Marine, Valves and Flow-control, Power plants and turbines, Pulp & Paper machinery, Marine Propulsion and Mining and Earth moving machinery. It offers a wide range of materials which include Alloy Steel, Stainless Steel, Duplex and Super Duplex Stainless Steel, Creep Resistant Steel, Heat Resistant Steel, Nickel Based Alloys, Cobalt Based Alloys, Austenitic Ductile Iron, Nickel Aluminium Bronze, Titanium, Superalloy and Zirconium, etc.

Our foundries produce stainless steel and alloy castings which range from few grams up to more than 6,000 kilograms per piece. Our machine shops have facilities to proof/pre-machine and finish machining, using a variety of 3 to 5 axis intelligent multi-purpose CNC machine tools, complimented by advanced CMM measuring systems.

PTC has been exporting over three fourths of its products for more than 30 years to countries all over Europe, North America as well as other countries in Asia and South America. It has been contributing towards foreign exchange for the nation for the past 3 decades by generating nearly 80 percent of its revenue from exports. PTC's customers who are amongst leaders in the world in their domain; e.g. Rolls Royce (Marine), GE, Flowserve, Metso, Emerson, Siemens, etc. PTC has also made contributions towards nation building by developing various critical parts for power generation equipments for BHEL, earth-moving products for BEML and also for India's space program by developing critical parts for Vikram Sarabhai Space Centre (VSSC).



HIGHLIGHTS

DEFEXPO 2020 IN LUCKNOW



Shri Rajnath Singh ji, Honourable Defence Minister



Yogi Adityanath Ji, Honourable Chief Minister of Uttar Pradesh



Mr. Sachin Agarwal with the US Ambassador to India, Mr. Ken Juster and officials of BAE Systems demonstrating PTC's capabilities for manufacture of indigenous titanium castings for Ultralightweight Howitzer M777 gun.

MDL signs up with Lko-based co

HT Correspondent
 h.kanungo@hindustantimes.com

LUCKNOW: Mazagon Dock Shipbuilders Limited (MDL), a government of India undertaking, on Friday signed an MoU with Lucknow-based company PTC Industries Limited and also with the Indian Industries Association (IIA).

PTC Industries is a leading supplier of castings solutions, machined components and fabricated parts to companies across the world.

"PTC will be supplying its

LUCKNOW-BASED PTC INDUSTRIES IS A LEADING SUPPLIER OF CASTINGS SOLUTIONS, MACHINED COMPONENTS AND FABRICATED PARTS

products to us. An MoU has been signed with the company in this regard. However, further modalities of the MoU will be decided later," said Narayan Prasad, vice-admiral (retd), CMD, MDL.

"We have also signed an MoU with the IIA", he added.

MDL also signed MoUs with foreign firms, including Navantia of Spain and Rosoboronexport of Russia and several Indian firms.

Union defence minister Rajnath Singh and UP chief minister Yogi Adityanath jointly launched two artificial intelligence (AI) enabled products produced by the Mazagon Dock Shipbuilders Ltd at Defence Expo.

Both the products—Radiography Testing and Ultrasound

Testing—have been developed by the MDL in collaboration with IIT-Madras and Dhvani Research.

"These products have been developed for improved quality assurance of welds with less time and labour consumption and higher efficiency. With radiography testing this entire process can be performed within minutes as against conventional method which takes around three days to perform the same task," AK Saxena, Rear Admiral (retd), director ship building, MDL.



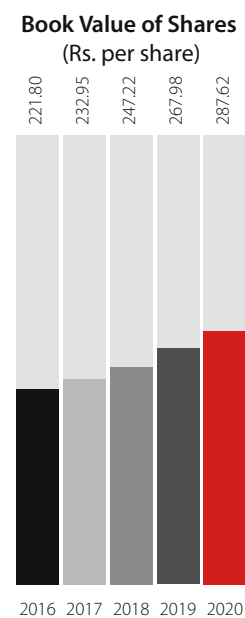
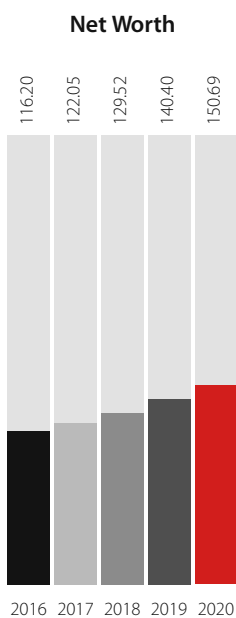
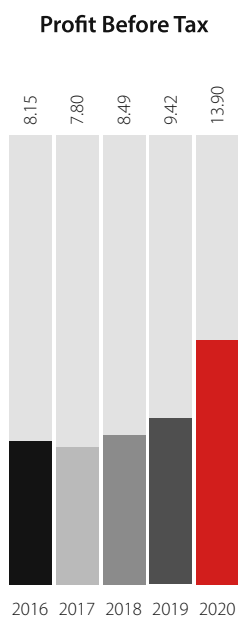
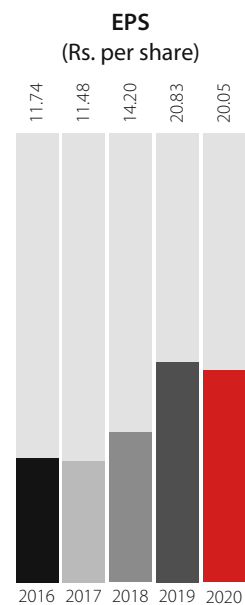
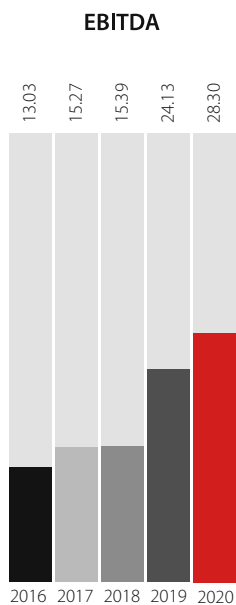
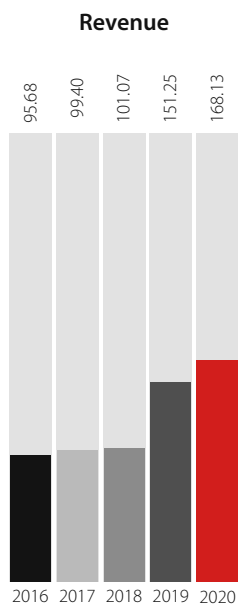
Signing of MOU with Mazgaon Docks Limited



Many important dignitaries visiting our stand and our plant

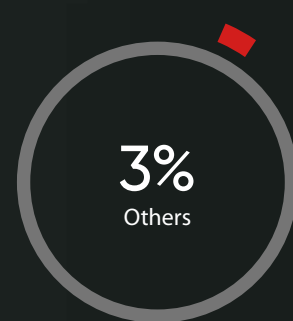
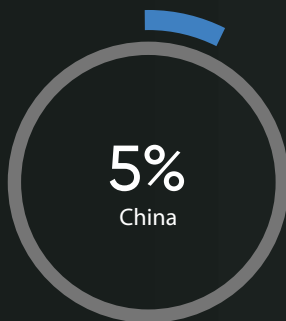
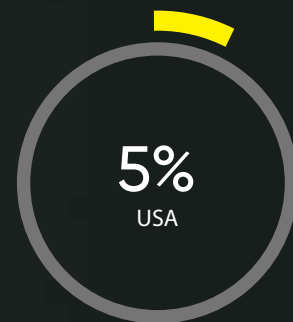
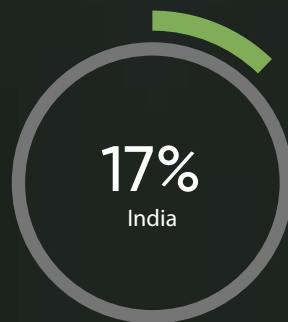
FINANCIAL HIGHLIGHTS

Rs. in lakhs





GEOGRAPHICAL SALES
% of Total Revenue



COMPANY INFORMATION

Website: www.ptcil.com
CIN: L27109UP1963PLC002931

1	<p>CHIEF FINANCIAL OFFICER Smita Agarwal</p> <p>COMPANY SECRETARY Anuj Nigam</p> <p>CHIEF OPERATING OFFICER Anthony Milne Rowett <i>(till 31 March 2020)</i></p>
2	<p>BANKERS State Bank of India Punjab National Bank HDFC Bank Yes Bank ICICI Bank</p>
3	<p>AUDITORS Walker Chandiook & Associates L-41 Connaught Circus New Delhi 110 001 India</p>
4	<p>REGISTERED OFFICE Advanced Manufacturing & Technology Centre, NH25A, Sarai Shahjadi, Lucknow 227 101 Uttar Pradesh, India Tel: +91 522 711 1017 Fax: +91 522 711 1020</p>

5	<p>SHARE TRANSFER AGENT Link Intime India Private limited C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 078 Maharashtra, India</p>
6	<p>AMTC PLANT NH 25A Sarai Shahjadi Lucknow 227101 Uttar Pradesh, India</p>
7	<p>MEHSANA PLANT Rajpur, Taluka Kadi, District Mehsana 382740 Gujarat, India</p>
8	<p>WINDMILL POWER DIVISION Surajbari Region Shikarpur Village Kutch District Gujarat, India</p>

BOARD OF DIRECTORS



SACHIN AGARWAL
*Chairman &
Managing Director, 47 Years
MBA, M.Sc (Finance)
Joined June 18, 1998*



PRIYA RANJAN AGARWAL
*Director, Marketing, 60 Years
B.E. (Mechanical)
Joined December 28, 1992*



ALOK AGARWAL
*Director, Quality &
Technical, 57 Years
B.Tech, IIT Kanpur
Joined 27 July, 1994*



ASHOK KUMAR SHUKLA
*Executive Director, 51 Years
B.Tech (Mechanical)
Joined October 1, 2017*



SMITA AGARWAL
*Director and CFO, 43 Years
C.A. and DISA (ICAI)
Joined June 01, 2019*



KRISHNA DAS GUPTA
*Independent Director, 76 Years
M.Com, LLB, M.Phil,
Masters Diploma in Public
Administration.
Joined July 31, 2008*



RAKESH C KATIYAR
*Independent Director, 63 Years
M.Com, PhD, FICWA, D Lit.
Joined April 19, 2007*



BRIJ LAL GUPTA
*Independent Director, 67 Years
B.Sc., CAIB
Joined December 6, 2014*



AJAY KASHYAP
*Independent Director, 70 Years
B.Tech (Chem), M.Sc. (Chem)
Joined April 19, 2007*



VISHAL MEHROTRA
*Independent Director, 47 Years
LL.B
Joined August 10, 2019*

DIRECTORS' REPORT



DEAR MEMBERS,

Your Directors are pleased to present the 57th Annual Report of the Company along with financial statements for the year ended 31st March 2020.

1 RESULTS OF OUR OPERATIONS

FINANCIAL HIGHLIGHTS

Table 1 gives the financial performance of the Company for the financial year 2019-20 as compared to the previous financial year.

		Rs.In Lakhs	
Table1	Financial Highlights	2019-2020	2018-2019
Revenue from Operations			
	Revenue from Operations	16,812.69	15,124.80
	Other Income	720.21	422.02
Total Income		17,532.90	15,546.82
Profit before Finance Cost ,depreciation exceptional items and tax		3,549.98	2,835.02
	Less :Finance Cost	1,138.93	921.36
	Less :Depreciation	1,021.23	909.42
	Less :Exceptional items	-	61.81
Profit before Tax		1,389.82	942.43
	Tax Expenses	(339.23)	149.11
Profit after Tax		1,050.59	1,091.54



RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The Company witnessed a growth in revenue from operations by 11.16% to Rs. 168.13 crores with the operationalisation of the AMTC plant and scaling up of capacity. The Advanced Manufacturing & Technology Centre continues to utilize part of its capacity for trials, research and development of new products and technologies for the future.

Profit before finance cost, depreciation and amortisation, exceptional items and tax, as a percentage of revenue from operations, has improved to 21% from 18.7% in the previous year, although in absolute terms it has risen by 25%.

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

DIVIDEND

The Company has already commercialized major capacity of its manufacturing capability at the Advanced Manufacturing & Technology Centre (AMTC) in Lucknow, Uttar Pradesh. A substantial investment has been made in new technologies and capabilities for this new facility, effects of which are visible in the Company's financial performance. However, the Company has also formed a new subsidiary Aerolloy Technologies Limited for entering into the aerospace components market for which further outlay of funds is envisioned. Hence, the directors do not consider it prudent to recommend any dividend for the year ended on March 31, 2020. The Company has also not transferred any amount to the General Reserve during the year. The amount of Rs. 10.51 crores is proposed to be retained in the Profit and Loss Account for the year ended on March 31, 2020.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As per the requirement of section 186(4) of Companies Act, 2013, particulars of loans given, investments made, guarantees given or securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements on page number 123. The Company is in compliance with the limits as prescribed under Section 186 of Companies Act, 2013

read with rule 11 of the Companies (Meeting of Board and its Powers) Rules, 2014.

RELATED PARTY TRANSACTIONS

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

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

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

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

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

GLOBAL PANDEMIC – COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. The world is in the midst of COVID-19 pandemic and it is yet unclear how

long its impact shall continue and affect all economic activities. The governments across the world have been deploying drastic measures, such as lockdowns, to contain this pandemic. This being an unprecedented crisis humankind is facing, the full assessment of the impact on the business will be possible only with the passage of time.

COVID-19 is impacting business operations of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure and lockdown of production facilities etc. On March 24, 2020, the Government of India ordered a nationwide lockdown for 21 days which was further extended till May 3, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities. The operations of the company were completely shut down from March 22, 2020 to May 10 2020. Limited plant operations started from May 11, 2020 with an operational capacity of around 30%-40%. Wherever possible, the company has made arrangements for its staff to continue working from home.

Accordingly the revenue during this period and profitability of the Company was impacted though this value cannot be quantified. The Company has availed moratorium on loan repayment and debt servicing as extended by banks during this period. It has continued to meet all its debt and other financial obligations and incur various fixed costs including salaries. While demand for products has been impacted since the global slowdown caused by COVID 19 pandemic, the same is expected to pick up with time, when the business resumes to usual pace. At present, the Directors do not expect any material adverse impact on the business and its prospects in the future.



MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 read with Schedule V Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report on page 78.

2 BUSINESS

The company's Advanced Manufacturing & Technology Centre, (AMTC) in Lucknow, India has become operational and the Company is in the process of scaling up its operations and improving its capabilities. A number of new product lines and technologies have been added to the Company's portfolio and these have opened up many new opportunities for the business. The technologies and facilities available in this plant have created an indigenous capability for manufacture of high precision components with unparalleled quality, consistency and reliability for super-critical applications.

For the first time ever, Titanium Casting technology and manufacturing capability is being brought to India and shall provide import substitution for key components and pave the way for a new era of Atmanirbhar Bharat.

The Company's project for Rs. 51 Crores with the support of the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Government of India for acquisition and customisation of Technology for Development & Commercialisation of Titanium Castings with Ceramic Shelling under the Technology Acquisition Fund Programme (TAFP) has been completed during the year. For this project, the department had committed partial support as a grant of Rs. 10 Crores out of a total cost of Rs. 51 crores for a project duration of four years from the date of signing of MoU with Global Innovation and Technology Alliance (GITA).

The AMTC Plant has already become a hallmark of excellence in core manufacturing in the state of Uttar Pradesh. Besides bringing world class technology to the country, this plant is also incorporating the best practices for sustainable manufacturing. This goal has been accomplished by construction of a green building with a rooftop solar plant, rainwater harvesting, and effluent and waste treatment plants and investment in fume extraction and exhaust systems.



SUBSIDIARY

The Company has formed a 100% owned subsidiary Company named Aerolloy Technologies Limited, incorporated on February 17, 2020, having CIN No. U27200UP2020PLC127120. The Company has no other subsidiary, associate or joint venture. The Company has formulated a Policy for determining Material Subsidiaries. The Policy is put up on the Company's website and can be accessed at www.ptcil.com.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the provisions of the act and listing regulations read with Ind AS-110-consolidated financial statement, Ind AS-28-investments in associates and joint ventures and Ind As-31-interests in joint ventures, the Company shall prepare consolidated financial statements for the year 2020-21, as recently incorporated wholly owned subsidiary Company shall close its first annual accounts for the year ending at March 31, 2021.

RESEARCH AND DEVELOPMENT

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

The Company has successfully completed its Technology Development and Demonstration Programme (TDDP) for development and commercialization of the

RapidCast™ technology for manufacture of stainless steel castings of weight up to 6,000 kilograms which has become fully operational and allowed the Company to manufacture stainless steel castings weighing upto 6,000 kilograms, single-piece for a wide range of critical and super-critical products during the year.

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

The company's efforts into development of technologies related to 3D printing and additive manufacturing using metal powders have also started to yield results. The technologies and processes developed from these initiatives shall also have a significant impact on the metal component industry and the manufacture of critical metal components in the future.

QUALITY AND SAFETY

The Company's standards for quality, safety, training, development, health and environment have always been kept at the highest level of importance. The

Company has been employing the use of artificial intelligence, data analytics and latest software to continuously upgrade and maintain its safety and quality parameters.

While it already holds international quality standard certifications such as ISO 9001:2015, PED (Pressure Equipment directive), AD 2000 Merkblatt and various Marine Classification Approvals along with a DSIR approved Research and Development laboratory, it also works on achieving higher levels of quality certifications and accreditations.

The Company facilities reinforce its commitment to providing a safe and reliable workplace to its employees. The usage of Personal Protective Equipment (PPE) and safety awareness of every employee is vital to an injury, hazard and accident free workplace. Hence, the Company focuses significantly on improving the efficiency of the operations through implementation of innovative technologies, and the use of global best practices to minimize its impact on the environment. The company continues to carry out comprehensive reviews of its health and safety principles and put in place improvement measures to ensure compliance with international standards. With the induction of qualified personnel and the management of operations by a capable senior management team, the Company's foundations of a quality-centric work culture have also been strengthened for an enabling and positive work environment. The company has invested in equipment to extract dust, smoke and smell in order to make the working environment clean and healthy. Every employee is tasked with ensuring safety for themselves and those around them, as well as has the right to intervene in a situation where work may be performed in an unsafe manner.

The Company utilises the power of renewable energy and measures such as rainwater harvesting to efficiently manage its operations to minimize the impact on the environment to preserve it for the present and future generations. It also regularly initiates activities to contribute positively to the communities around or near its operations for the wellbeing of all.

The Company's EHS department operating under an experienced environmental engineer oversees compliance with various international guidelines for environmental, health and safety.



AWARDS & RECOGNITIONS

During the year, the Chairman and Managing Director of the Company, Mr. Sachin Agarwal was honoured for ushering an era of positive change in Uttar Pradesh by the Honourable Governor, Smt. Anandiben Patel ji, Honourable Chief Minister, Shri Yogi Aditya Nath ji and Honourable Deputy Chief Minister, Shri Dinesh Sharma ji on the occasion of UP Divas.

3 HUMAN RESOURCE MANAGEMENT

The Company believes that its primary asset is its team of highly motivated and dedicated employees which shall be the seed for the Company's holistic growth and prosperity. Hence, and the development of its workforce is intrinsic to its growth and progress.

The efficiency of our workers has always been a key priority for the Company as it is moving towards larger capacities and greater capabilities. PTC focuses on business process optimization, efficiency improvement and cost reduction continuously. The Company has conducted various manufacturing excellence and productivity improvement projects throughout the year with both internal and external experts. A number of new systems have been implemented at the shop floor and innovative manufacturing tools are being employed to improve the quality and efficiency of the output.

Internal and external training programs and seminars in varied fields relating to management, operations, finance and technology are undertaken to ensure that employees' competencies are constantly upgraded to elevate them both personally and professionally. Employees are encouraged to constantly learn about technological developments in the industry and novel approaches adopted by others in the world to update



their knowledge and skills. The employees are enabled to operate with the latest equipment and digital tools whereby they are able to leverage their skills and knowledge for the benefit of the business. Cross-functional training and skill development is constantly encouraged and employees are provided with opportunities to educate and train themselves across various manufacturing and functional processes .

Effective communication channels are maintained for meaningful interactions between the management and staff. We continued to communicate responsively and candidly with employees and have begun demanding the same of our next tier of leadership. We interact with employees frequently, and collectively at least once a month to collaborate on strategy, risks, and execution. Innovation is also encouraged by giving the employees just enough structure and support to help them navigate uncertainty and tapping into their own creative process without stifling it.

The management commitment to innovation remains steadfast, and the Company has created a task force focused on Technology and Innovation to spur the growth of innovative processes and ideas at the workplace. Active participation of the senior management team in the activities of this task force enables them to spot inflection points that may be missed by their staff and also gives them a deeper intuition when it's time to make a decision. Apart from regular interaction, the management provides ample opportunities for inventive thoughts to come forward through exclusive pages and time devoted to creative and innovative thinking in our in-house magazine and office functions.

PARTICULARS OF EMPLOYEES

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

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

4 CORPORATE GOVERNANCE

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

NUMBER OF MEETINGS OF THE BOARD

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company seeks to maintain an appropriate mix of executive and independent directors in order to maintain the independence of the Board and segregate the functions of governance and management. The Board consists of professionally qualified individuals from diverse backgrounds with wide experience in

business, education, finance and public service. As at year end, the Board consists of 10 directors, one of whom is Chairman & Managing Director four are Whole-time directors and five are Independent directors. Your Company, in compliance with section 178(1) of the Companies Act, 2013 read with The Companies (Meeting of Board and its Powers) Rules, 2014, has duly constituted a Nomination and Remuneration Committee. This committee is chaired by an independent director and formulates the criteria for determining qualifications, positive attributes, independence of a director and other matters.

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

INDUCTION AND CHANGES

The casual vacancy caused by the resignation of Ms. Shashi Vaish on February 15, 2019, was filled on June 01, 2019 by the appointment of Ms. Smita Agarwal as a Whole-time director. Mr. Vishal Mehrotra was inducted as an Independent director on the Board with effect from August 10, 2019. The members had accorded their approval for these appointments at previous AGM held on September 28, 2019. In accordance with the provisions of Section 152 of the Act read with

Article 158 and 159 of the Articles of Association of the Company, Mr. Ashok Kumar Shukla will retire by rotation at the ensuing AGM and, being eligible, offer himself for reappointment. The Board has recommended his reappointment.

During the year, the Company has also bid farewell to its committed and dynamic Chief Operating Officer, Mr. Anthony Rowett who has returned to the United Kingdom after completing his three year tenure with the Company. Mr. Rowett helped PTC establish world class infrastructure and management systems and successfully implemented a lot of new innovative processes and systems in the Company. The Directors would like to express their gratitude and appreciation for his contribution to the growth and progress of the Company.

Attributes, Qualifications & Independence of Directors and their Appointment

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

Details of the Company's Policy on remuneration





of Directors, Key Managerial Personnel and other employees is provided in the Report on Corporate Governance forming part of the Report and Accounts.

DECLARATION BY INDEPENDENT DIRECTORS

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

BOARD EVALUATION

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

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

KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013 the Key Managerial Personnel of the Company are Mr. Sachin Agarwal, Chairman & Managing Director, Ms. Smita Agarwal, Whole Time Director and CFO and Mr. Anuj Nigam, Company Secretary.

COMMITTEES OF THE BOARD

Currently, the Board has 8 (eight) committees. A detailed note on the Board and its committees is provided in the Corporate Governance Report section of this Annual Report. The composition of the committees and compliances, as per applicable provisions of the Act and Rules, are as follows:

Name of the committee	Composition of the committee	Highlights of duties, responsibilities and activities
Audit committee	Dr .Rakesh Chandra Katiyar, Chairperson, Mr .Brij Lal Gupta ,Member Mr .Krishna Das Gupta ,Member Ms .Smita Agarwal ,Member	All recommendations made by the committee during the year were accepted by the Board. The Company has adopted the Higher Education Loan Policy for directors and employees to encourage employees to support higher education for their family members. The Company also reviewed and enforced the Related Party Transaction Policy during the year.
Nomination and remuneration committee	Mr .Krishna Das Gupta ,Chairperson, Mr .Brij Lal Gupta ,Member Dr .Rakesh Chandra Katiyar ,Member	The Committee oversees and administers executive compensation. The Committee recommends a criteria for evaluation of the performance of the Directors including the Independent Directors. All recommendations made by the committee during the year were accepted by the Board.
Stakeholders relationship committee	Dr .Rakesh Chandra Katiyar, Chairperson, Mr .Ajay Kashyap ,Member Mr .Sachin Agarwal ,Member Mr .Krishna Das Gupta ,Member	The Committee reviews and ensures redressal of investor grievances, ratifies share transfers, duplicate issue of certificates and transmissions. The committee noted that no grievances of the investors have been reported during the year.
Corporate social responsibility committee	Mr .Krishna Das Gupta ,Chairperson, Mr .Alok Agarwal ,Member Dr .Rakesh Chandra Katiyar ,Member *Ms .Smita Agarwal ,Member	The Board has laid down the Company's policy on Corporate Social Responsibility (CSR). The CSR policy is available on Company website, www.ptcil.com
Project monitoring and environment committee	Mr .Sachin Agarwal ,Chairperson Mr .Krishna Das Gupta ,Member Mr .Alok Agarwal ,Member Mr .Ajay Kashyap ,Member	It oversees and monitors the progress of large capital expenditures and projects being implemented by the Company It monitors and oversees all the requirements which are required for the smooth establishment of the Company's new Plant, Advanced Manufacturing and Technology Centre. It also assesses the impact of the operations of the Company on the environment and initiates steps for the identification of potential issues and provision of support in setting a direction for improvements.



Banking committee	Mr .Sachin Agarwal ,Chairperson, Mr .Alok Agarwal ,Member Mr .Brij Lal Gupta ,Member	<p>Approval of sanction letters and/or borrowings at a time or by cumulative sum not exceeding Rs. 35,00,00,000 (Rupees thirty five crores) subject to fact that the Chairman of the Committee will place such approval at the subsequent meeting of the Board.</p> <p>Passing of resolution(s) for opening, closing and operation of bank accounts with present bankers of the Company viz., State Bank of India, Punjab National Bank, HDFC bank, Yes Bank or any of the banks in future.</p> <p>To authorise additions/deletions to the signatories pertaining to banking transactions.</p> <p>To approve investment of surplus fund for an amount not exceeding Rs. 10,00,00,000 (Rupees Ten crores) as per the policy approved by the Board.</p> <p>To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivatives products.</p> <p>Any approval and/or execution for day to day banking matters of the Company.</p> <p>To attend to any other responsibility as may be entrusted by the Board to perform any activity within terms of reference.</p>
Risk management committee	Dr .Rakesh Chandra Katiyar, Chairperson, Mr .Priya Ranjan Agarwal ,Member Mr .Brij Lal Gupta ,Member	<p>It makes recommendations to the Board to manage the risk of the Company and appraises the Board regarding any noticeable and relevant risks which can have an adverse effect on the affairs of the Company.</p> <p>The Risk Management Policy of the Company can be accessed at www.ptcil.com.</p>
Listing committee	Mr .Sachin Agarwal ,Chairperson, Mr .Alok Agarwal ,Member Ms .Smita Agarwal ,Member, Mr .Anuj Nigam ,Company Secretary	To oversee and monitor all tasks in relation to the listing of equity shares of the Company at stock exchanges.

* w.e.f form August 04, 2020

DIRECTORS’ RESPONSIBILITY STATEMENT

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

(a) in preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards read with the requirements set out under

Schedule III of the Act have been followed and that there are no material departures from the same;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of

the Company at the end of the financial year ended on March 31, 2020 and of the profit of the Company for year ended on that date;

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

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

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

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

ADOPTION OF IND-AS

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

LISTING

The Company has its equity shares listed on BSE Limited. The Company has paid listing fees for the year 2020-21. The Company has also established connectivity with both depositories, NSDL and CDSL.

4. AUDITORS

STATUTORY AUDITORS

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

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

SECRETARIAL AUDITOR

M/s Amit Gupta & Associates, Practicing Company Secretaries were appointed as secretarial auditors of the Company for the year 2019-20 as required under Section 204 of the Companies Act, 2013 and Rules made thereunder. The secretarial audit report for FY 2019-20, in Form MR3, forms part of the Annual Report at Annexure -V and carries no qualifications, reservations, adverse remarks or disclaimers and hence no explanations are required.

The Board has appointed M/s. Amit Gupta & Associates, Practicing Company Secretaries, as the secretarial auditor of the Company for the financial year 2020-21.

COST AUDIT

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

SIGNIFICANT AND MATERIAL ORDERS

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

AUDIT COMMITTEE AND VIGIL MECHANISM

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



effective supervision of the financial reporting process of the Company, and to ensure proper and timely disclosures maintaining transparency and integrity for the shareholders.

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

CREDIT RATING

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

Instrument	Rating Agency	Rating*	Outlook	Remarks
Term loan	India Ratings	IND BBB	Stable	Rating affirmed
Fund Based Debt	India Ratings	IND BBB/Stable/IND A3+	Stable	Rating affirmed
Non Fund Based Debt	India Ratings	IND A3+		Rating affirmed

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

RISK MANAGEMENT

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

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

EXTRACT OF ANNUAL RETURN

Details forming part of the extract of the Annual Return of the Company are annexed herewith as Annexure I to this Report in Form MGT 9 as per the Companies Act 2013 and Rules.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitised and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems. During the year, such controls were tested by the Statutory Auditors of the Company and no reportable material weakness in the design or operation was observed.

- Reviewing and approving the Company’s Risk Management Policy so that it is consistent with the Company’s objectives; and
- Ensuring that all the risks that the Company faces such as strategic, operational, financial, compliance and other risks are identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

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

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

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

SECRETARIAL STANDARDS

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

GOING CONCERN STATUS

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

KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year ended 31st March, 2020 along with details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, and the detailed explanations, are provided in the Management Discussion and Analysis report.

CHANGES IN SHARE CAPITAL

There was no change in share capital of the Company during the year under report.

5. CORPORATE SOCIAL RESPONSIBILITY

PTC strongly believes in the concept of sustainable development and is committed to operate and grow its operations in a socially and environmentally responsible way. Our vision is to expand our operations whilst reducing the environmental impact of our operations and increasing the positive social impact on our community.

The Company has duly constituted a Corporate Social Responsibility (CSR) Committee pursuant to the requirement of Section 135(1) of Companies Act, 2013 and the Rules made thereunder. On the recommendation of CSR committee, the Board has

approved the Corporate Social Responsibility Policy which is available on the company's website www.ptcil.com. The Board has recently approved the CSR Policy to enable CSR expenditure towards COVID 19 related projects also.

The Company has formed a trust, viz. PTC Foundation, in the year 2014-2015 for the purpose of undertaking CSR activities exclusively. PTC Foundation shall work along with the Board and the CSR committee in order to identify and implement CSR initiatives of the Company. Key CSR initiatives of the Company focus on providing primary and secondary education, supporting technical learning institutes, empowering women, improving health and sanitation facilities and promoting Indian art and culture. The Company has spent Rs. 17.14 Lakhs for its CSR activities during the financial 2019-20. Details of initiatives taken by PTC Foundation during the year are covered in the Corporate Social Responsibility Report attached as Annexure IV to this Directors' Report as per the requirement of Rule 9 of The Companies (Accounts) Rule, 2014.

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

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

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

The Company's has always had a very strict policy on the sexual harassment issues and has zero tolerance in this matter. Ensuring a safe environment for its women employees is a major priority for the Company and its management. As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has formed an Internal Committee to address complaints pertaining to sexual harassment in the workplace. The Company policy mandates prevention of sexual harassment and to ensure a free and fair enquiry process with clear timelines for resolution. To build awareness, the



Company has been conducting training programmes on a periodic basis. In your Company's legacy of more than 55 years, no instance of sexual harassment has ever been reported by any employee. During the year 2019-20 also, the Company has not received any complaints of sexual harassment.

8. GENERAL

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

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme including Employees' Stock Options Plan.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.

FORWARD-LOOKING STATEMENTS

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

ACKNOWLEDGEMENTS

The Board of Directors thank the bankers of the Company, other financial institutions, the Government of India, the State Governments and the government agencies for their guidance and continued support extended to the Company throughout the year. We look forward to having the same support in our endeavour to better the lives of all those who are associated with the Company.

The Board of Directors also place on record their sincere appreciation for the significant contribution made by its employees, workers and outside professionals through their dedication, hard work and commitment exhibited in the overall development, growth and prosperity of the Company.

On behalf of the Board of Directors

Place: Lucknow

Date: August 04, 2020

Sachin Agarwal

Chairman & Managing Director

Alok Agarwal

Director - Quality & Technical

ANNEXURE TO DIRECTORS' REPORT TO THE MEMBERS

Form No. MGT. 9

ANNEXURE I

Extract of Annual Return

(As on the financial year ended on March 31, 2020)

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

I REGISTRATION AND OTHER DETAILS:

i	CIN	L27109UP1963PLC002931
ii	Registration Date	March 20, 1963
iii	Name of the Company	PTC Industries Limited
iv	Category/Sub-Category of the Company	Public Company/Limited by shares
v	Address of the Registered office and contact details	NH-25A Sarai Shahjadi, Lucknow – 227 101, Uttar Pradesh, India. Phone : +91-522-7111017 Fax : +91-522-7111020 email : ptc@ptcil.com Website : www.ptcil.com
vi	Whether listed company	Yes, on BSE Limited.
vii	Name, Address and Contact details of Registrar and Transfer Agent	M/s. Link Intime India Private Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083. Phone : 022 49186270 Fax : 022 49186060 Website: www.linkintime.co.in

ii PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The business activities contributing 10% or more of the total turnover of the Company are stated below:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Casting of Iron and Steel	2431	85%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company has formed a 100% owned subsidiary Company name Aerolloy Technologies Limited incorporated on February 17, 2020, having CIN No. U27200UP2020PLC127120. The Company has no other subsidiary, associate or joint venture.. The Company shall prepare consolidated financial statements for the year 2020-21, as recently incorporated wholly owned subsidiary Company shall close it first annual accounts for the year ending at March 31, 2021.



FORM NO. AOC -1

Statement containing salient features of the financial statement of subsidiary/ associate company/ joint venture
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A: Subsidiary

Name of subsidiary	Reporting period	Reporting currency	Share capital	Reserve & Surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before tax	Provision of taxation	Proposed dividend	% of share holding
Aerolloy Technologies Limited	Reporting period same i.e. April to March	INR	10,000 equity shares of Rs. 10/- each	-	-	-	-	-	-	-	-	100

*The Company has formed a %100 owned subsidiary Company named Aerolloy Technologies Limited incorporated on February 17, 2020, having CIN No. U27200UP2020PLC127120. The company is closing its first annual accounts in FY 2020-21.

Part B: Associate and Joint Venture

The Company have no Joint Venture and Associates.

(Sachin Agarwal)
Chairman and Managing Director

(Alok Agarwal)
Director (Quality & Technical)

Place: Lucknow
Date: 04/08/2020

(Smita Agarwal)
Chief Financial Officer

(Anuj Nigam)
Company Secretary

IV SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

1 Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the End of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	2033760	0	2033760	38.82	2033760	0	2033760	38.82	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	1254660	0	1254660	23.95	1254660	0	1254660	23.95	0.00
	Sub Total (A)(1)	3288420	0	3288420	62.77	3288420	0	3288420	62.77	0.00
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	3288420	0	3288420	62.77	3288420	0	3288420	62.77	0.00
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00



[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	176214	93210	269424	5.14	194193	82710	276903	5.29	0.14
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	268100	51400	319500	6.10	286875	51400	338275	6.46	0.36
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Hindu Undivided Family	35503	0	35503	0.68	14628	0	14628	0.28	-0.40
	Foreign Companies	1047813	0	1047813	20.00	1047813	0	1047813	20.00	0.00
	Non Resident Indians (Non Repat)	1477	0	1477	0.03	1362	0	1362	0.03	-0.00
	Non Resident Indians (Repat)	2973	14000	16973	0.32	3831	13300	17131	0.33	0.01
	Clearing Member	4415	0	4415	0.08	565	0	565	0.01	-0.07
	Market Maker	0	7100	7100	0.14	0	6500	6500	0.13	-0.01
	Bodies Corporate	166638	81800	248438	4.74	170966	76500	247466	4.72	-0.02
	Sub Total (B)(3)	1703133	247510	1950643	37.23	1720233	230410	1950643	37.23	0.00
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	1703133	247510	1950643	37.23	1720233	230410	1950643	37.23	0.00
	Total (A)+(B)	4991553	247510	5239063	100.00	5008653	230410	5239063	100.00	0.00
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	4991553	247510	5239063	100.00	5008653	230410	5239063	100.00	

II. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year - 2019			Shareholding at the End of the year - 2020			% change in shareholding during the year
		No of Shares Held	% of the Total of the Company	% of Shares Pledged / encumbered to total shares	No of Shares Held	% of the Total of the Company	% of Shares Pledged / encumbered to total shares	
1	SACHIN AGARWAL	1244560	23.76	0	1113560	21.26	0	-2.50
2	MAPPLE COMMERCE PRIVATE LIMITED	625150	11.93	0	625150	11.93	0	0
3	NIRALA MERCHANTS PRIVATE LIMITED	460200	8.78	0	460200	8.78	0	0
4	PRIYA RANJAN AGARWAL	386000	7.37	0	386000	7.37	0	0
5	ALOK AGARWAL	215600	4.12	0	215600	4.12	0	0
6	VIVEN ADVISORY SERVICES PRIVATE LIMITED	169310	3.23	0	169310	3.23	0	0
7	ANSHOO AGARWAL	62300	1.19	0	62300	1.19	0	0
8	SATISH CHANDRA AGARWAL	30400	0.58	0	30400	0.58	0	0
9	BINA AGARWAL	28500	0.54	0	28500	0.54	0	0
10	KANCHAN AGARWAL	21200	0.40	0	21200	0.40	0	0
11	KIRAN ARUN PRASAD	19200	0.37	0	19200	0.37	0	0
12	MANU AGARWAL	10000	0.19	0	10000	0.19	0	0
13	RITIKA AGARWAL	10000	0.19	0	10000	0.19	0	0
14	REENA AGARWAL	4000	0.08	0	4000	0.08	0	0
15	ARUN JWALA PRASAD	2000	0.04	0	2000	0.04	0	0
16	SMITA AGARWAL	0	0	0	131000	2.50	0	2.50
	Total	3288420	62.76	0	3288420	62.76	0	0

III Change in Promoters' Shareholding

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	SACHIN AGARWAL	1245960	23.76			1245960	23.76
	Transfer			25 Nov 2019	-131000	1113560	21.26
	AT THE END OF THE YEAR					1244560	21.26
2	SMITA AGARWAL					0	0
	Transfer	0	0	25 Nov 2019	131000	625150	2.50
	AT THE END OF THE YEAR					625150	2.20



Shareholding pattern of top ten shareholders (other than directors and promoters)

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	PRAGATI INDIA FUND LIMITED	1047813	20.00			1047813	20.00
	AT THE END OF THE YEAR					1047813	20.00
2	JOLEN MARKETING PRIVATE LIMITED	152002	2.90			152002	2.90
	AT THE END OF THE YEAR					152002	2.90
3	SHASHI BALA AGARWAL	46600	0.89			46600	0.89
	Transfer			13 Dec 2019	58	46658	0.89
	Transfer			31 Dec 2019	272	46930	0.90
	Transfer			20 Mar 2020	1047	47977	0.92
	AT THE END OF THE YEAR					47977	0.92
4	RAHEJA LEASING AND INVEST PVT LTD	43200	0.82			43200	0.82
	AT THE END OF THE YEAR					43200	0.82
5	AJAY KUMAR KAYAN	30863	0.59			30863	0.59
	AT THE END OF THE YEAR					30863	0.59
6	AVINASH JAIN	25986	0.50			25986	0.50
	AT THE END OF THE YEAR					25986	0.50
7	PADMANABH TRADING (P) LTD.	23600	0.45			23600	0.45
	AT THE END OF THE YEAR					23600	0.45
8	RAVINDRA KUMAR AGARWAL	20200	0.39			20200	0.39
	AT THE END OF THE YEAR					20200	0.39
9	DEVENDRA KUMAR AGARWAL	17800	0.34			17800	0.34
	AT THE END OF THE YEAR					17800	0.34
10	DHRUVA JI AGRAWAL (HUF)	26500	0.51			26500	0.51
	Transfer			14 Jun 2019	(51)	26449	0.51
	Transfer			21 Jun 2019	(265)	26184	0.50
	Transfer			29 Jun 2019	(5)	26179	0.50

Transfer			05 Jul 2019	(3369)	22810	0.44
Transfer			12 Jul 2019	(1497)	21313	0.41
Transfer			19 Jul 2019	(351)	20962	0.40
Transfer			09 Aug 2019	(384)	20578	0.39
Transfer			16 Aug 2019	(672)	19906	0.38
Transfer			23 Aug 2019	(231)	19675	0.38
Transfer			06 Sep 2019	(32)	19643	0.38
Transfer			13 Sep 2019	(344)	19299	0.37
Transfer			20 Sep 2019	(301)	18998	0.36
Transfer			27 Sep 2019	(55)	18943	0.36
Transfer			30 Sep 2019	(4)	18939	0.36
Transfer			11 Oct 2019	(2749)	16190	0.31
Transfer			18 Oct 2019	(470)	15720	0.30
Transfer			25 Oct 2019	(1287)	14433	0.28
Transfer			01 Nov 2019	(300)	14133	0.27
Transfer			08 Nov 2019	(5)	14128	0.27
Transfer			06 Dec 2019	(25)	14103	0.27
Transfer			20 Dec 2019	(3)	14100	0.27
Transfer			27 Dec 2019	(26)	14074	0.27
Transfer			10 Jan 2020	(457)	13617	0.26
Transfer			17 Jan 2020	(250)	13367	0.25
Transfer			24 Jan 2020	(46)	13321	0.25
Transfer			31 Jan 2020	(506)	12815	0.24
Transfer			07 Feb 2020	(295)	12520	0.24
Transfer			14 Feb 2020	(6323)	6197	0.12
Transfer			21 Feb 2020	(585)	5612	0.12
Transfer			28 Feb 2020	(900)	4712	0.09
AT THE END OF THE YEAR					4712	0.09

IV INDEBTEDNESS

Indebtedness of the Company is as follows:

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year April 1, 2019				
i) Principal Amount	8,475.96	-	-	8,475.96
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	16.97	-	-	16.97
Total (i+ii+iii)	8,492.93	-	-	8,492.93



Change in Indebtedness during the financial year				
- Addition	208.66			208.66
- Reduction	-	-	-	-
Net Change	208.66			208.66
Indebtedness at the end of the financial year March 31, 2020				
i Principal Amount	8,604.46	-	-	8,604.46
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	97.13	-	-	97.13
Total (i+ii+iii)	8,701.57	-	-	8,701.57

V REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager					Total Amount
		Sachin Agarwal, Managing Director	Alok Agarwal, Director (Quality & Technical)	Priya Ranjan Agarwal, Director (Marketing)	Ashok Kumar Shukla Executive Director	Smita Agarwal, Director & CFO#	
	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,13,44,793	35,01,212	41,72,259	63,94,869	34,05,500	2,88,18,633
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	28,800	1,13,312	28,800		28,800	1,99,712
	(c) Profits in-lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-		-
	Stock Option	-	-	-		-	-
	Sweat Equity	-	-	-		-	-
	Commission - as % of profit - others	3% of profit of the Company -	- -	- -	7% of Adjusted profit of Mehsana Plant		
	Others	-	-	-		-	-
	Total(A)	1,13,73,593	36,14,524	42,01,059	63,94,869	34,34,300	2,90,18,345
	Ceiling as per the Act						Refer Note *

Joined on Board w,e,f, June 1, 2019, remuneration also includes compensation earned as Chief Financial Officer, before her appointment as Director.

* Due to inadequacy of profits, Company is paying remuneration as per Schedule V of the Companies Act, 2013

B. Remuneration to other directors

Particulars of Remuneration	Name of Director					Total Amount
	Rakesh Chandra Katiyar	Krishna Das Gupta	Vishal Mehrotra	Ajay Kashyap	Brij Lal Gupta	
Independent Directors						
·Fee for attending board committee meetings	72,000	69,300	6,300	9,000	74,700	2,31,300
·Commission	-	-	-	-	-	-
·Others	-	-	-	-	-	-
Total(1)	72,000	69,300	6,300	9,000	74,700	2,31,300
Other Non-Executive Directors						
-Fee for attending board committee meetings	-	-	-	-	-	-
- Commission	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Total(2)	-	-	-	-	-	-
Total(B)=(1+2)	72,000	69,300	6,300	9,000	74,700	2,31,300
Total Managerial Remuneration	72,000	69,300	6,300	9,000	74,700	2,31,300

* The Company is not paying any remuneration/commission to non-executive directors. Only Sitting fees are paid to the Non-Executive directors which are below the ceiling limit prescribed under the Act.

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel
		Anuj Nigam Company Secretary
	Gross salary	
	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36,39,943
	Value of perquisites u/s 17(2) Income-tax Act, 1961	
	Profits in-lieu of salary under section 17(3) Income-tax Act, 1961	
	Stock Option	
	Sweat Equity	
	Commission	
	- as% of profit	
	- others	
	Others, please specify	
	Total	36,39,943

vi) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There are no penalties, punishments or compounding of offence on directors or on Company or any other officer in default for the year ended as on March 31, 2020.



FORM NO. AOC. 2

ANNEXURE II

Particulars of contracts/arrangements entered with related parties**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

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

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

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

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

During the year, the Company has no contracts or arrangement or transactions which are material in nature. All the transactions were at arm's length basis.

For and on behalf of Board of Directors**Place:** Lucknow**(Sachin Agarwal)****(Alok Agarwal)****Date:** August 04, 2020

Chairman & Managing Director

Director, Quality & Technical

Particulars of Employees

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

(Amount in lakhs)

Name(s) of Whole time Directors	Designation	Remuneration in year 2019-20 (In Rs.)	Remuneration in year 2018-19 (In Rs.)	% increase in remuneration	Ratio of remuneration to median remuneration of employees	Ratio of the remuneration to Net Profit (2019-20)
Sachin Agarwal	Chairman & Managing Director	113.74	95.05	19.65	56.20	0.11
Alok Agarwal	Director (Quality & Technical)	36.14	28.10	28.61	17.86	0.03
Priya Ranjan Agarwal	Director (Marketing)	42.01	26.56	58.17	20.76	0.04
Ashok Kumar Shukla	Director	63.95	68.35	-6.44	31.45	0.06
Smita Agarwal*	Woman Director	26.53	-	NA	13.11	0.03

Notes:

- * % increase in remuneration of Ms. Smita Agarwal not determinable as she was appointed as Director w.e.f. From June 01, 2020.

(Amount in lakhs)

Name of Non-Executive Director (Independent Director*)	Remuneration in year 2019-20 (In Rs.)	Remuneration in year 2018-19 (In Rs.)	% increase in remuneration
Krishna Das Gupta	0.69	0.51	35.29
Ajay Kashyap	0.09	0.09	-
Dr. Rakesh Chandra Katiyar	0.72	0.58	24.14
Vishal Mehrotra**	0.06	-	-
Brij Lal Gupta	0.75	0.54	38.89

Notes:

- * Independent Directors are only eligible for sitting fees and other out-of pocket expenses incurred for attending meetings of the Board or any committee thereof. The details provided are for sitting fees paid to Independent Directors during the year.
- ** % increase in remuneration of Mr. Vishal Mehrotra not determinable as he was appointed as director w.e.f. August 10, 2019.



(Amount in lakhs)

Name of KMP	Remuneration in year 2019-20	Remuneration in year 2018-19	% increase in remuneration	Ratio of the remuneration to Net Profit (2019-20)
Sachin Agarwal	113.74	95.05	19.69	0.11
Smita Agarwal*	34.34	28.61	20.03	0.03
Arun Kumar Gupta	-	9.45		
Anuj Nigam**	36.40	28.14		0.04

* Also include remuneration earned after appointment as Whole Time Director w.e.f. June 1, 2019.

** Not determinable as Mr. Anuj Nigam's salary for the year 2018-19 is for 10 Months and 8 days.

- i The median remuneration of employees for the year is Rs. 2,02,377 (previous year Rs. 1,89,618). Increase in the median remuneration is 6.73% over the previous year.
- ii The Company has 595 permanent employees (previous year 603) on the rolls, as at the year ended on March 31, 2020.
- iii The Company's profit for the year stood at Rs. 10.51 crores at the year ended on March 31, 2020 as compared to Rs. 10.92 crores for the year ended on March 31, 2019. The percentage of decline in the net profit of the Company is 3.75%. The increase in the remuneration of all KMPs has been 14.41% in year 2020 as compared to year 2019. Variation in remuneration has been based on the recommendation of Nomination and Remuneration Committee of the Company; the remunerations are at par with comparable industry average.

iv Variation in Market Capitalisation of the Company's price earnings ratio, etc.:

Sl. No.	Particulars	Value
1.	Market Cap variation	
	MCap on March 31, 2019 (in Lacs)	20,961
	MCap on March 31, 2020 (in Lacs)	15,089
	Variation (in Lacs)	(5,872)
2.	Price Earnings ratio	
	PE as on March 31, 2019	19.21
	PE as on March 31, 2020	14.36
	Variation	(4.85)
3.	% Decrease/Increase in market quotations of shares from last public offer	
	OFS price per share (on May 2, 1995) (in Rs.)	55
	Market price as on March 31, 2020 (in Rs.)	288
	Increase from last IPO (%)	423.63%

v Comparison of remuneration of KMPs against performance of the Company:

Particular of remuneration	Key Managerial Personnel					
	Mr. Sachin Agarwal, Chairman & Managing Director	Mr. Alok Agarwal, Whole time Director	Mr. Priya Ranjan Agarwal, Whole time Director	Mr. Ashok Kumar Shukla, Executive Director	Ms. Smita Agarwal, Director and Chief Financial Officer	Mr. Anuj Nigam, Company Secretary
Remuneration during the year (in lakhs)	113.74	36.14	42.01	63.95	34.34	36.40
Revenue (lakhs)	16,812.69					
Remuneration as % of Revenue	0.68	0.21	0.25	0.38	0.20	0.22
Profit before tax (in lakhs)	1,389.82					
Remuneration as % of Profit before tax	8.18	2.60	3.02	4.60	2.47	2.62

vi During the year under report there is one employee who received remuneration in excess of the highest paid director.

Sr. No.	Name	Remuneration (Gross) (In Rs.)	Designation	Qualification	Date of Employment	Total Experience (Years)	Age in Years	Particular of Last Employment and Designation	No. of Equity shares held	% of Shareholding
1.	Mr. Anthony Milne Rowett*	14,098,813	Chief Operating Officer	B. Eng (Hons) – Material Science	March 15, 2017	28	49	General Manager, Bradken Europe	-	-

*The term of appointment of Mr. Anthony Milne Rowett with the Company expired on March 31, 2020.

vii The remuneration payable is as per the Nomination and Remuneration Policy of the Company.

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

Sr. No.	Name	Remuneration (Gross) (In Rs. Lakhs)	Designation	Qualification	Date of Employment	Total Experience (Years)	Age in Years	Particulars of Last Employment and Designation	No. of Equity shares held	% of Shareholding
1	Mr. Anthony Milne Rowett	140.99	Chief Operating Officer	B. Eng (Hons) - Material Science	March 15, 2017	28	49	Bradken Europe, General Manager	-	-
2	Mr. Sachin Agarwal	113.74	Chairman & Managing Director	MBA, M.Sc (Finance)	June 18, 1998	22	48	-	11,13,560	21.26
3	James Michael Collins	67.47	Product & Process Development Manager	B.Eng(hons) Material Science and Engineering	December 11, 2017	13	33	Foundry Process Engineer/ Consultant with Castings Technology International Ltd (UK)	-	-



4	Mr. Ashok Kumar Shukla	63.95	Whole Time Director	B.Tech	October 01, 2017	30	52	-	81,369	1.55
5	Priya Ranjan Agarwal	42.01	Director, Marketing	B.Eng Mechanical	December 28, 1992	33	61	-	386,000	7.37
6	Mr. Anuj Nigam	36.40	Company Secretary	C.A., C.M.A. & C.S.	May 08, 2018	23	50	Rio Tinto Exploration India Private Limited, Director Commercial and CFO	-	-
7	Alok Agarwal	36.14	Director, Technical and Quality	B.Tech (IIT Kanpur)	July 27, 1994	26	58	-	215,600	4.12
8	Ms. Smita Agarwal	34.34	Director and Chief Financial Officer	C.A., DISA (ICAI)	January 1, 2009	23	44	PricewaterhouseCoopers, Executive	1,31,000	-
9	Mr. Rohit Agrawal	24.22	Senior Manager, Machine Shop	M.E. Mechanical	December 11, 2017	20	42	JNJ Machines Private Limited, Surat, Head - Operations	25	0.00
10	Mr. Vipin Kumar Agrawal	18.55	General Manager, Export Import	B. Com.	February 1, 1986	47	66	Yoga Fastners, Company Manager	5,900	0.11

Notes:

Employment in company is contractual.

Remuneration includes salary, commission, allowances and value of perquisites.

Place: Lucknow

Date: August 04, 2020

Sachin Agarwal

Chairman & Managing Director

Alok Agarwal

Director - Quality & Technical

Annual Report on CSR Activities

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

1. Brief Outline of the policy

PTC has set up the PTC Foundation (the 'Foundation') to undertake the CSR activities. Formation of the Trust has given focus to the CSR initiatives of the Company. The Companies Act, 2013 allows formation of trust or society to undertake the CSR activities on behalf of the companies.

For PTCIL, the Corporate Social Responsibility (CSR) is a planned set of activities taking into consideration the Company's capabilities, expectations of the communities living in and around the areas of its operation as well as where it has its presence, targeted to have a significant positive impact in the long run.

PTCIL's CSR activities are designed to promote sustainable and equitable development so as to improve the quality of life of people in the communities in and around the geographies we operate in. The focus has been on improving the quality of life amongst socially and economically backward communities, promoting education and making available safe drinking water. PTC also aims to minimize social risks associated with operations of the project site through this policy. The Company's CSR policy can be accessed at www.ptcil.com.

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

- Investment In Infrastructure and Training Programs To Enable Skill Development
- Working Closely with ITI's
- On-The-Job Training
- Vocational Education
- Assessment and Counselling
- Fostering Entrepreneurship
- Up-Skilling the Existing Workforce
- Skilling Persons with Disability
- Supporting Scaling Innovation
- COVID 19 related projects

2. Composition

The composition of CSR committee is as follows:

Sl. No.	Names	Category
1.	Mr. Krishna Das Gupta	Chairperson, Independent Director
2.	Mr. Alok Agarwal	Member, Executive Director, Non-Independent
3.	Mr. R.C. Katiyar	Member, Independent Director
4.	*Mrs. Smita Agarwal	Member, Whole Time Director & CFO

* w.e.f. August 04, 2020



3. Average Net Profit of Last three year

(Rupees in lakhs)

Financial year	Net Profit
2016-2017	779.59
2017-2018	849.04
2018-2019	942.43
TOTAL	2571.06
Average of three year's net profits	857.02
Prescribed CSR expenditure (2% of the average net profit of three years)	17.14

4. Details of CSR expenditure

Total amount to be spent for the financial year	17.14 lakhs
Amount unspent	Nil
Manner in which amount is spent	As detailed Below

(All amounts in Rs. Lakhs)

Sl. NO.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (Budget) project or programs wise	Amount Spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	The education project	Education	Rural areas, near Lucknow, Uttar Pradesh	60.00 (approx)		36.17	Through Foundation (CSR Trust)
2	Skill Development project	Skill Development	Rural areas, near Lucknow, Uttar Pradesh	80.00 (approx)	17.14	72.90	Through Foundation (CSR Trust)
3	Covid 19 Project	Disaster Management	Rural areas, near Lucknow, Uttar Pradesh	25.00 (approx)	0.36	0.36	Direct
TOTAL (in Lakhs)				165.00	17.50	109.43	

* The calculated amount of Rs. 17.14 lakhs for the current year has been transferred to the PTC Foundation which has been founded with the objective of undertaking PTC's Corporate Social Responsibility. The primary objective has been expanded in view of the new capabilities acquired by the Company to develop industrial and mechanical skills and capabilities in the population to offer better employment opportunities. The Company has transferred the current year amount in a corpus which now gross at Rs. 109.07 Lakhs.

Even before Corporate Social Responsibility (CSR) was introduced under statute, it was already textured into our Company's value systems. Our Ex-Chairman, Late Mr. Satish Agarwal advocated the idea of giving back to the community. He always believed that the wealth generated by the organization should be held as a trustee for our multiple stakeholders. This involves investing part of our profits beyond business, for the larger good of society.

PTC believes that its approach to corporate social responsibility will benefit the larger ecosystem comprising all our stakeholders. Its efforts towards CSR shall help create long-lasting value across the environmental, social and economic landscapes. The company firmly believes that it can fulfill its commitment to its stakeholders only by sustainable growth. One of the major initiatives envisioned by PTC Foundation is the establishment of a school for underprivileged children in a rural area of Uttar Pradesh. The Project cost around Rs. 60 Lakhs (approximately) and PTC Foundation has so far created a corpus of Rs. 36.17 Lakhs towards this project from the funds received from PTCIL.

In view of the new capabilities being acquired by the Company, and its understanding of the need for skilling and up-scaling the existing labour force of the state, it has adopted a Skill Development Project to impart key industrial and mechanical skilling techniques and capabilities to the rural population. This is an extremely important initiative, being an area of national focus as India readies itself to become the most populated country of the world and one with the youngest workforce ever. Skilling of this young population shall help strengthen the foundation of the New India that has to be built, and PTC Foundation believes that it has a small, but important, role to play in this direction.

PTC Foundation had also taken up a Project to create awareness among children, teachers and parents regarding child abuse by adopting Project Masoom, an initiative of CII - Young Indians with a focus on 'Keeping Children Safe' and preventing 'Child Sexual Abuse'. Multiple activities are now being initiated nationwide under the banner of Project Masoom by CII Young Indians.

PTC's key CSR initiatives are being undertaken with a long-term view. Initiatives that are sustainable, that have long-term benefits and that have business linkage are accorded priority. Some initiatives are driven by our people and some are driven by our process. Any development in this regard will be updated at www.ptcil.com

PTC takes its responsibility towards the society very seriously and is committed to contributing to the society in every manner that it can and making a positive impact on the community, the environment and all its stakeholders.

We undersigned hereby affirm that the implementation and monitoring of CSR Policy is in compliance with CSR objective and policy made in this regard.

Place: Lucknow

(Sachin Agarwal)

(K.D. Gupta)

Date: August 04, 2020

Chairman & Managing Director

Chairperson, CSR Committee



FORM NO. MR.3

ANNEXURE V

SECRETARIAL AUDIT REPORT**(For the financial year ended on March 31, 2020)**

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

To,**The Members,****PTC Industries Limited,****NH 25A, Sarai Shahjadi, Lucknow 227 101**

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

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

We hereby report that in our opinion

- i. The company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also
- ii. 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:
- iii. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:
- iv. The Companies Act, 2013 (the Act) and the rules made there under;
- v. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- vi. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- vii. 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;
- viii. 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, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable as the Company has not issued any securities during the financial year under review;
 - c. The Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable as the Company has not granted any options during the financial year under review;
 - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued any listed debt securities during the financial year under review;
 - e. 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 - Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;

- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable as the Company has not delisted/proposed to delist its equity shares from any stock exchange during the financial year under review;
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back/proposed to buyback any of its securities during the financial year under review.
- ix. The following other laws as may be applicable specifically to the company:
 - h. The Hazardous Wastes (Management and Handling) Rules 1989
 - i. The Environment Protection Act, 1986
 - j. The Water (Prevention and Control Pollution) Act, 1974
 - k. The Air (Prevention and Control Pollution) Act, 1981

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- ii. Listing Agreements entered into by the Company with BSE Limited, Mumbai;

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

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views, if any, 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. However there is scope for further improvisation to strengthen the systems, process and reporting thereof.

For Amit Gupta & Associates

Company Secretaries

Amit Gupta

Proprietor

Membership No. : F5478

C.P. No. 4682

UDIN-F005478B000586071

Date: August 17, 2020

Place: Lucknow

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



To,
The Members,
PTC Industries Limited,
NH-25A, Sarai Shahjadi, Lucknow 227 101

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

- i. 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.
- ii. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- iii. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- iv. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- v. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- vi. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Amit Gupta & Associates

Company Secretaries

Amit Gupta

Proprietor

Membership No. : F5478

C.P. No. 4682

UDIN-F005478B000586071

Date: August 17, 2020

Place: Lucknow

Secretarial Compliance Report of PTC Industries Limited

for the financial year ended at 31st March, 2020

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

To,

PTC Industries Limited,

(CIN - L271090P1963PLC002931)

Advance Manufacturing and Technology Centre, NH-25 A, Sarai Shahjadi,

Lucknow-227101, Uttar Pradesh, India

We Amit Gupta & Associates, Company Secretaries, have examined:

- i. all the documents and records made available to us and explanation provided by PTC Industries Limited ("the listed entity");
- ii. the filings/ submissions made by the listed entity to the stock exchanges;
- iii. website of the listed entity;
- iv. any other document/ filing, as may be relevant, which has been relied upon to make this certification;
- v. for the year ended at 31st March, 2020 ("Review Period") in respect of compliance with the provisions of :
- vi. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- vii. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");
- viii. The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-
- ix. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- x. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **(Not applicable to the Company during the review period);**
- xii. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- xii. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **(Not applicable to the Company during the review period);**
- xiii. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **(Not applicable to the Company during the review period);**
- xiv. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **(Not applicable to the Company during the review period);**
- xv. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 - **(Not applicable to the Company during the review period);**
- xvi. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- xvii. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies and dealing with client;
- xviii. Depositories Act, 1996;



and circulars/ guidelines issued thereunder;

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

- i. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.
- ii. The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- iii. There are no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.
- iv. The listed entity has taken the following actions to comply with the observations made in previous reports.

For Amit Gupta & Associates

Company Secretaries

Amit Gupta

Proprietor

Membership No. : F5478

C.P. No. 4682

UDIN F005478B000523281

Date: July 29, 2020

Place: Lucknow

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

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

- i. 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.
- ii. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- iii. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- iv. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- v. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- vi. The Secretarial Compliance Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Amit Gupta & Associates

Company Secretaries

Amit Gupta

Proprietor

Membership No. : F5478

C.P. No. 4682

UDIN F005478B000523281

Date: July 29, 2020

Place: Lucknow



ANNEXURE VI

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

A. CONSERVATION OF ENERGY	
(a) Energy Conservation measures taken	<ul style="list-style-type: none"> - Pool system in force for transportation to reduce fuel consumption and air pollution. - Convenient forklifts have been used, which are battery operated and energy saving with fumes free system installed. - Efficient CNC machines with 8 axes have been installed to reduced maximum energy, time and main power. - A large size Robotic System has been installed to improve coating efficiency of big shells. - Recycling of indirect waste materials like used ceramic to reduce solid waste generation and increase efficient utilization of resources. - Heat treatment furnaces have been converted to electrical furnaces in order to enhance productivity and energy conversation. - Energy saving is increased by optimum utilization of induction furnaces. Systematic maintenance of furnaces is carried out to ensure optimum performance on a sustainable basis. - Transparent fibre glass sheets have been fixed at various places on the roof of the shop floors to allow natural light to save on electrical lighting load. - Mercury Vapor Lamps 250W and Metal Halide 150W have replaced by more energy saving LED Lights in shop floors. - 700 kW Rooftop Solar Plant has been commissioned in the AMTC plant for generation of energy by sunlight as a renewable source of energy. - Battery operated forklift and hydraulic pallet have been procured to reduce diesel consumption. - Energy efficient 200 KVA UPS has been installed to control maximum load. - Energy saving LED Lights have been installed in shop floors and offices for new requirements / replacement. - Waste heat recovery systems have been installed in the new AMTC plant to utilize residual heat from the casting process. - Comprehensive recycling and reuse systems have been implemented for reuse of direct and indirect materials to reduce solid waste generation and make production more environments friendly.

	<ul style="list-style-type: none"> - Use of large size glass window panels in all areas of the new plant and office space at the AMTC Plant provide ample daylight and save on electrical lighting load.
(b) Additional investments and proposal, if any being implemented for reduction of energy consumption.	<ul style="list-style-type: none"> - Power active filters to be integrated in overall plant to save energy and will control maximum load. - Geo-thermal heating and cooling systems to be set up to transfer heat from the ground and reduce energy cost for heating and cooling of shells and castings respectively. - Comprehensive recycling and reuse systems are being implemented for reuse of direct and indirect materials to reduce solid waste generation and make production more environments friendly. - The Energy Logger instrument shall be procured for observation of Energy trend to save energy. - Additional active filter device has been installed with sophisticated machines. - High frequency grinder to be planned to replace old one to increase production and energy conservation.
(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact of cost of production of goods.	<ul style="list-style-type: none"> - Reduced energy consumption - Significant reduction of carbon footprint - Energy hedge against rise in power costs - Shift to use of renewable energy instead of traditional energy sources
B. TECHNOLOGY ABSORPTION	
1. RESEARCH & DEVELOPMENT (R&D)	
(a) Specific areas in which R&D carried out by the Company	<ul style="list-style-type: none"> - Company has taken up an innovative project for development of new casting technology overcoming limitations of existing casting technologies for large sized castings required for critical applications like Power, Oil & Gas & Refining Sectors. - The Company has successfully developed 5,000 kgs single piece casting by RapidCast™ Technology. - The Company has already been recognized by the Department of Scientific and Industrial Research (DSIR), under the Ministry of Science & Technology, Government of India, for its in-house Research and Development facilities. DSIR has also granted approval to PTC Industries Limited u/s 35 (2AB) of the Income Tax Act, 1961 for availing various incentives provided under the Act in connection with its research and development activities. The Company has developed innovative manufacturing



	<p>process whereby pouring is carried out under vacuum in order to minimize defects normally associated with traditional casting processes.</p> <ul style="list-style-type: none"> - Solid modeling and simulation done before actual production in order to optimize the manufacturing process. - Rapid prototyping is done to reduce production cycle times and manufacture small volume parts with high integrity and reliability. - Capabilities have been developed to manufacture large size castings up to 6,000 kilograms a piece by the RapidCast™ Process. - A high level of automation and process control is employed through the Company's path-breaking technologies. - The Company has established a Titanium Casting manufacturing capability using Ceramic Shelling for the first time in India. A significant amount of research, development and technology development has been made for this. The company's project for development and commercialization of Titanium Casting Technology has been approved by the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises under their Technology Acquisition Fund Program (TAFP). - A VAR furnace required for skull melting has been installed. - The company has also successfully developed its Printcast™ technology using 3D printed patterns for manufacture of highly complex, high integrity and high precision parts in smaller weight ranges.
<p>(b) Benefits derived as a result of above R&D</p>	<ul style="list-style-type: none"> - The establishment of capabilities for manufacture of a large number of metal components for the first time ever in the country, including Titanium castings, highly critical parts for aerospace and space-exploration applications. - The availability of the latest and best-in-class manufacturing processes at par with international technology and standards in the country. - Import substitution and creation of viable export revenues through the establishment of facilities offering products that shall be manufactured with the best technologies and equipment in the world. - High levels of integrity and consistency in the products manufactured by the Company.

(c) Future plan of action	<ul style="list-style-type: none"> - Significant developments and research are being undertaken in the area of additive manufacturing including the manufacture of complex metal parts through 3D printing and metal powders. Development of environmentally neutral manufacturing processes which reduce solid wastes and toxic gaseous emissions. - Increase in export turnover and consequently foreign exchange earnings for the country. - Import substitution for critical components leading the path to self-reliance in manufacturing in aerospace, space-exploration and other industries.
----------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

(d) Expenditure on R&D	2019-20 (Rupees in lakhs)	2018-19 (Rupees in lakhs)
i. Capital	-	-
ii. Revenue	176.87	111.05
iii. Total	176.87	111.05
iv. % of total turnover	1.05	0.73

II. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

(a) Efforts in brief, made towards technology during selection, absorption and innovation	<ul style="list-style-type: none"> - In the past, the technology to produce castings by Replicast® process has been absorbed successfully by the Company. This technology has brought about remarkable improvements in the quality of castings that are manufactured by the Company. - However, the limitation of the process was the maximum size which could be produced. In order to break this limit, the Company undertook a Research and Development Project to develop the Rapidcast™ process to make large size castings without manufacturing any tooling. - This project has been completed and approved by the Department of Scientific and Industrial Research of the Government of India. - The Company has already successfully produced up to 6,000 kgs single piece casting - Benefits derived as a result of this process are <ul style="list-style-type: none"> • Reduced production times for manufacture of small volume, large size parts for critical and super critical applications. • Significant improvements in quality, reduction in total cost of ownership, development of more efficient parts, import substitution etc. • Certain complex castings can be produced by in a more cost-effective and efficient manner.
--------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



	<ul style="list-style-type: none"> • A high degree of dimensional accuracy can be achieved with less machining allowances. • The 'uncastable' can now to be 'cast' – costly fabricated parts can be converted into castings. - There are very few foundries in the world who have such a wide range to moulding processes including Replicast®, Rapidcast™ and the latest machining facilities within a single facility. Hence, the Company will have a vast range of products for a wide range of applications which shall make it the supplier of choice both in the domestic as well as export markets. - An increase in exports of better quality products at competitive price. - Development of the RapidCast™ Process will break the weight barrier limitation of castings to 5 Tons per piece. - Working towards development of processes to enhance the mechanical and metallurgical properties of castings to be at par or better than forged parts through use of the forgeCAST™ technology using India's first commercial Hot Iso-static Pressurization equipment. - Intensive research and extensive trials on imported equipment led to the creation of a process where various techniques were combined, and equipment was modified to create a process leading to densification of the part and creating a smaller grain or microstructure equivalent to that of forgings. - This radical technology shall enable the Company to manufacture any size, near-net-shape, complex parts in exotic and higher metallurgies with mechanical properties, strength, reliability and quality equivalent to that of forgings.
<p>(b) In case of imported technology, (imported during the last five years), reckoned from the beginning of the financial year.</p>	<ul style="list-style-type: none"> - The Company has licensed the Titanium Casting technology using ceramic shelling and has built a Titanium Casting facility in the new AMTC plant. - This shall be the first such facility in the country and shall have the capability to manufacture high integrity cast components in titanium, zirconium and other exotic alloys for critical and super critical applications in a wide range of industries. - With the Company's successful history of absorbing and using the latest technologies, this shall be a big step towards indigenization of a very important set of products.

	<ul style="list-style-type: none"> - PTC has brought in unique technologies like Vacuum Melt, HIP, Powder Metallurgy, etc from different countries in order to bring in best-in-class manufacturing to the cast metal component manufacturing industry in the country.
(c) Technology imported and Year of Import	<p>An agreement has been signed for an exclusive use of technology to produce castings by Replicast® process from M/s Casting Technology International, UK during the financial year 2007-2008.</p> <p>An agreement has also been signed for exclusive licensing of titanium casting technology using ceramic shelling with M/s Casting Technology International, UK during the financial year 2015-16.</p>
(d) Has technology been fully absorbed?	<p>Yes, Replicast® Castings are being commercially produced by the Company.</p> <p>The titanium casting technology transfer process has been initiated and the technology shall be commercialised by the Company over the next 1-2 years.</p>

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

(a)	<ul style="list-style-type: none"> - The Company's continuous efforts have led to consistency in high percentage of export turnover, reduction in manufacturing costs and improvement in operating efficiencies. After the commissioning of the new Advanced Manufacturing and Technology Centre, significant business opportunities are opening up and the Company offers a competitive edge through all the technologies and systems that have been added in the new unit. - The Company has also made significant progress towards increasing its capabilities in terms of introducing and indigenizing new technologies which shall enable remarkable improvements in performance, efficiencies, significant weight reduction and will be environmentally neutral. With the focus of the world shifting on Indian manufacturing facilities, the Company is in a position to offer world-class products at affordable prices. - Many new customers are being added by the Company in its bid to expand its export operations and augment its revenue from exports. During the year, the new Advanced Manufacturing & Technology Centre, the Company's new state-of-the-art manufacturing facility in Lucknow has begun commercial production. With this, the Company has already begun to add significantly to its export turnover due to increased capacity and capabilities being offered in this new unit.
------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



(b) Total Foreign Exchange used and earned	2019-20 (Rupees in lakhs)	2018-19 (Rupees in lakhs)
Expenditure	915.20	949.94
Earnings	13,262.67	12,385.85
Net foreign exchange earning	12,347.47	11,435.91
Net foreign exchange/earning %	93.10	92.33

Place: Lucknow

Date: August 04, 2020

Sachin Agarwal

Chairman & Managing Director

Alok Agarwal

Director - Quality & Technical

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



The core business of PTC Industries Limited is manufacture of cast components, machined and fabricated parts for critical and super-critical applications across the world. The management discussion and analysis report has been included in adherence to the requirement under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The management herewith presents the Forward-Looking Statements, Economic Overview, Industry Structure and Developments, Highlights and Key Events, Opportunities and Threats, Outlook, Risks and Concerns, Internal Control Systems and their adequacy, Financial Performance with respect to operational performance, Segment-wise performance, Material Developments in Human Resources and Industrial Relations. The outlook is based on assessment of the current business environment and it may vary due to future economic and other developments, both in India and abroad.

FORWARD LOOKING STATEMENTS

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

publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

Economic Overview and Outlook

As per the World Bank, the COVID-19 pandemic has, with alarming speed, delivered a global economic shock of enormous magnitude, leading to steep recessions in many countries. The baseline forecast envisions a 5.2 percent contraction in global GDP in 2020—the deepest global recession in eight decades, despite unprecedented policy support. The global recession may be deeper if bringing the pandemic under control takes longer than expected, or if financial stress triggers cascading defaults.

Various mitigation measures—such as lockdowns, closure of schools and non-essential business, and travel restrictions—have been imposed by most countries to limit the spread of COVID-19 and ease the strain on health care systems. The pandemic and associated mitigation measures have sharply curbed consumption and investment, as well as restricted labor supply and production. The cross-border spillovers have disrupted financial and commodity markets, global trade, supply chains, travel, and tourism. Many countries have provided large-scale macroeconomic support to alleviate the economic blow, which has contributed to a recent stabilization in financial markets.

Due to the negative spillovers from weakness in major economies, alongside the disruptions associated with their own domestic outbreaks, Emerging Markets and Developing Economies' (EMDE) GDP is forecast to contract by 2.5 percent in 2020. The International Monetary Fund (IMF) projects global growth



at -4.9 percent in 2020, 1.9 percentage points below the April 2020 World Economic Outlook forecast. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast. In 2021 global growth is projected at 5.4 percent.

In all, the pandemic is expected to plunge a majority of countries into recession this year, and advanced economies are projected to shrink by 7 percent in 2020, as widespread social-distancing measures, a sharp tightening of financial conditions, and a collapse in external demand depress activity. Assuming that the outbreak remains under control and activity recovers later this year, China is projected to slow to 1 percent in 2020—by far the lowest growth it has registered in more than four decades.

COVID-19 has come at a time when the Indian economy had already been decelerating for nearly two years. The pandemic has exacerbated some of those challenges. While the IMF has projected a sharp contraction of 4.5 per cent for the Indian economy in 2020, a “historic low,” citing the unprecedented coronavirus pandemic that has nearly stalled all economic activities, it has also said that the country is expected to bounce back in 2021 with a robust six per cent growth rate.

The government announced significant reform measures aggregating to nearly 10% of GDP including fiscal and monetary support for agriculture, education, public sector, and micro, small and medium enterprises at this time, in addition to immediate relief and recovery measures. The Reserve Bank of India also acted swiftly to reduce the cost of capital and avoid the liquidity shortfall induced by the lockdown. It cut policy rates, injected liquidity and aimed to reduce financial stress and ease access to funding. The government announced several structural reforms to encourage investment including partial deregulation of the agricultural sector, lower entry restrictions in the eight industrial sectors and a revised definition of micro, small and medium enterprises.

Announcing the economic package which focused on land, labour, liquidity and laws, Prime Minister Narendra Modi emphasised on the need to become Self-reliant or Atma Nirbhar. He talked about becoming “vocal for local” and urged the people to buy and promote local products and brands. At the same time, the Make in India initiative continued to gain momentum in order to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors.

Despite the short-term impact of the pandemic, India is expected remain an attractive hub for foreign investments. Foreign direct investment by technology firms in the early half of 2020 has already reached around USD 17 billion with commitment of large new investments into India by large global technology firms. Digital transformation and quick adoption of technology is expected to spur the growth of manufacturing and retain consumer markets also in the coming decade. Many manufacturing entities have started to look at India as an alternative to China, especially with the changes in government policies and improvements in infrastructure which have made conditions far more conducive to competitive manufacturing.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Background

The metal casting industry makes parts from molten metal according to an end-user’s specifications. Facilities are typically categorized as casting either ferrous or nonferrous products. Foundries and die casters that produce ferrous and nonferrous castings generally operate on a job or order basis, manufacturing castings for sale to other companies. In addition, many facilities do further work on castings such as machining, assembling and coating.

Most of these castings are produced from recycled metals. There are thousands of cast metal products, many of which are incorporated into other products. Almost 90 percent of all manufactured products contain one or more metal castings. It seems fair to assume at this moment in time that metal-casting is a permanent fixture in the manufacturing supply chain: other processes may displace some functions or applications of metal-casting, but as a forming technology it provides advantages in terms of material science or industrial technology that cannot be displaced. And yet, matching those advantages to a particular requirement, at a specific time, is the unending challenge for metal-casting professionals.

Automobiles and other transportation equipment use 50 to 60 percent of all castings produced. The defence industry also uses a large portion of the castings produced in the world. Some of other common castings include: pipes and pipe fittings, valves, pumps, pressure tanks, impellers, blades, etc.

Depending on the desired properties of the product, castings can be formed from many types of metals and metal alloys. Gray and Ductile Iron make up almost 75 percent of all castings (ferrous and nonferrous) by weight. Malleable iron foundries produce only about two percent of all castings (ferrous and nonferrous).

Steel castings make up about 10 percent of all castings (ferrous and nonferrous). In general, steel castings have better strength, ductility, heat resistance, durability and weldability than iron castings. There are a number of different classes of steel castings based on the carbon or alloy content, with different mechanical properties. A large number of different alloying metals can be added to steel to increase its strength, heat resistance, or corrosion resistance.

Global Trends in the Casting Industry

Metal-casting has always been one of the most important sectors in the manufacturing economy. It is a \$33 billion industry that directly provides nearly 200,000 jobs in the U.S. alone, with many more in Canada and Mexico. Metal-casting also indirectly supports many thousands of jobs at businesses that supply equipment, services, and materials to the industry, as well as at companies that use castings. About 90 percent of durable goods include castings. Countless industries depend on castings, including defence contracting, automotive, trucking, aerospace, oil and gas, farm equipment, infrastructure, construction, and many others.

As with the rest of the manufacturing sector, the global casting industry will also face major challenges during the next years. Many significant customer groups are building capacities mainly in Asia or North America while customer requirements regarding material handling competence and the complexity of casting alloys are rising. However, the expected strong growth in the global vehicle production and mechanical engineering industries, paired with a trend towards urbanization, which will positively influence housing and infrastructure construction, will induce growing demand for cast parts.

In 2018, global casting production increased to more than 112.7 million metric tonnes, an increase of 2.6% as compared to the previous year. The world's largest producer of castings, China, saw a 0.1% decrease of production during the year. Once again China, India and USA held the top three posts in the world in casting production. A total of 45,954 foundries were reported worldwide, with the largest foundries pouring iron, then aluminium followed by steel.

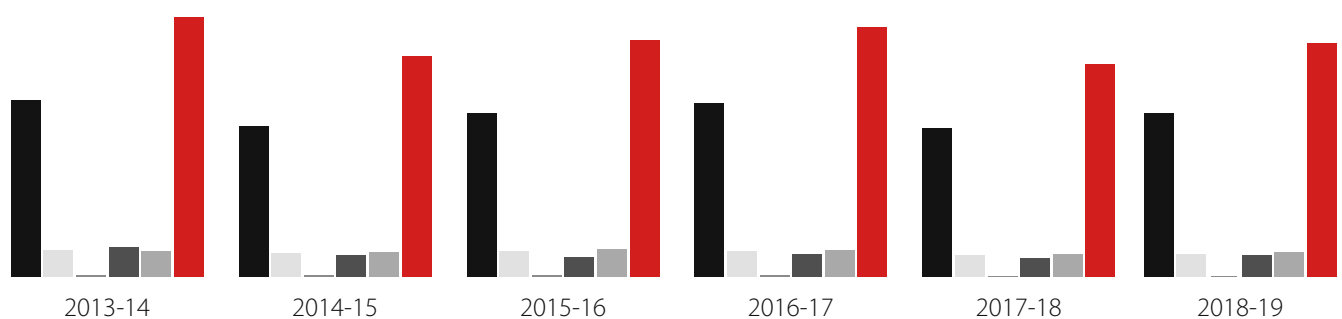
There is an increase of approximately 11% in casting production in India during this year.

Indian Casting Industry

India is the second largest castings manufacturer in the world only after China retaining its spot ahead of the United States of America. The Indian foundry industry manufacturers metal cast components for applications in Auto, Railways, Defence, Aerospace, Earth-Moving machinery, Textiles, Cement, Power machinery, Pumps, Valves, etc.

There are more than 4,600 foundry units in the country out of which 90% can be classified as MSMEs in 17 foundry clusters. Approximately 1500 units have International Quality Accreditations. Several large foundries are modern and globally competitive. There has been a growing awareness about environment amongst this sector also and many foundries are switching over to induction furnaces. The total manpower employed in the foundry sector is about 500,000 directly and a further 150,00,00 people employed indirectly. While the foundry sector is highly labour intensive currently and is responsible for generation of employment for over 2 million people, there is a slow shift to towards automation.

Production of Castings in Million M.T. (2018-19)-INDIA



	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Grey C.I.	6.7	6.83	7.41	7.89	8.44	9.41
S Giron	1.000	1.07	1.18	1.18	1.23	1.31
Malleable	0.060	0.06	0.05	0.05	0.05	0.05
Steel	1.100	0.968	0.88	1.01	1.03	1.21
Non Ferrous	0.95	1.093	1.25	1.22	1.3	1.4
Total	9.810	10.021	10.77	11.35	12.05	13.38



The foundry market size in India has the potential to grow by USD 13.08 billion during 2020-2024, and the market's growth momentum will accelerate during the forecast period.

The foundry industry produces over 13.38 million tonnes of cast components in ferrous and nonferrous category as per various international standards. \$3.06 billion of the sector's annual turnover comes from exports. It is estimated that the demand will grow threefold in the next 10 years, which will throw open new opportunities and challenges too.

Looking ahead, the casting industry shall have to gear up and face new challenges. The growth of casting foundries is dependant on a constact focus on improvement of processes while retaining low costs. A major growth area is in international markets, especially developed markets where local prices are quite high. To access these markets, more firms need to look for international quality accreditations and delivering world class products.

India is expected to have an edge on the castings export front with close to 40-45 per cent of total exports to the US. There is expectation of good growth at least for the next decade as India's manufacturing competitiveness has changed dramatically and with the government's thrust on 'Make in India', a greater momentum is foreseen. Since all engineering and other sectors use metal castings in manufacture, the role of the foundry industry is expected to be vital. If such growth momentum continues, the industry is expected to achieve 7-8 per cent growth. The industry is focusing on value addition rather than tonnage, investing huge sums on automation and efficient production processes. Hence, capacity utilisation has been hovering at 60-70 per cent.

The challenge for today's foundries, especially in the wake of the current economic crisis, is to develop new and more efficient processes and material designs that will meet the technology of tomorrow. New technologies such as 3D

scanning, 3D measurement instruments along with 3D printing and the introduction of robotics and automation in the manufacturing cycle are dramatically changing the way products are designed, constructed, and perfected. These new breakthroughs in technology enable faster, more accurate, and more reliable production of products and prototypes. Not only does this advent of technology and automation make the process of metal casting more efficient and cost-effective, it also provides innovative breakthroughs that were not possible even five years ago. As foundry operations evolve into the modern world of automated technology, the manufacturers need to work on providing the most innovative and advanced techniques for process level automation in order to maintain their market positions.

PTC has positioned itself ideally to take advantage of this promising growth in the foundry sector. It has successfully developed and indigenized world class technologies and processes and brought them under a single roof to create unprecedented synergies. It has created systems based on robotics and automation leading to remarkable quality and consistency in its products. With this investment in capacity and capability, PTC offers state-of-the-art facilities for manufacture of metal components and parts for critical and super-critical applications for a wide spectrum of industries like aerospace, defence, marine transport, power, oil & gas, pulp & paper manufacturing, desalination etc. which make it the supplier of choice both in the domestic as well as export markets.

While, the medium to long-term outlook for the sectors to which the Company caters remains positive, with the COVID-19 pandemic, the domestic as well as export markets in the current period are reeling from shock and the short-term growth outlook is not favourable. The Company's investments in building manufacturing capabilities and capacity, making technology enhancements, developing product platforms and putting together manpower upgrades for sustenance and



enhancement of growth have helped it remain steadfast in its approach and optimistic about its future.

The Company continues to derive sustainable benefit from its strong foundation and long tradition of research, which differentiates it from many others. New products, processes and metallurgies flow from work done in the PTC research and development centre. With world class facilities and superior technologies being established and implemented, the Company shall be able to maintain its position in the world market and provide a significant technology differentiation in its products and processes.

HIGHLIGHTS AND KEY EVENTS

PTC continues to follow its growth strategy of creating a differentiation for itself in terms of capabilities and quality and becoming the preferred choice of its customers due to its high performance and delivery standards.

In its new avatar, PTC Industries has focused on the establishing a new world class manufacturing facility, the Advanced Manufacturing & Technology Centre housing the latest technologies, most advanced equipment and comprehensive manufacturing facilities which are both sustainable and environmentally positive. Even in these challenging times, the Company's leadership and committed workforce has held on to its ideals and continued to sustain its position in the market. Financial performance has remained strong even though the outlook for the coming period shall be subdued due to the lasting effects of the pandemic.

Some of the achievements of the company during the previous year are:

- PTC formed a new subsidiary Aerolloy Technologies Limited with a focus on manufacture of high-quality cast components for the Defence and Aerospace industries for both indigenous and foreign consumption.
- Production of the first ever Titanium Castings commenced with the completion of the Phase II at the Advance Manufacturing and Technology Centre (AMTC). This creates a unique capability in the country which will lead the path to Self-Reliance in the manufacture of critical parts for a vast range of applications.
- The Company remained resilient and strong in its financial performance with revenue growth in the current year.

OPPORTUNITIES AND THREATS

India is poised to become the new China. Before the pandemic arrived, it was the fastest growing economy in the world. Even now, this growth is expected to be fuelled by internal demand coupled with international companies shifting production from China to India, especially after the uncertainty related to

China and its position in global markets. Production costs in India remain lower than China and an emerging strong middle class with higher spending capacity is fertile ground for new investments and growth. India has over 4,600 foundries that are mainly clustered in 17 areas which are now producing over 13 million metric tons per year and employing over 500,000 people. Up until last year, India saw major increases in internal demand and this is expected to pick up once the pandemic is over.

There exists a great opportunity for the Indian foundry industry where it can become a significant player in the world castings market. With a focus on lean manufacturing and efficient resource management, it can contribute to the country's 'Atma Nirbhar' goal and become a key supplier for its own markets as well as the world. Foundries supply castings to almost all engineering industries including the infrastructure industry and are hence considered the 'mother' of all engineering industries.

Indian foundries have always been hampered by cumbersome regulations and comparatively high energy costs. Also, with lower availability of raw materials than other major countries, there are extra costs incurred in acquiring raw materials. Mostly, they have continued to manufacture predominantly low-value, low-quality products for a saturated market. Pressure to reduce prices added further strain on their profit margins, and the lack of technology in most production processes led to inefficiency and poor quality. To add to their woes, pollution generating operations in the traditional casting process have led to the entire industry being placed in the 'red category'. Most Indian foundries are facing challenges like technological obsolescence, production inefficiencies and weak finances. They suffer from problems in supply of castings due to issues related to raw materials and energy supplies and are also hampered by cumbersome regulations and very high energy costs.

The current tonnage in India is dominated by grey iron, the lowest cost metal. In dollar value, India has a long way to go to catch up to the other top two producers of castings. Therefore, India needs to develop the requisite capabilities for manufacture of high-quality and high-value foundry products. Currently, almost 60 per cent of the casting production in the country is for the automobile sector. Demand from sectors such as oil, infrastructure and mining had been slowing down. This year, another area of significant growth that the foundries can bank on for both, ferrous and non-ferrous castings, could be in aerospace and defence.

This time can signal immense growth opportunities globally for high quality, high integrity castings for a wide range of industries. The comparatively low labour costs in the country



has been a major factor that may support India's drive for higher volumes in the global market. To take advantage of these trends, the foundry industry must focus on internal factors like technological up-gradation and operational excellence. Lean manufacturing practices and automation are amongst the most popular tools available to all companies, to help attain operational excellence.

In this scenario, PTC continues to enjoy a unique position where it is hugely ahead of its peers in technological advancement, sophisticated equipment, automation and best processes and practices that include an environmentally conscious approach. Hence, the Company expects to steady growth in the medium to long term and is maintaining its focus on markets that require a high degree of precision and quality. The Company's differentiation from its high quality, near-net-shape cast components available at an overall cost-effective level gives it an edge in terms of pricing, quality and demand. The creation of indigenous capabilities for manufacturing high integrity castings in a range of alloys including titanium and zirconium is also opening untapped markets for the Company. The Company has been exploring new markets and new products aggressively, and translation into viable commercial production has also begun. However, the sluggish domestic and global scenario in the wake of the COVID-19 crisis are huge impediments to the rate at which new opportunities are realized.

Some of the key factors that define the environment in which the Company must find, grow and protect its profits are summarised below:



Technology Upgradation and Modernisation

While the government is striving to make policies, facilitate new investments and joint ventures with global players to improve infrastructure and ease of doing business, the industry also needs to look at bringing about transformation in various areas. With the increased use of modern design and best-in-

class manufacturing, including increased use of IT and demand for goods with competitive costs and improved response time, the industry must focus on automation, technology, and also add value by producing ready to use finished castings and sub-assemblies to meet the demands for the ever changing requirements of the industry.

PTC has managed to establish one of the most modern manufacturing facilities in the world with the latest technologies and solutions and the capability to supply finished components and sub-assemblies. Hence, it is ready to take on the challenges of new manufacturing practices and Industry 4.0.

Customer Bargaining Power

A key question is how easy is it for customers to drive the price down in the industry? This is driven by a number of factors, such as the number of buyers, the importance of any one customer to the business, the total cost of switching, and the ability to switch to substitute products, and so on.

Consolidation of casting-consuming OEMs is perhaps the single biggest development of the past decade which gives casting buyers the upper hand. It is estimated that more than 50% of all castings, by value, are consumed by less than 200 companies and their major tier suppliers, globally. Hence, generally customers of castings have very high bargaining power overall in the industry.

However, with its superior manufacturing capabilities coupled with lower operational costs, PTC continues to retain its significant advantages in the current market scenario.

Supplier Bargaining Power

As raw materials, consumables, and specialized equipment are key requirements for the metal casting industry, the suppliers also have significant bargaining power. In addition, the bargaining power is also influenced by availability, unique performance attributes, and service capabilities, to name a few factors.

Suppliers of commodity metals, scrap, alloys, and the like, price and supply on a global basis. Often other sectors drive the pricing of these materials, as foundry consumption is small in comparison. Hence, it seems fair to say that suppliers to foundries have high bargaining power overall.

Again, PTC has significantly mitigated this threat by introducing recycling measures for direct and indirect materials and replacing traditional sand-casting methods with Replicast®, RapidCast™, Printcast™ and forgeCAST™ technologies. Further, PTC has managed to forge relations with the most reputed suppliers in the world specially to source its capital equipment



requirements thereby succeeding in bringing the most advanced equipment and technologies to India.

Intensity of Competition

Some metal casters do have such a well-developed, differentiated, and protectable position that they have few competitors. However, in slow growth markets, there has been shut down of a number of foundries and consolidation of players as well. This can, and has, led to less competitive rivalry. On the other hand, the consolidation of the customer base, coupled with a proliferation of low-cost countries has kept competitive rivalry high for foundries.

Again, PTC has maintained its competitive edge by investing in research and the latest and most advanced technologies which differentiate PTC from its competition. The creation of world class capabilities for manufacture of castings in difficult to cast higher alloys like titanium, zirconium, inconel, monel, super duplex stainless steel and other higher alloys makes PTC the ideal choice for customers across the world. PTC's strong commitment to quality and reduction of overall costs for its customers has led to its position as the preferred supplier for critical and super-critical cast components.

Substitute Products

There is, and always will be substitution of one material for another, for example plastics instead of metal, for some components. Likewise, there will always be the rivalry offered between metal choices. Alternatives to making a metal component via machining and weldments, via forging, via powdered metals, etc. are part of the strategic discussion for metal casters.

Fortunately, PTC has been at the forefront of adopting new technologies and processes, while most metal casters take time to pro-actively adjust. Additionally, there are ample opportunities that are being pursued by PTC to counter substitution, such as converting forgings to castings through the newly developed forgeCAST™ and the unique capabilities

of TiCast™. PTC itself has come up with innovative technologies to substitute a large number of components being manufactured using traditional technologies or forgings. This opens up a huge potential market for the capabilities that the Company has acquired.

Sustainable Energy

Since foundry is a power intensive industry, the availability of good quality power consistently at competitive tariff is paramount for competitive operations and global competitiveness of the sector and for supporting manufacturing. There is a need of substantial attractive differential in power tariff during peak and non-peak hours so that the units are motivated to shift power intensive operations towards non-peak hours. Further, switching to renewable energy resources for sustainability and reduced impact on the environment is a key focus area for similar industries.

PTC has had the foresight to invest in a 700 kW solar rooftop plant to augment and support its energy needs and reduce dependence on external power. This is bringing in considerable cost savings in addition to the Company's contribution towards the environment.

RISKS AND CONCERNS

PTC employs a vigilant approach to continuously identify, analyse and monitor the risks associated with its business. The procedure for identification, reduction and mitigation of risks has been institutionalised by the Company. The Company's structured risk management policies help in swift response and necessary action in order to mitigate the risks. The management aims to provide confidence to the stakeholders that the Company's risks are known and well managed.

Risk Management comprises three key components which are Risk Identification, Risk Assessment and Mitigation & Risk Monitoring and Assurance. Your Company has identified the following aspects as the major risks for its operations:



• Strategic Risks

These include market risks like uncertainties in the global economic scenario and declining demand in domestic sectors like power and infrastructure. Prolonged unfavourable conditions in the market result in delay or cancellation of projects. The Company's diverse portfolio has helped it to shift focus to other industries, customers and geographies. Hence, while a decline was witnessed in certain segments, the Company has been able to maintain its performance by expanding its product and geographical portfolio. Further, the Company has created facilities which are perfectly positioned to supply to a wide range of industries including oil & gas, marine transport, pulp & paper manufacturing, power, chemical processing, desalination, transportation, etc. thereby mitigating the risks associated with a particular sector. It has now also begun venturing into hitherto untapped markets in the aerospace and defence sectors where a huge potential exists in the Indian ecosystem and defence offsets and indigenous requirements open up a large market.

• Operational Risks

The rapid evolution of technologies and the natural ageing of existing facilities pose the risk of the current production facilities becoming obsolete and uneconomic. There is also a saturation on the capacity to expand in the current unit, especially in Lucknow. Hence, the Company has deployed the latest best-in-class technologies like Replicast®, RapidCast™, Princast™, forgeCAST™ and TiCast™ and has constructed the new state-of-the-art 'Advanced Manufacturing & Technology Centre' to enhance the capacity and capability of its operations. The operational efficiencies built into the new plant are beginning to reduce operating costs while improving the safety of operating conditions. Several processes, for which the company was dependent on outside vendors, have been developed in-house leading to further reduction in cost and improvement in operations.

The Company also has a history of good relationships with dealers, cordial labour relations and an efficient and devoted staff due to which the level of risk relating operational instabilities are also minimised.

• Financial Risks

Financial risks include, amongst others, increase in debt and exposure to movements in interest rates and foreign exchange rates. With the ongoing investment in the AMTC plant, the long-term debt of the Company has increased. Further, the Company is exposed to fluctuating dollar and

euro prices. While a majority of the Company's purchases are local, the Company is exposed to currency risk where the realisation of sales proceeds is in local currencies. In the past few years, the Company invested in a large amount of imported machinery and equipment for its AMTC Plant which exposed it to volatility in the exchange rates leading sometimes to an adverse effect. The Company has mitigated risks on its foreign currency borrowings and realisations by hedging them partially. However, at any point of time, PTC's exports remain higher than its foreign currency borrowings there by giving it a natural hedge.

In view of the Company's constant expansion activities, it needs to preserve a financial framework in order to maintain an appropriate level of liquidity and financial capacity. PTC has already raised Rupees forty crores in the form of equity in order to partially fund the expansion of its manufacturing facilities and has entered into long term loan arrangements with banks to finance the balance requirements. The approval of a grant of Rupees ten crores by the Department of Heavy Industries under its Capital Goods Scheme, the Technology Acquisition and Fund Programme (TAFP) to partially fund the Company's Titanium Castings project has also been a step towards decreasing the Company's debt burden.

• Compliance Risk

Due to the recent events in the corporate world, the subject of corporate governance has gained significant importance. The change in the regulatory environment in the country has resulted in increased regulatory scrutiny that raises minimum standards required for corporate entities. This requires the alignment of corporate performance objectives, whilst ensuring compliance with regulatory requirements. PTC's management is committed to the establishment of systems, processes and principles to ensure that the Company is governed in the best interests of its members. Hence, it will:

- make efforts to understand the changing regulatory requirements so as to incorporate and integrate these in its business strategy, and
- drive business performance through the convergence of risk, compliance processes and control mechanisms to ensure continued operational efficiency and effectiveness.

The risk mitigation plans are reviewed regularly by the Audit Committee of the Company. The Company's contingent liabilities are disclosed in Note 46(ii) Contingent Liabilities of Notes to Accounts.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place an adequate system of internal controls, with documented procedures covering major corporate functions. Systems of Internal Controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations. Adequate internal control measures are in the form of various policies and procedures issued by the Management covering critical and important activities of Manufacturing Operations, Environment and Safety etc. These policies and procedures are reviewed and updated from time to time and compliance is monitored. The Company continues its efforts to align all its processes and controls with global best practices.

The effectiveness of internal controls is reviewed through the internal audit process. The focus of these reviews is as follows:

- Identify weaknesses and areas of improvement
- Compliance with defined policies and processes
- Safeguarding of tangible and intangible assets
- Management of business and operational risks
- Compliance with applicable statutes
- Compliance with the Code of Conduct

The Audit Committee of the Board oversees the adequacy of the internal control through regular reviews of the audit findings and monitoring implementations of internal audit recommendations.

The Company's Internal Financial Controls were also tested and reviewed by the management and the statutory auditors during the year in accordance with the Companies Act, 2013. They were found effective and adequate to the size and operations of the Company.

FINANCIAL PERFORMANCE

Total Income			₹ In Crores
Particulars	FY 20	FY 19	% Change
Revenue from sale of products	159.84	143.55	11.3
Other Operating Income	8.29	7.70	7.7
Revenue from Operations	168.13	151.25	11.2
Other Income	7.20	4.22	70.7
Total Income	175.33	155.47	12.8

The Company witnessed an increase in total income by over 12.8% to Rs. 175.33 crores from Rs. 155.47 crores in the previous year. This is driven by the scaling up of operations in the AMTC Plant from the previous year.

Employee benefits expense			₹ In Crores
Particulars	FY 20	FY 19	% change
Payments to & provisions for employees	21.62	19.46	11.1

Payments and provisions for employees saw an increase of 11% due to increments and induction of manpower at a senior level.

Other expenses

₹ In Crores			
Particulars	FY 20	FY 19	% change
Manufacturing expenses	63.81	55.11	15.8
Administrative and selling expenses	16.04	10.76	49.0
Total	79.85	65.87	21.2

Manufacturing expenses rose by 15.8% while Administrative and Selling expenses increased by over 49%. This was due to some the increase in operations and growth in production at the new AMTC Plant.

Finance costs

₹ In Crores			
Particulars	FY 19	FY 19	% change
Finance costs	11.39	9.21	23.6

Finance costs rose by 23.6% during the previous year. This is due to the increase in borrowings as well as the capitalisation of Phase Two of the AMTC Plant due to which related interest costs are no longer being capitalised.

**Fixed Assets**

₹In Crores

Particulars	FY 20	FY 19	% change
Tangible & intangible assets	212.17	129.68	63.6
Capital work in progress	18.97	96.52	-80.3
Total	231.14	226.21	2.2

The movement in Tangible and intangible fixed assets in relation to the Capital work in progress is due to the capitalisation of the AMTC Plant building and machinery as commercial production commenced for Phase Two.

Inventories

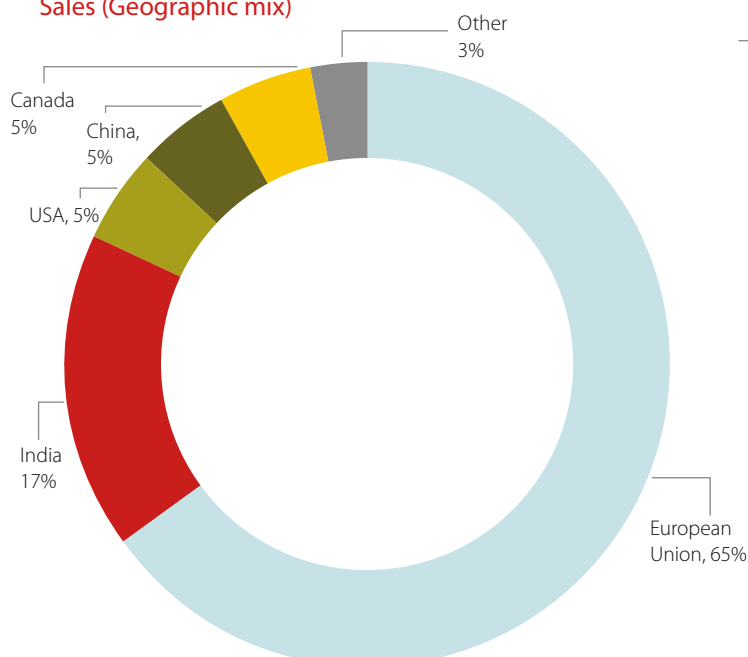
₹In Crores

Particulars	FY 20	FY 19	% change
Raw material	8.32	11.59	-28.2
Work-in-progress	37.23	26.24	41.9
Finished goods	0.45	0.08	458.1
Stores and spares	5.23	5.30	-1.3
Loose tools	0.85	0.74	14.9
Total	52.09	43.96	18.5

Inventory overall increase by 18.5% is due to the increase in operations and growth in production volumes.

GEOGRAPHICAL SALES

Sales (Geographic mix)

**Sundry Debtors**

₹In Crores

Particulars	FY 20	FY 19	% change
Gross Debtors	44.12	44.00	0.3
Less: provisions	0.15	0.04	260.1
Total	43.97	43.96	0.0

Sundry debtors have remained stable during the period.

Loans and Advances

₹In Crores

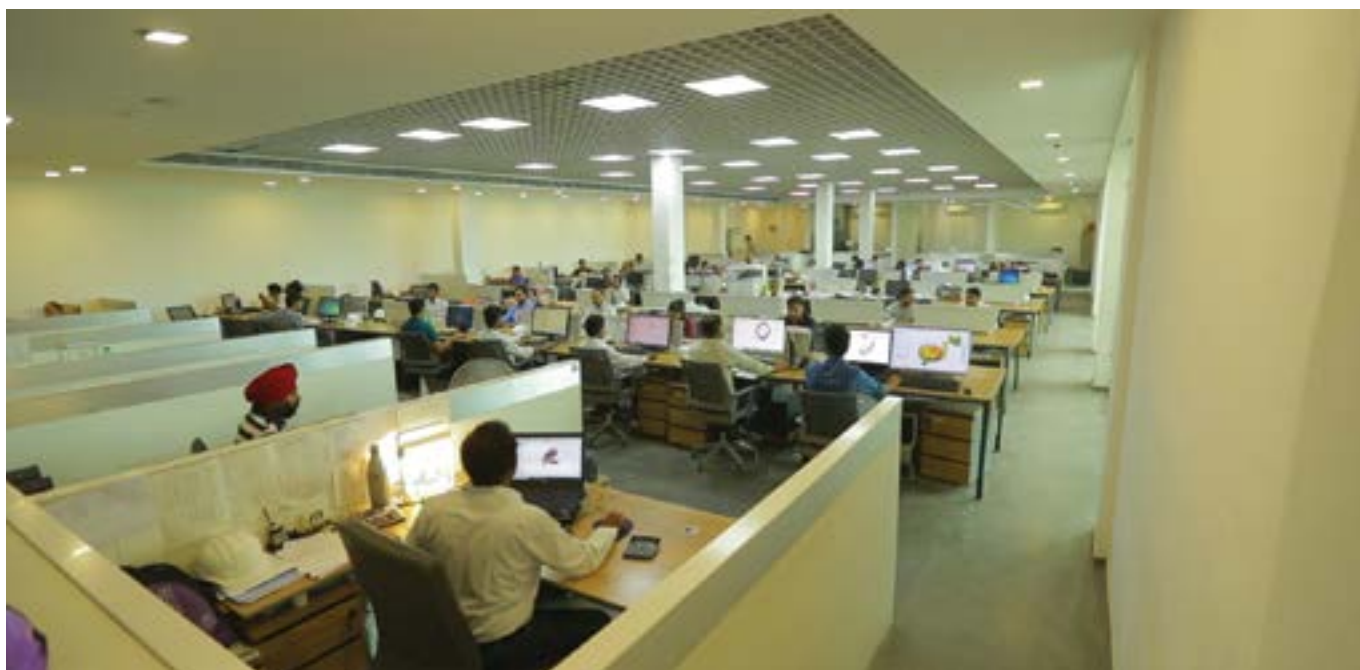
Particulars	FY 20	FY 19	% change
Loans and Advances	3.08	4.09	-24.6

The decrease in loans and advances is primarily due to release of security deposits and other loans.

KEY FINANCIAL RATIOS

Particulars	FY 20	FY 19
Debtors Turnover	3.82	3.90
Inventory Turnover	2.78	3.03
Interest Coverage Ratio	2.49	2.22
Current Ratio	1.07	0.98
Debt Equity Ratio	1.35	1.42
Operating Profit Margin (%)	21.11	18.74
Net Profit Margin (%)	6.25	7.22

COUNTRY	Net Sales (in Rs.)	Net Sales (in Rs.)
	2019-20	2018-19
European Union	1,04,09,10,339	93,67,24,915
India	27,21,07,670	19,69,05,373
USA	8,19,32,519	14,10,33,898
China	7,72,00,437	10,80,94,595
Canada	8,08,70,687	3,91,82,067
Others	4,53,53,662	1,35,46,611
Sub Total	1,59,83,75,315	1,43,54,87,459
Export Incentives	7,81,07,980	7,10,90,172
Total	1,67,64,83,295	1,50,65,77,631



HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

Professional, motivated and highly qualified personnel are among PTC's most precious assets and the key to our future growth. At the core of PTC's Human Resource Management (HRM) policy is the underlying belief that employees are our primary source of competitiveness. Hence, PTC believes in offering the best possible opportunities for growth, development and a better quality of life, while developing their potential and maximising their productivity. PTC believes that the workplace should provide a climate of openness, fairness and respect for the individual with the freedom to experiment. Mutual trust and teamwork are some of the core values at the Company.

PTC encourages employees to perform to their best ability and supports open collaboration, engagement and involvement. Constant improvements are brought about in work practices and productivity by adherence to the best practices and an efficient system of motivation. PTC believes in being an equal opportunity employer and strives to attract the best available talent and ensure diversity in its workforce. Diversity and Inclusion are important aspects of sustainable business growth and we call this the 'winning balance'. The Company had also sought to augment its human resources by appointing a Chief Operations Officer in the previous year with technical knowledge and capability in the latest manufacturing practices in the foundry industry. After heading the entire European division of a large engineering company, he comes with vast experience in managing large organizations and brings with him the finest HR practices in the world.

Continuing its efforts, the Company has significantly augmented its senior and middle management levels by the employment of several professionals accomplished in their fields and with considerable experience and expertise in their areas.

Employees continue to be encouraged to participate in several technical and non-technical training and skills development programs during the year. Schemes introduced for rewarding employees at all levels, based on the Company's overall performance is yielding results. A key objective of the Company in human resource management is to raise the personal interest of each employee in achieving the best possible result. The Company had also adopted Technical Skilling as one of its CSR projects and is building a vast repository of online skilling courses with the help of its technology partners for training workforce and developing best manufacturing practices under this umbrella. The Company has employed devoted professionals to build this repository of training material and conduct periodical trainings to strengthen the capabilities of its existing workforce.

Efforts to build the capability of employees at all levels continued with an augmented organisational capability in technical, functional and project management areas. The workforce is being trained on advanced mechanisation and world class manufacturing equipment and processes. In its role of a global and knowledge-based Company, PTC believes in the need to develop and foster its human resources. It has always been the firm belief of the management that the business cannot grow until and unless the full potential of employees is utilized effectively in its operations.



The Company's HRD Plan being developed has all the parameters to achieve excellent results. Steps are being taken to create a sense of belonging in the minds of the employees, which in turn gives maximum contribution per employee while gearing them to face business challenges and achieve the desired results. This intellectual resource is integral to the Company's ongoing operations and enables it to deliver superior performance year after year. The Company's work environment gives employees the freedom to learn and improve their proficiency. The Company believes in talent acquisition and retention, to augment its plan of making its presence more prominent in global markets.

PTC has always targeted zero injuries and incidents. Safety is a critical aspect for the Company in delivering responsible products, and hence, it conducts its operations considering safety of its employees, suppliers and vendors, as well as the communities in which it operates. A fully equipped and well-qualified EHS structure is in place providing necessary governance, documentation and EHS assurance.

PTC would not have been where it is today without its people and their commitment, innovation, engagement, strive for excellence and a strong sense of belongingness to the organisation. A strong industrial harmony of over five decades bears testimony to strong people practices of the Company.

Industrial relations continued to be cordial during the year and the Company has a committed and dedicated workforce. The Company has excellent co-operation and support from the entire hierarchy of well-trained and experienced personnel. The total strength of employees on the roll at the end of the year was 595.

STATUTORY COMPLIANCE

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



CEO & CFO CERTIFICATION

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

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

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

To,

The Board of Directors,

PTC Industries Limited

1. We have reviewed financial statements and the cash flow statement of PTC Industries Limited (hereinafter referred to as the 'Company') for the year ended at March 31, 2020 (hereinafter referred to as the 'year') and to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We, along with other certifying officers, accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, that there are no deficiencies in the design or operation of such internal controls of which we are aware.
4. We have indicated to the auditors and the Audit committee:
 - i. That there are no significant changes in internal control over financial reporting during the year;
 - ii. That there no significant changes in accounting policies during the year;
 - iii. That there are no instances of significant fraud of which we have become aware.
5. We confirm that all Directors and Members of the Senior Management have affirmed compliance with PTC's Code of Business Conduct & Ethics.

Place: Lucknow

Date: June 27, 2020

Smita Agarwal

Chief Financial Officer (CFO)

Sachin Agarwal

Chairman & Managing Director (CEO)



REPORT ON CORPORATE GOVERNANCE

Corporate governance is about enabling organisations to achieve their goals, control risks and assuring compliance. Good corporate governance incorporates a set of rules that define the relationship between stakeholders, management and the board of directors of a company and influence how the company is operating. To succeed in the long-term, companies need to build and maintain successful relationships with a wide range of stakeholders. These relationships will be successful and enduring if they are based on respect, trust and mutual benefit. Accordingly, a company's culture should promote integrity and openness, value diversity and be responsive to the views of shareholders and wider stakeholders.

PTC's corporate governance practices are in many ways value based, since they stem from our ideals and our Company's spirit. Around these are our policies and guidelines, along with external regulations, which provide a framework that states clearly how we conduct ourselves in relation to the world around us. Briefly, PTC's strength can be described as a simple, down-to-earth, cost-conscious, and entrepreneurial corporate culture that focuses on teamwork, our belief in people and constant improvement. Sustainability is well integrated into every part of our business and forms a natural part of our employees' everyday life.

The four pillars of our Corporate Governance philosophy have always been corporate fairness, fiscal accountability, disclosure and complete transparency.

The board of directors believe that good governance cannot be imposed; it must emerge from the culture of an organization and the tone for this must be set by the top management. Establishing the corporate culture, and the values by which executives throughout our organisation will behave, is one of

the board's highest priorities. This translates and permeates into every relationship of the Company, whether it be with investors, employees, customers, suppliers, regulators, local communities or other constituents.

In order to fulfil its responsibilities and to discharge its duty, the Board of Directors follows the procedures and standards that are set forth in Corporate Governance code. The governance practices followed by the Company are continuously reviewed and the same are benchmarked to the best governed companies.

Board of Directors

Size and composition of the board

PTC has an effective mix of Executive Directors, Non-Executive Directors and Independent Directors in order to maintain the Board's independence and separate the functions of governance from the day to day management activities. The board of directors of the Company consists of ten (10) directors out of which five (6) are Non-Rotational directors (including Independent directors and Managing Director) and four (4) are Rotational directors. The casual vacancy caused by the resignation of a Woman Director on February 15, 2019, was filled on June 01, 2019. One more Independent director has been inducted on the Board with effect from August 10, 2019. The composition of the board is in compliance with Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The board periodically evaluates the need for change in its composition and size.

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

Composition of the board, and directorships held on March 31, 2020

Name of Director	Age	Other directorships held	Number of Committee Membership in domestic public companies (including this company)	
			As Chairman	As Member
Executive Directors, Non-Independent				
Sachin Agarwal	48	7	3	1
Priya Ranjan Agarwal	61	2	-	1
Alok Agarwal	58	2	-	4
Ashok Kumar Shukla	52	-	-	-
Smita Agarwal*	44	6	-	1

Non-Executive Directors, Independent

Dr. Rakesh Chandra Katiyar	64	1	3	2
Ajay Kashyap	71	4	-	2
Krishna Das Gupta	77	4	4	6
Brij Lal Gupta	68	-	-	4
Vishal Mehrotra**	48	-	-	-

* Ms. Smita Agarwal has been appointed as Director (Woman Director) of the Company with effect from June 01, 2019, approved by the shareholders in 56th annual general meeting. (Brief profile given under the heading "A brief profile of the directors")

** Mr. Vishal Mehrotra has been appointed as Independent Director of the Company with effect from August 10, 2019, approved by the shareholders in 56th annual general meeting. (Brief profile given under the heading "A brief profile of the directors")

Note:

1. Directorship of directors in other companies also includes directorship in Private Limited
2. Companies.
3. Non-Executive Directors of the Company do not hold any securities of the Company.
4. Familiarization program imparted to Independent Directors of the Company can be found at www.ptcil.com

A brief profile of the directors is given below:

Sachin Agarwal

Mr. Sachin Agarwal, the Managing Director of PTC Industries Limited was born in Lucknow, UP where he spent his early years. He has done his MBA in Operations from the University of Tulsa, Oklahoma and has an M. Sc in Finance from Boston College, Massachusetts. He also co-founded e.Soft Technologies Limited, a software company with offices in Lucknow, Mumbai and New York. Sachin's determination led PTC to shed its mantle as just another foundry and become a world class leader in its domain as he worked extensively on the development of new technologies and metallurgies for production of critical metal components. Sachin's passion has been to bring about a real change in the future of manufacturing for metal parts and create a unique capability within the country for manufacture of components which were erstwhile never being sourced from a country like India. His resolve led to a number of new initiatives in the company including the acquisition of the Replicast® technology, the development of new path breaking technologies like forgeCAST™, RapidCast™, PowderForge, etc, and the setup of a capability to manufacture metal components at par with the best in the world. Due to his efforts, PTC became the only foundry in India to successfully indigenize the Replicast® technology and received the 'National Award for R&D Efforts in Industry' by DSIR which was presented to Mr. Sachin Agarwal by Dr. Krishnamurthy and Dr.

Mashelkar, renowned personalities in the field of science and technology and advisors to the Prime Minister at that time.

Sachin took some critical decisions like divesting out of non-value added, non-critical kind of businesses; consciously shifting the focus of the business to more demanding, difficult-to-manufacture and critical-to-performance parts at a time when the company's reliance on a few select customers was very high. He also braved the downturns in both the domestic and global economic environments at a time when a decision to invest further into technology and capability development required considerable courage and conviction.

Sachin is Co-chairman of the CII Northern Region Defence and Aerospace Committee and Past Chairman for CII in UP and in this role he has worked tirelessly to showcase UP in many parts of the country. He was recognized for his achievements in a publication 'Small Big Bang' by Indian Institute of management (IIM) where he was recognized for his significant contribution to industry and his leadership qualities. He was also featured in Forbes India as leading one of the "16 Hidden Gems" of the country. In association with CII, he has been working towards policy advocacy for the industry. Within his own organisation also, he institutes various welfare funds for the benefit of his workers thus providing support to them in times of need for education and their medical needs. He is committed to bringing an improvement in the lives of all the members of his company through creation of a better and safe work environment and better quality of life.

Priya Ranjan Agarwal

Mr. Priya Ranjan Agarwal joined PTC in 1992 and has been working with the company for the last 28 years. He is a Whole-time director on the Board of the Company. He has made a substantial contribution in creation of a wide base of customers in the domestic market. Mr. Priya Ranjan Agarwal is a Bachelor of Engineering (Mechanical).



He is primarily responsible for business development in key infrastructure projects and domestic marketing activities and has contributed largely for PTC to become a well known and respected name in the country. He continues to lead PTC's marketing efforts by working tirelessly with government and non-government organizations. He has been instrumental in the execution of several large project orders received by PTC from domestic customers and the Indian government.

Alok Agarwal

Mr. Alok Agarwal began working with PTC Industries in 1994, nearly 26 years ago. He is a Whole-time director designated as an Executive Director on the Board of the Company. Mr. Alok Agarwal has done his B.Tech from a premiere engineering institution, the Indian Institute of Technology (IIT), Kanpur.

Over the years, he has held various senior positions in the Production, Quality, Technical and Co-ordination areas. Being a person with a strong penchant for analytical work and high technology skills, he manages the operational and quality related aspects of the business. He has done extensive work in improving the quality standards in the Plants and obtaining various ISO and other quality certifications for the Company. His responsibilities also include Environment, Health and Safety compliances for the Company.

Smita Agarwal

Ms. Smita Agarwal, Director and Chief Financial Officer, PTC Industries Limited qualified as a Chartered Accountant in 1997 and has worked with Price Water house Coopers in their New Delhi and London offices between 1994 to 1998. Smita has also completed her Diploma in Information Systems Audit from ICAI. As her first project, she helped to set up e.Soft Technologies Limited, one of Lucknow's leading software development and business process Consultancy Company which today has offices in New York, Mumbai and Lucknow. She began to take an active leadership role in PTC nearly 8 years ago and steered the management of the FDI investment into the company in 2013. She was also the winner of the 2017 Women Achiever Awards by LMA in the corporate category. Recently, she was also recognised by NITI Aayog as one of the top 60 women entrepreneurs in the country at their Women Transforming India Awards 2018.

She served as Chairperson for CII Young Indians Lucknow Chapter and spent her year in office by working tirelessly towards promotion of youth leadership and social awareness in Lucknow through many programs, workshops and awareness activities. She is currently the National Vice Chairperson of CII Young Indians, an organisation with over 3,500 members in 46 cities across India and also a member of the CII UP State Council and the CII Northern Regional Committee.

Ashok Kumar Shukla

Mr. Ashok Kumar Shukla joined PTC in 2003 and has been working with the Company for the last 16 years in various capacities. He has taken up the position of an Executive Director of the Company around 2 years back. Mr. Shukla is a Bachelor of Technology (Mechanical) and has over 30 years of experience in the foundry industry with a specialization in investment castings and Replicast®. He has extensive experience working in many leading engineering and foundry based companies and has an exceptional skill set for manufacturing and production management.

He has made a substantial contribution for the implementation and achieving business plan directives, implementation of policy matters, boundary management, charting growth plans, increasing production, assets capacity and flexibility, while minimizing unnecessary costs and maintaining current quality standards in respect of the Mehsana Plant.

Ajay Kashyap

Mr. Ajay Kashyap joined PTC in April 2007 and is an Independent Director on the Board of the Company. He is also a director on the Board of various other companies. Mr. Kashyap is a Bachelor in Technology (Chemistry) and has a Masters in Science (Chemistry). He has vast experience in the engineering Industry. Mr. Kashyap brings a lot of knowledge, capability and insight into the management of the company and takes a keen interest in supporting ideas and initiatives for overall improvement in operational and financial processes.

Dr. Rakesh Chandra Katiyar

Dr. Rakesh Chandra Katiyar joined PTC in April 2007 and is an Independent Director on the Board of the Company. His educational qualifications include M.Com, Ph.D, FICWA, D.Litt. and he is a professor at the Chatrapati Sahuji Maharaj University, Kanpur. He is a well-known and respected person in his field.

Krishna Das Gupta

Mr. Krishna Das Gupta joined the Company in July 2008 as an Independent Director on the Board. His educational qualifications include M.Com, LLB, M.Phil and Masters in Public Administration. Mr. Gupta is an Ex Chief Commissioner of Income-Tax with the Government of India. He is a director on the Board of various other companies.

Brij Lal Gupta

Mr. Brij Lal Gupta's educational qualifications include B.Sc from Meerut University, IRDA and CAIIB. Mr. Brij Lal Gupta has retired as General Manager from Punjab National Bank after 41 years of experience in banking. He holds the position of panel head in the interview board of IBPS and serves as guest faculty in various Bank Training Colleges. He is presently also associated

as Business Associate with BRICK (Risk Rating company). His experience includes the areas of sales, marketing operations, control, strategic planning and banking operations, recovery in NPAs.

Mr. Vishal Mehrotra

Mr. Vishal Mehrotra is an advocate by profession and has 22 years of experience of practice before Registration authorities, Revenue authorities, Commercial Tax authorities, Income Tax authorities, Appellate authorities and Hon'ble High Court. He is based in Lucknow (U.P.) and dealing in legal matters of leading private companies, non corporate houses and renowned individuals.

The following table gives the details of the numbers of board meetings attended and attendance at last Annual General Meeting (AGM).

Name of directors	Director Identification Number	Number of Board Meeting during the year		Attendance at Last AGM held on 28 th September 2019
		Held	Attended	
Sachin Agarwal	00142885	5	5	Present
Priya Ranjan Agarwal	00129176	5	2	Present
Alok Agarwal	00129260	5	4	Present
Ashok Kumar Shukla	08053171	5	2	Absent
Smita Agarwal	00276903	5	4	Present
Dr. Rakesh Chandra Katiyar	00556214	5	5	Present
Ajay Kashyap	00661344	5	1	Absent
Krishna Das Gupta	00374379	5	5	Present
Vishal Mehrotra	08535647	5	1	Present
Brij Lal Gupta	06503805	5	5	Present

The board met five times during the financial year ended 31st March, 2020 and the attendance of each director in board meeting is as under:

Name of Directors	Dates of Board Meetings in 2019-20				
	27 th May, 2019	10 th August, 2019	13 th November, 2019	12 th December 2019	29 th January , 2020
Sachin Agarwal	✓	✓	✓	✓	✓
Smita Agarwal	NA	✓	✓	✓	✓
Priya Ranjan Agarwal	✓	✓	-	-	-
Alok Agarwal	-	✓	✓	✓	✓
Ashok Kumar Shukla	✓	-	✓	-	-
Ajay Kashyap	✓	-	-	-	-
Dr. Rakesh Chandra Katiyar	✓	✓	✓	✓	✓
Krishna Das Gupta	✓	✓	✓	✓	✓
Vishal Mehrotra	NA	-	-	-	✓
Brij Lal Gupta	✓	✓	✓	✓	✓



Committees of the Board

There are eight Committees of the board, viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Project Monitoring and Environment Committee, Corporate Social Responsibility Committee, Banking Committee, Risk Management Committee and Listing Committee. The details as to the composition, terms of reference, number of meetings and related attendance etc., of these committees are provided hereunder:

AUDIT COMMITTEE

Composition

The Audit Committee comprises five members (3 Independent-Non-Executive and 1 Executive Director). The composition and attendance of the Audit Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2019-20	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	4	4
2.	Brij Lal Gupta	Member, Independent Director	4	4
3.	Krishna Das Gupta	Member, Independent Director	4	4
4.	Smita Agarwal	Executive Director	4	4
5.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	4	4

The scope, activities and terms of reference of the Audit Committee is as set out in Regulation 18 read with Part C of the Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013.

Terms of Reference

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible. b) To recommend for appointment, remuneration and terms of appointment of auditors of the Company and approve payment to statutory auditors for any other service rendered by the statutory auditors. c) To review the annual financial statements and auditor's report thereon before submission to the board for their approval. d) To review the quarterly, half-yearly financial results of the Company before submission to the board. e) To review the statement of uses / application of funds raised through an issue (public, rights or preferential) and make appropriate recommendations to the board in this regard. f) To review and monitor the auditors' independence and | <ul style="list-style-type: none"> g) To approve or to make any subsequent modification of transactions of the Company with related parties. h) To review the functioning of the whistle blower mechanism. i) To evaluate internal financial controls and risk management systems. j) To monitor the end use of funds raised through public offer, etc, if any. k) To review the adequacy of the internal audit function with respect to competence and capability of the internal auditor, reporting structure and frequency of internal audit. l) To discuss with the internal auditor his findings relating to various functions of the company and follow up thereon. m) To hold periodic discussions with the statutory auditors and internal auditors of the Company concerning the accounts of the Company, scope of audit and observations of auditors, etc. |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Nomination and remuneration committee

Composition

The Nomination and Remuneration Committee comprises three directors (all are Independent, Non-Executive directors). The Composition and attendance of the Nomination and Remuneration Committee is as under:

	Name	Category	Number of meetings during 2019-20	
			Held	Attended
1.	Krishna Das Gupta	Chairman, Independent Director	4	4
2.	Brij Lal Gupta	Member, Independent Director	4	4
3.	Dr. Rakesh Chandra Katiyar	Member, Independent Director	4	4
4.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	4	4

Note: Performance Evaluation of Independent Directors is carried by standards in relation to the Company and its business. The evaluation criteria are self adopted by Committee which includes, Quality and knowledge of the Independent Directors, integrity and industry knowledge, understanding the business and attributed risk, process and procedures, involvement in the oversight of the financial reporting process including internal controls and oversight of audit functions, etc.

Terms of Reference

- a) To recommend to the board the set up and composition of the board and its committees. This committee will periodically review the composition of the board with the objective of achieving an optimum balance of size, skills, knowledge, independence and experience.
- b) To recommend to the board the appointment or reappointment of directors, key managerial personnel (KMPs) and executives appointed one level below the board.
- c) To devise a policy on board diversity.
- d) To review the performance of every director after considering the Company's performance, and to assist the board and the independent directors in evaluation of performance of the board, its committees and individual directors.
- e) To make recommendations to the board about the remuneration policy including salary, perquisites and commission to be paid to the directors, KMPs and executives one level below the board.
- f) To finalize the remuneration, including salary, perquisites and retirement benefits, of the directors and KMPs and to oversee the remuneration paid to them on an annual basis.
- g) To introduce and oversee a familiarization program for the directors.
- h) Perform such duties and responsibilities as may be consistent with the charter of the committee.



Remuneration of directors for the Financial Year 2019-20

Name	Salary	Contribution to funds	Sitting fees	Perquisite/Commission	Total
Sachin Agarwal	75,51,077	3,06,360	-	35,16,156	1,13,73,593
Priya Ranjan Agarwal	41,72,259		-	28,800	42,01,059
Alok Agarwal	32,19,692	2,81,520	-	1,13,312	36,14,524
Ashok Kumar Shukla	38,62,998	2,90,880	-	22,40,991	63,94,869
Smita Agarwal	23,92,292	2,36,300	-	24,000	26,52,592
Ajay Kashyap	-	-	9,000	-	9,000
Krishna Das Gupta			69,300		69,300
Rakesh Chandra Katiyar	-	-	72,000	-	72,000
Brij Lal Gupta	-	-	74,700	-	74,700
Vishal Mehrotra	-	-	6,300	-	6,300

Non-Executive directors of the Company are only entitled for sitting fees and reimbursement of other ancillary expenditure incurred for attending the meeting of board of directors or committee thereof, in which director is inducted as member.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

The Stakeholder Relationship Committee comprises four directors (3 Independent, Non-Executive and 1 Executive director). Composition and attendance of the Stakeholders Relationship Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2019-20	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	2	2
2.	Sachin Agarwal	Member, Executive Director	2	2
3.	Krishna Das Gupta	Member, Independent Director	2	2
4.	Ajay Kashyap	Member, Independent Director	2	0
5.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	2	2

Terms of Reference

The Stakeholder Relationship Committee was formed to look into matters related to transfer of shares, redressal of grievances of investors related to transfer or credit of shares, issue of duplicate share certificates, dividends, non-receipt of notices or annual reports and other related matters.

The details pertaining to the number of complaints received and responded and the status thereof during the financial year ended **March 31, 2020** are as under:

No. of complaints received from the shareholders	: 1
No. of complaints solved to the satisfaction of the shareholders	: 1
No. of complaints pending	: 0

Physical Share Transfers (from April 1, 2019 to March 31, 2020)

No. of shares transferred / transmitted	: 300/Nil
No. of shares pending for transfer	: Nil
Pending due to Exchange of Counter Receipts (CR) to share certificates	: NA

There are 74,580 equity shares against which shareholders have not claimed share certificates in lieu of the Counter Receipts (CR) aggregating to 1.42% of the total paid-up equity share capital of the Company.

Project Monitoring and Environment Committee

Composition

The Project Monitoring and Environment Committee comprises four directors (2 Independent Non-Executive and 2 Executive Directors). Composition and attendance of Project Monitoring and Environment Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2019-20	
			Held	Attended
1.	Sachin Agarwal	Chairman, Executive Director	1	1
2.	Alok Agarwal	Member, Executive Director	1	1
3.	Ajay Kashyap	Member, Independent Director	1	1
4.	Krishna Das Gupta	Member, Independent Director	1	1
5.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	1	1

Terms of Reference

The Project Monitoring Committee oversees and monitors the progress of large capital expenditures and projects being implemented by the Company. It approves placement of large orders of equipment, plant and machinery relating to the projects and monitors their execution. It also assesses the impact of the operations of the Company on the environment and initiates steps for the identification of potential issues and provision of support in setting a direction for improvements. It also takes on account matters pertaining to new projects for its smooth implementation.



CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition

The Corporate Social Responsibility Committee comprises four directors (2 Independent and an Executive director). The composition and attendance of the Corporate Social Responsibility Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2019-20	
			Held	Attended
1.	Krishna Das Gupta	Chairman, Independent Director	2	2
2.	Alok Agarwal	Member, Executive Director	2	2
3.	Dr. Rakesh Chandra Katiyar	Member, Independent Director	2	2
4.	*Smita Agarwal	Member, Whole Time Director & CFO	N/A	N/A
5.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	2	2

* w.e.f. August 04, 2020

Terms of Reference

The Corporate Social Responsibility Committee has been formed as per section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. Its mandate includes formulating and recommending to the board of directors a corporate social responsibility (CSR) Policy, recommend the amount of expenditure to be incurred on eligible activities as per Schedule VII of the Companies Act, 2013, monitoring of CSR activities and overseeing the conduct of the Company with regard to its corporate and social obligations and its reputation as a responsible corporate citizen.

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

BANKING COMMITTEE

Composition

The Banking Committee of the board comprises three directors (1 Independent and 2 Executive directors). The composition and attendance of the Banking Committee is as under:

Sl. No.	Name	Category	Number of meetings held during 2019-20	
			Held	Attended
1.	Sachin Agarwal	Chairman, Managing Director	5	5
2.	Alok Agarwal	Member, Executive Director	5	5
3.	Brij Lal Gupta	Member, Independent Director	5	5
4.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	5	5

Terms of Reference

The Terms of Reference for Banking Committee was revised by the board in their meeting held on November 7, 2015. The revised Terms of reference are as follows:

- Approval of sanction letters and/or borrowings at a time or by cumulative sum as specified by the Board subject to fact that the Chairman of the Committee will place such approval at the subsequent meeting of the Board.
- Passing of resolution(s) for opening, closing and operation of bank accounts with present bankers of the Company viz., State Bank of India, Punjab National Bank, HDFC bank, Yes Bank or any of the banks in future.
- To authorise additions/deletions to the signatories pertaining to banking transactions.

- d) To approve investment of surplus funds for an amount as per the policy approved by the Board.
- e) To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivatives products.
- f) Any approval and/or execution for day to day banking matters of the Company.
- g) To attend to any other responsibility as may be entrusted by the Board to perform any activity within terms of reference.

RISK MANAGEMENT COMMITTEE

Composition

The Risk Management Committee comprises three directors (2 Independent and an Executive director). The composition of the Risk Management Committee is as under:

Sl. No.	Name	Category	Number of meetings held during 2019-20	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	1	1
2.	Priya Ranjan Agarwal	Member, Executive Director	1	1
3.	Brij Lal Gupta	Member, Independent Director	1	1
4.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	1	1

Terms of Reference

To recommend to the board a risk management policy, to manage the risk of the Company mainly un-systematic risk and apprise the board regarding any noticeable and relevant risks which can have an adverse effect on the affairs of the Company.

LISTING COMMITTEE

Composition

The Listing Committee of the board was formed by the resolution passed in the meeting of the board of directors held on April 23, 2014. It comprises three directors. The composition of the Listing Committee is as under:

Sl. No.	Name	Category	Number of 2019-20	
			Held	Attended
1.	Sachin Agarwal	Chairman, Executive Director	-	-
2.	Alok Agarwal	Member, Executive Director	-	-
3.	Smita Agarwal	Member, Director and Chief Financial Officer	-	-

During the year no meeting was held of the Committee.

Terms of Reference

To oversee and monitor all tasks in relation to the listing of equity shares of the Company at stock exchanges and the compliance of all the provisions of the Listing Agreement.



INDEPENDENT DIRECTORS COMMITTEE

The statutory role of the Independent Directors Committee of the Board is to review the performance of the non-Independent Directors, including the Chairman of the Company, and the Board, and also to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

Composition

The Independent Directors Committee comprises all the Independent Directors of the Company, whose names are provided under the section 'Board of Directors and Committees' in the Report and Accounts.

Meetings and Attendance

Details of Independent Directors Committee Meeting during the financial year

During the financial year ended 31st March, 2020, one meeting of the Independent Directors Committee was held.

BOARD EVALUATION AND TRAINING

Familiarisation and training of board members

PTC believes that a Board, which is well informed and familiar with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In order to accomplish this, the Directors of the Company are updated on changes and developments in the domestic and global corporate and industry scenario including those pertaining to statutes, legislations and economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions. Visits to Company facilities

and plants are also organised regularly for the Directors to keep them updated about the operations and new ventures being taken up by the company. PTC, in order to keep its directors appraised with the developments in the industrial sector, arranges skill development programs for the directors from time to time. The Company also trains its board of directors regarding its business as well as the risk parameters of the business during the board meetings. Presentations are also made to educate the directors regarding their duties, responsibilities, powers and roles under various statutes.

Evaluating the performance of non-executive directors

The board evaluates the performance of non-executive directors and other directors of the Company. Further, the independent directors also evaluate the performance of non-independent directors in a separate meeting where non-Independent directors remain absent and the Nomination and Remuneration Committee also evaluates the performance of the Board as a whole, including the Executive Chairman of the Company in their meeting.

Whistleblower policy

The company has established a vigil mechanism pursuant to the requirement under Clause 49 of the Listing Agreement & section 177 of the Companies Act, 2013 and adopted a 'Whistle Blower Policy' for employees and directors to report instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise concerns about serious irregularities within the Company. In line with this policy, no person is denied access to the chairman of the audit committee.

General Body Meetings

The date, time and venue of the last three Annual General Meetings of the Company are as follows:

AGM No.	Date	Time	Location	Special Resolution Passed
56 th	September 28, 2019	03:00 P.M.	Registered Office	Yes
55 th	September 15, 2018	03:00 P.M.	Registered Office	No
54 th	September 29, 2017	03:00 P.M.	Hotel Golden Tulip, Lucknow	Yes

Postal Ballot- During the year under report two resolutions were passed by shareholders through Postal Ballot. Resolutions passed through Postal Ballot, if any, will be taken up as and when necessary.

No Extraordinary General Meeting was held during the year under report.

PTC CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING – 2019

The PTC Code of Conduct for Prevention of Insider Trading, approved by the Board of Directors, inter alia, prohibits trading in securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

PTC CODE OF CONDUCT

The PTC Code of Conduct, adopted by the Board of Directors, is applicable to Directors, senior management and employees of the Company. The Code is derived from fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct in relation to the Company's business and reputation. The Code covers PTC's commitment to CSR and sustainable development, concern for occupational health, safety and environment, a gender friendly workplace, transparency and auditability, legal compliance and the philosophy of leading by personal example. The Code is available on the Company's corporate website.

Disclosures

1. Details of non-compliances, penalties and strictures by Stock Exchanges / SEBI / Statutory Authorities on any matter related to capital markets during the last three years:

There has been no instance of any non-compliance during the last three years by the Company on any matter under Securities and Exchange Board of India, any stock exchange or any other statutory authority related to the capital market.

2. Inter-se relationships between Directors and Key Managerial Personnel of the Company:

Sachin Agarwal, Chairman & Managing Director & Smita Agarwal, Whole Time Director & CFO are related as spouse.

3. Materially significant related party transactions which may have potential conflict with the interests of the Company at large:None
4. Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large:

Your Company has not entered into any transaction of a material nature except transactions with related parties which have been given under notes to the financial statements as stipulated under Indian Accounting Standard (Ind AS) 24 and Annexure to the Director's report in Annexure III, with the promoters, directors, management, their subsidiaries or relatives etc. All transactions were carried out on an arm's-length basis and were not prejudicial to the interest of the Company.

5. Details of utilisation of funds raised through preferential allotment or qualified institutions placement:

Not Applicable

6. None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities, which has also been confirmed by Messrs. Amit Gupta & Associates, Practising Company Secretaries.
7. Confirmation by the Board with respect to the Independent Directors is provided in the Report of the Board of Directors & Management Discussion and Analysis, forming part of the Report and Accounts.
8. A certificate, by practising Company Secretary to the effect that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies, is annexed to this report.
9. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the Board Report.
10. Information with respect to Commodity Price Risk or Foreign Exchange Risk and Hedging Activities is provided in the Report of the Board of Directors & Management Discussion and Analysis and in the Notes to the Financial Statements, forming part of the Report and Accounts.
11. In view of the diversified business portfolio of the Company, its exposure in none of the individual commodities which are sourced either for use as inputs in its businesses or for agri-commodity trading, is material in the context of its overall operations, and also in terms of the Policy for determination of materiality of events and information for disclosure to the Stock Exchanges, as approved by the Board. Accordingly, the disclosure requirements prescribed under the SEBI Circular dated 15th November, 2018 are not applicable for the Company.
12. The total fees paid by the Company and its subsidiaries to Messrs. Walker Chandiook & Co. LLP, Statutory Auditors



of the Company, and all other entities forming part of the same network, aggregate Rs. 22.56 Lakhs for the period under report.

13. Compliance Officer under the Listing Regulations 2015: Mr. Anuj Nigam, Company Secretary & Compliance Officer
14. The Company has adopted a 'Whistle Blower Policy' and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. It is affirmed that no person was denied access to the chairman of the audit committee. The Whistle Blower Policy can be accessed at www.ptcil.com.
15. Your company has made compliances with mandatory requirements under SEBI (Listing Obligation and Disclosure Requirements)
16. Policy on Materiality and Policy on Related party Transactions can be accessed at <https://www.ptcil.com/corporate/Policies>
17. The Company has a risk management policy for risk

identification, assessment and control to effectively manage risk associated with business of the Company.

Means of Communication

1. The quarterly results are placed on the Company's website whilst submitting to the Stock Exchange.
2. Financial results are published in English and Hindi newspapers (generally in Financial Express and Jansatta). Notices of board meetings to approve the financial results are also published in these newspapers.
3. Financial results along with notice of the board meetings can be accessed at Company's website www.ptcil.com under the head 'Financials'.
4. The Company's website www.ptcil.com not only gives a description of its products and activities, but also highlights the achievements of the Company and official news releases. There are no Institutional Investors nor are any presentations made to analysts.

General Shareholders' Information

Annual General Meeting	Date: September 30, 2020 Time: 03:00 P.M. Through Video Conferencing
Book Closure Date	September 23, 2020
Financial calendar (Tentative)	1st April 2019 to 31st March 2020
Dividend Payment date	The Company is making a substantial investment in a new subsidiary Aerolloy Technologies Limited for entering into manufacture of aerospace related products which shall significantly diversify and grow the Company's portfolio. This is expected to yield positive financial growth also for the Company in the coming years. Hence, the directors do not consider it prudent to recommend any dividend for the year ended on March 31, 2020.
Listing on Stock Exchange	BSE Limited The Company has paid Annual Listing Fees to BSE Limited for the current year.
Stock Exchange Code	539006

Market Price Data

Stock market price data for the financial year 2019-20. High/Low of daily closing market price of the Company's shares traded at BSE during each month in the Financial Year ended on March 31, 2020 are as under:

Month	High	Low	No. of Shares
Apr-19	450.00	390.60	1,920
May-19	493.90	351.05	2,973
Jun-19	480.00	379.05	2,806
Jul-19	442.00	361.00	9,785
Aug-19	435.20	367.00	3,558
Sep-19	409.25	375.00	2,114
Oct-19	419.00	375.00	9,681
Nov-19	408.00	362.00	3,075
Dec-19	412.00	331.00	5,239
Jan-20	388.40	321.15	8,179
Feb-20	384.00	295.00	16,131
Mar-20	380.00	223.00	5,680

Performance of the share price of the Company in comparison to the BSE Sensex:

% change in Company Share price	% change in SENSEX
-30.46%	-24.19%

(During 2019-20)



Registrar and Transfer Agent

M/s Link Intime India Private Limited
C-101, 247 Park, LBS Marg Vikhroli West
Mumbai 400 083

Phone	91-22 – 49186000
Fax	91-22 – 49186060
e-mail	rnt.helpdesk@linkintime.co.in



Share Transfer System	Share transfer work of the physical segment is attended to by the Company's Registrar and Share Transfer Agent within the period prescribed under the law and the listing agreement. Share transfers are approved by a committee of directors which meets periodically.			
Plant Locations	<table border="1"> <tr> <td>AMTC Plant NH 25A, Sarai Shahjadi, Lucknow 227101, Uttar Pradesh, India.</td> </tr> <tr> <td>Windmill Power Division Surajbari Region, Shikarpur Village, Kutch District, Gujarat, India.</td> </tr> <tr> <td>Mehsana Plant Rajpur, Taluka Kadi, District Mehsana 382 740, Gujarat, India.</td> </tr> </table>	AMTC Plant NH 25A, Sarai Shahjadi, Lucknow 227101, Uttar Pradesh, India.	Windmill Power Division Surajbari Region, Shikarpur Village, Kutch District, Gujarat, India.	Mehsana Plant Rajpur, Taluka Kadi, District Mehsana 382 740, Gujarat, India.
AMTC Plant NH 25A, Sarai Shahjadi, Lucknow 227101, Uttar Pradesh, India.				
Windmill Power Division Surajbari Region, Shikarpur Village, Kutch District, Gujarat, India.				
Mehsana Plant Rajpur, Taluka Kadi, District Mehsana 382 740, Gujarat, India.				
Address for correspondence	The Company Secretary PTC Industries Limited Advanced Manufacturing and Technology Centre NH-25A Sarai Shahjadi, Lucknow-227101, Uttar Pradesh, India.			

Dematerialization of Shares

The Company has signed a tri-partite agreement with both depositories National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and Company's Registrar and Share Transfer Agent M/s Link Intime India Private Limited to facilitate dematerialization of Shares. The Company's equity shares have been admitted to dematerialisation w.e.f. July 20, 2002 and the ISIN is INE596F01018. The details of shares in physical and Demat form as on March 31, 2020 is as under:

Description of Shares	Number of Shares	Percentage
No. of shares in physical mode	2,30,410	4.40
No. of shares in electronic mode	50,08,653	95.60
Total	52,39,063	100.00

Distribution of shareholding (As on March 31, 2020)

Number of shares	Number of shareholders	Number of shares	Percentage to total number of shares
From - To			
1 to 500	1,162	1,45,834	2.7836
501 to 1000	74	55,836	1.0658
1001 to 2000	32	47,866	0.9136
2001 to 3000	7	18,100	0.3455
3001 to 4000	3	11,150	0.2128
4001 to 5000	5	23,496	0.4485
5001 to 10000	9	69,471	1.3260
10001 and above	33	48,67,310	92.9042
Total	1,325	52,39,063	100.0000

Shareholding Pattern	No. Of Shares	% of Capital
Promoters and directors (including relatives)	33,69,789	64.32
Foreign companies	10,47,813	20.00
Corporate bodies (other than promoters' companies)	2,47,466	4.72
Indian public	5,33,809	10.20
NRIs	18,493	0.35
Market makers	6,500	0.12
HUF	14,628	0.28
Clearing Members	565	0.01
Total	52,39,063	100.00

Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name	Mr. Ashok Kumar Shukla
Date of Birth	August 15, 1958
Date of Joining	01/10/2017
No. of shares held	81,369
Qualification	Ba Bachelor of Technology (Mechanical)
Experience	27 years
Expertise	Technical and Engineering
Other Listed Company Directorship	-
Chairman/ membership in other listed company committees	-

GREEN INITIATIVE

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address previously registered with the DPs and RTAs.

Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in Demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with RTA by sending a letter, duly signed by the first/sole holder quoting details of Folio Number.



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[As per Clause 10(i) of Para 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,
PTC Industries Limited,

1. We have examined the status of directors for the year ended on March 31, 2020, pursuant to the provisions of Clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations").
2. It is neither an audit nor an expression of opinion regarding the legality of debarring or disqualification by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs (MCA) or any such statutory authority.
3. Our examination was limited to a review of the relevant records of the Company and website of MCA, stock exchange(s), SEBI and other relevant statutory authority (ies) (specify) as specified in Annexure to this certificate and it is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the declarations and disclosures made by the Directors and the representation given by the Management, we certify that none of the directors on the board of PTC Industries Limited, have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority during the year ended at March 31, 2020.

For **Amit Gupta & Associates**
Company Secretaries

Place: Lucknow

Date: August 17, 2020

Amit Gupta
Proprietor
Membership No. : F5478
C.P. No. 4682
UDIN- F00547B000586069

CERTIFICATE ON CORPORATE GOVERNANCE

UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS

To the Members of PTC Industries Limited

AMTC, NH-25A, Sarai Shahjadi

Lucknow

We have examined the compliance of conditions of Corporate Governance by PTC Industries Limited ("the Company"), for the year ended on March 31, 2020, as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period April 01, 2019 to March 31, 2020.

1. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and Clause (b) to (i) of Regulation 46 (2) of the Listing Agreements and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2020.
3. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Lucknow

Date: June 26, 2020

For **C.P. Shukla & Co.**
Company Secretaries

(C.P Shukla)
Membership No. : F3819
C.P. No. 513
UDIN-F003819B000379876



Independent Auditor's Report

To the Members of PTC Industries Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of PTC Industries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2020, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Remeasurement of deferred tax liabilities and recoverability of Minimum Alternate Tax (MAT) credits and tax losses included in deferred tax assets</p> <p>As disclosed in note 25 in the financial statements, the deferred tax liabilities (net) include deferred tax assets recognised for brought forward losses and unabsorbed depreciation amounting to INR 409.33 lakh. In the current year, the Company has not opted for reduced tax rates introduced through the Taxation Laws (Amendment) Act, 2019, and continues to recognize the taxes on income for the year ended 31 March 2020 as per existing provisions. The Company, however, expects to avail the option of lower tax rate from a later financial year after utilizing MAT credits and tax losses under the Income-tax Act, 1961. The Company's MAT credit entitlement amounts to Rs. 957.48 lakh and brought forward losses and unabsorbed depreciation amounts to INR 1,346.49 lakh as at 31 March 2020, and as per the current business plan, the same are expected to be fully utilized.</p> <p>This has been considered as a key audit matter because of the judgements involved in assessing the recoverability of deferred tax assets within the period prescribed under the tax laws, which involves use of significant assumptions and estimates such as future growth rate and market conditions, and also in the timing for adoption of lower tax rates based on which the Company has remeasured the deferred tax liabilities aggregating to INR 155.48 lakh as at 31 March 2020. Any change in these assumptions could have a material impact on the carrying value of deferred tax balances.</p>	<p>Our audit procedures included, but were not restricted to the following procedures:</p> <ul style="list-style-type: none"> a) Evaluated the design and tested the operating effectiveness of key internal controls implemented by the management over recognition of deferred tax assets based on the assessment of Company's ability to generate sufficient taxable profits in foreseeable future allowing the use of deferred tax assets within the time prescribed by income tax laws. b) Obtained management's business plans which include projected revenues and profits and checked the reasonableness of the assumptions underlying the preparation of these forecasts such as growth rate, etc. based on historical data trends and also considering the possible impact of COVID -19 pandemic on such assumptions. c) Reconciled the future taxable profit projections to future business plans of the Company as approved by the Board of Directors. d) Performed independent sensitivity analysis to the key assumptions mentioned above to determine inputs leading to high estimation uncertainty of the cash flow projections. e) Evaluated management's assessment of time period available for adjustment of such deferred tax assets as per provisions of the Income Tax Act, 1961 and appropriateness of the accounting treatment with respect to the recognition of deferred tax assets as per requirements of Ind AS 12, Income Taxes. f) Re-computed the amount of deferred tax liabilities as appearing in the financial statements which the Company expects to utilize in the later financial years when the Company will have likely adopted the reduced tax rates. g) Tested the arithmetical accuracy of the above calculations. h) Evaluated the appropriateness and adequacy of the disclosures made by the Company in accordance with the requirements as specified in the Indian Accounting Standards.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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



When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, 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.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 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.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. Further to our comments in Annexure I, as required by section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 27 June 2020 as per Annexure II expressed unmodified opinion; and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 46(ii) to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2020;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sandeep Mehta

Partner

Membership No.: 099410

UDIN: 20099410AAAABJ9889

Place: Chandigarh

Date: 27 June 2020



Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies between physical inventory and book records were noticed on physical verification/ material discrepancies noticed on physical verification have been properly dealt with in the books of account.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and services tax, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, goods and services tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ lakhs)	Amount paid under protest (₹ lakhs)	Period to which the amount relates	Forum where dispute is pending
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	0.83	0.83	FY 2006-07	Sales Tax Tribunal
The Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry tax	2.50	2.50	FY 2009-10	Entry Tax Tribunal
The Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry tax	6.95	6.95	FY 2010-11	Entry Tax Tribunal
Central Goods and Services Tax Act, 2017; Integrated Goods and Services Tax Act, 2017; UP Goods and Services Tax Act, 2017	Goods and services tax	16.59	14.89	FY 2019-20	Pending to the Appealed before appellate authority

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year. There are no loans or borrowings payable to government during the year. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained, though idle funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sandeep Mehta

Partner

Membership No.: 099410

UDIN: 20099410AAAABJ9889

Place: Chandigarh

Date: 27 June 2020



Annexure II

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of PTC Industries Limited ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, 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 Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sandeep Mehta

Partner

Membership No.: 099410

UDIN: 20099410AAAABJ9889

Place: Chandigarh

Date: 27 June 2020



Balance sheet for the year ended 31 March 2020

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	5	20,953.72	12,913.18
Capital work-in-progress	6	1,897.46	9,652.29
Investment property	7	187.46	-
Other intangible assets	8	75.70	55.23
Financial assets			
(i) Investments	9(a)	1.00	0.21
(ii) Loans	10(a)	68.70	92.10
(iii) Other financial assets	11(a)	13.41	13.14
Non current tax assets (net)	12	-	2.28
Other non current assets	13	164.33	284.90
Total non-current assets		23,361.78	23,013.33
Current assets			
Inventories	14	5,208.93	4,396.14
Financial assets			
(i) Investments	9(b)	5.79	11.77
(ii) Trade receivables	15	4,396.82	4,395.56
(iii) Cash and cash equivalents	16	151.09	558.51
(iv) Bank balances other than (iii) above	17	178.15	87.42
(v) Loans	10(b)	239.42	316.74
(vi) Others financial assets	11(b)	770.44	378.07
Other current assets	18	637.99	882.75
		11,588.63	11,026.96
Assets classified as held for sale	19	452.12	-
Total current assets		12,040.75	11,026.96
TOTAL ASSETS		35,402.53	34,040.29
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	523.91	523.91
Other equity	21	14,544.64	13,515.71
Total equity		15,068.55	14,039.62
Non-current liabilities			
Financial liabilities			
(i) Borrowings	22(a)	7,717.09	7,414.33
(ii) Other financial liabilities	23	7.50	-
Provisions	24	107.83	75.48
Deferred tax liabilities (net)	25	155.48	69.45
Other non-current liabilities	26	1,122.23	1,155.56
Total non-current liabilities		9,110.13	8,714.82

Balance sheet for the year ended 31 March 2020

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
Current liabilities			
Financial liabilities			
(i) Borrowings	22(b)	6,455.06	5,865.09
(ii) Trade payables	27		
total outstanding dues of micro enterprises and small enterprises		43.89	-
total outstanding dues of creditors other than micro enterprises and small enterprises		2,691.72	3,500.12
(iii) Other financial liabilities	28	1,547.24	1,677.39
Other current liabilities	29	300.47	127.08
Provisions	24	24.24	68.23
Current tax liabilities (net)	30	161.23	47.94
Total current liabilities		11,223.85	11,285.85
TOTAL EQUITY AND LIABILITIES		35,402.53	34,040.29

Notes 1 to 53 form an integral part of these financial statements

This is the Statement of Balance Sheet referred to in our report of even date.

For Walker Chandio & Co. LLP

Chartered Accountants

(Firm Registration No. 001076N/N500013)

Sandeep Mehta

Partner

Membership No. 099410

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

Sachin Agarwal

Chairman and Managing Director

DIN No. : 00142885

Alok Agarwal

Director (Quality & Technical)

DIN No. : 00129260

Smita Agarwal

Director and Chief Financial Officer

DIN No. : 00276903

Anuj Nigam

Company Secretary

Mem. No.: FCS9515

Place: Chandigarh

Date: 27 June 2020

Place: Lucknow

Date: 27 June 2020



Statement of Profit and Loss for the year ended 31 March 2020

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
Revenue from operations	31	16,812.69	15,124.80
Other income	32	720.21	422.02
Total income		17,532.90	15,546.82
Expenses			
Cost of materials consumed	33	4,788.02	4,479.21
Changes in inventories of finished goods and work-in-progress	34	(1,135.44)	(411.42)
Employee benefits expense	35	2,162.22	1,945.97
Research and development expense	36	182.64	111.05
Other expenses	37	7,985.48	6,586.99
Total expenses		13,982.92	12,711.80
Profit before finance cost, depreciation and amortisation, exceptional items and tax		3,549.98	2,835.02
Finance costs	38	1,138.93	921.36
Depreciation and amortisation expense	39	1,021.23	909.42
Profit before exceptional items and tax		1,389.82	1,004.24
Exceptional items	40	-	61.81
Profit before tax		1,389.82	942.43
Tax expense:	41		
Current tax - current year		244.86	194.52
MAT credit entitlement - current year		(244.86)	(194.52)
Current tax - earlier years		-	(91.41)
Deferred tax charge		339.23	123.12
MAT credit entitlement - previous years		-	(180.82)
Total tax expenses		339.23	(149.11)
Profit for the year		1,050.59	1,091.54
Other comprehensive income			
A) i) Items that will not be reclassified to profit or loss		(30.01)	(5.27)
ii) Income tax relating to items that will not be reclassified to profit or loss		8.35	1.47
B) i) Items that will be reclassified to profit or loss		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year (net of tax)		(21.66)	(3.80)
Total comprehensive income for the year		1,028.93	1,087.74

Statement of Profit and Loss for the year ended 31 March 2020

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Earnings per equity share [Nominal value ₹10]	42		
Basic (₹)		20.05	20.83
Diluted (₹)		20.05	20.83

Notes 1 to 53 form an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For Walker Chandiok & Co. LLP

Chartered Accountants

(Firm Registration No. 001076N/N500013)

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

Sandeep Mehta

Partner

Membership No. 099410

Sachin Agarwal

Chairman and Managing Director

DIN No. : 00142885

Alok Agarwal

Director (Quality & Technical)

DIN No. : 00129260

Smita Agarwal

Director and Chief Financial Officer

DIN No. : 00276903

Anuj Nigam

Company Secretary

Mem. No.: FCS9515

Place: Chandigarh

Date: 27 June 2020

Place: Lucknow

Date: 27 June 2020



Statement of cash flows for the year ended 31 March 2020

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
A	Cash flow from operating activities		
	Net profit before tax	1,389.82	942.43
	Adjustment for :		
	Depreciation and amortisation expense	1,021.23	909.42
	Unrealised foreign exchange fluctuation loss/(gain)	(146.19)	134.02
	Loss on disposal/discard of property plant and equipment (net)	1.78	2.63
	Provision for doubtful debts, loans and advances	11.11	-
	Bad debts written off	23.04	-
	Loans and advances written off	-	50.62
	Amortisation of deferred income- government grant	(33.33)	(33.33)
	Dividend income	(0.13)	(0.15)
	Loss/(gain) on MTM foreign exchange fluctuation	156.87	(76.60)
	Interest paid	1,011.51	840.13
	Remeasurement of defined benefit plan	(30.01)	(5.27)
	Loss/(gain) on investment at fair value through profit or loss (net)	1.43	(1.09)
	Interest from assets valued at amortised cost	(18.56)	(12.41)
	Exceptional items	-	61.81
	Operating profit before working capital changes	3,388.57	2,812.21
	Inflow and outflow on account of :		
	Changes in trade receivables	(25.02)	(1,079.00)
	Changes in inventories	(812.79)	(575.13)
	Changes in other financial assets	(392.38)	(192.08)
	Changes in other assets	244.75	413.14
	Changes in financial assets-loans	100.72	(140.63)
	Changes in provisions	(11.63)	66.11
	Changes in trade and other payables	(787.03)	1,740.64
	Changes in other financial liabilities	75.11	256.19
	Changes in other liabilities	173.39	(84.04)
	Cash generated from operations before tax	1,953.69	3,217.42
	Income taxes paid (net)	(129.24)	(180.77)
	Net cash generated from operating activities [A]	1,824.44	3,036.65

Statement of cash flows for the year ended 31 March 2020

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
B	Cash flow from investing activities		
	Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods]	(1,549.71)	(1,765.23)
	Proceeds from disposal of property plant and equipment	1.32	12.69
	Proceeds from investments	3.77	-
	Interest received	18.56	12.41
	Other bank balances not considered as cash and cash equivalents [net]	(91.01)	(34.34)
	Dividend received	0.13	0.15
	Net cash used in investing activities [B]	(1,616.94)	(1,774.32)
C	Cash flows from financing activities		
	Proceeds from long-term borrowings	1,033.88	613.08
	Repayment of long-term borrowings	(905.37)	(907.00)
	Proceeds from government grant	-	400.00
	Proceeds from short-term borrowings (net)	589.96	381.30
	Finance cost paid	(1,333.40)	(1,300.59)
	Net cash used in financing activities [C]	(614.93)	(813.21)
D	Net (decrease)/increase in cash and cash equivalents [A+B+C]	(407.42)	449.12
E	Cash and cash equivalents at the beginning of the year	558.51	109.39
	Closing balance of cash and cash equivalent [D+E]	151.09	558.51
	Components of cash and cash equivalents (refer note 16):		
	Balances with banks	138.47	518.37
	Cash on hand	12.62	8.64
	Balances in deposit account with original maturity upto three months	-	31.50
		151.09	558.51

Notes 1 to 53 form an integral part of these financial statements

This is the Statement of Cash Flow Statement referred to in our report of even date

For Walker Chandiok & Co. LLP

Chartered Accountants

(Firm Registration No. 001076N/N500013)

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

Sandeep Mehta

Partner

Membership No. 099410

Sachin Agarwal

Chairman and Managing Director

DIN No. : 00142885

Alok Agarwal

Director (Quality & Technical)

DIN No. : 00129260

Smita Agarwal

Director and Chief Financial Officer

DIN No. : 00276903

Anuj Nigam

Company Secretary

Mem. No.: FCS9515

Place: Chandigarh

Date: 27 June 2020

Place: Lucknow

Date: 27 June 2020



Statement of changes in equity for the year ended 31 March 2020

(All amounts in ₹ lakhs, unless stated otherwise)

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at 1 April 2018	52,39,063	523.91
Changes in equity share capital during the year	-	-
Balance as at 1 April 2019	52,39,063	523.91
Changes in equity share capital during the year	-	-
Balance as at 31 March 2020	52,39,063	523.91

B. Other equity

Particulars	Reserves and surplus				Other reserve	Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Equity instruments through other comprehensive income	
Balance as at 1 April 2018	1.75	4,120.72	4,624.17	3,681.32	0.01	12,427.97
Profit for the period	-	-	-	1,091.54	-	1,091.54
Remeasurement of defined benefit plan	-	-	-	(3.80)	-	(3.80)
Balance as at 1 April 2019	1.75	4,120.72	4,624.17	4,769.06	0.01	13,515.71
Profit for the period	-	-	-	1,050.59	-	1,050.59
Remeasurement of defined benefit plan	-	-	-	(21.66)	-	(21.66)
Balance as at 31 March 2020	1.75	4,120.72	4,624.17	5,797.98	0.01	14,544.64

Refer note 21 for nature of reserves.

Notes 1 to 53 form an integral part of these financial statements

This is the Statement of Changes in Equity referred to in our report of even date

For Walker Chandiok & Co. LLP

Chartered Accountants

(Firm Registration No. 001076N/N500013)

Sandeep Mehta

Partner

Membership No. 099410

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

Sachin Agarwal

Chairman and Managing Director

DIN No. : 00142885

Smita Agarwal

Director and Chief Financial Officer

DIN No. : 00276903

Alok Agarwal

Director (Quality & Technical)

DIN No. : 00129260

Anuj Nigam

Company Secretary

Mem. No.: FCS9515

Place: Chandigarh

Date: 27 June 2020

Place: Lucknow

Date: 27 June 2020

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

1. Company information

PTC Industries Limited (the 'Company') is a public limited company incorporated in India. The registered office and corporate office of the Company is situated in Lucknow, Uttar Pradesh, India. The Company is a leading manufacturer of metal components for critical and super critical applications. The Company's shares are listed on the Bombay Stock Exchange (BSE) in India.

2. General information and statement of compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements of PTC Industries Limited as at and for the year ended 31 March 2020 (including comparatives) were approved and authorised for issue by the Board of Directors on 27 June 2020.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs and two decimals thereof, unless otherwise indicated.

3. Basis of preparation and presentation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments) at fair value.
- Defined benefit liabilities are measured at present value of defined benefit obligation.

4. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below.

a) Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- 1) It is expected to be realised in, or is intended to be sold or consumed in, the Company's normal operating cycle;
- 2) It is held primarily for the purpose of being traded;
- 3) It is expected to be realised within twelve months after the reporting date; or
- 4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- 1) It is expected to be settled in the Company's normal operating cycle;
- 2) It is held primarily for the purpose of being traded;
- 3) It is due to be settled within twelve months after the reporting date; or
- 4) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

b) Property, plant and equipment

Recognition, measurement and de-recognition

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The Company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Foreign currency exchange differences are capitalised as per the policy stated in note 4(h) below.

Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Based on technical assessment made by technical expert

and management estimate, the Company have assessed the estimated useful lives of certain property, plant and equipment that are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives of items of property, plant and equipment are as follows:

Particulars	Management estimate of useful life (years)
Factory and non-factory Buildings	30 – 60
Plant and machinery	2 – 15
Furniture and fixtures	10
Vehicles	8 – 10
Office equipments	5
Computers	3 – 6
Electrical installations	10

Leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.

c) Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

d) Intangible assets

Recognition, measurement and de-recognition

Intangible assets are stated at cost less accumulated amortisation and impairment losses (if any). Cost related to technical assistance for new projects are capitalised.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent expenditure

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Amortisation

Intangible assets include software that are amortised over the useful economic life of 6 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

e) Non-current assets held for sale

An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets, assets arising from employee benefits and deferred tax assets, continue to be measured in accordance with the Company's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

f) Impairment

(i) Impairment of financial assets

The Company recognises loss allowance for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract such as a default in payment within the due date;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

to actions such as realising security (if any) is held.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the Cash Generating Unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss. An asset is deemed impaired when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.

g) Inventories

Inventories are stated at the lower of cost and net realisable value.

Raw materials, packing material, stores and spares and loose tools: The cost of inventories is calculated on first in and first out basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Work-in-progress and manufactured finished goods:

Cost includes raw material costs and an appropriate share of fixed production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item by item basis/contract basis depending on the nature of work.

h) Foreign exchange transactions

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All exchange differences relating to foreign currency items are dealt with in the Statement of Profit and Loss in the year in which they arise.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

i) Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the

net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed/encashed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulation. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

j) Revenue

i. Sale of goods

Revenue arises mainly from the sale of goods. To determine whether to recognise revenue, the Company follows a 5-step process:

- (i) Identifying the contract with a customer
- (ii) Identifying the performance obligations
- (iii) Determining the transaction price
- (iv) Allocating the transaction price to the performance obligations
- (v) Recognising revenue when/as performance obligation(s) are satisfied.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

ii. Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

iii. Dividend income

Dividend income is recognized at the time when the right to receive is established by the reporting date.

iv. Income from power generation:

Income from power generation from windmill located in district Kutch is recognised on the basis of the terms of the contract.

v. Export benefits/incentives

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty

regarding the ultimate collection of the relevant export proceeds.

k) Borrowings

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

l) Government grants

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

Grants related to assets is recognized as deferred income which is recognized in the Statement of Profit and Loss on systematic basis over the useful life of the assets.

m) Right of use assets and lease liabilities

For all existing and new contract on or after 01 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

The Company as a lessee

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

Prior to 1 April 2019, the Company followed the following accounting policy with respect to accounting for leases:

Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased Asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss. Contingent rentals are recognised as expenses in the periods in which they are incurred. Lease management fees, legal charges and other initial direct costs are capitalised. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

Company as a lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

n) Financial instruments

i. Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

ii. Subsequent measurement

Financial assets

- i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. Financial assets at fair value

- Investments in equity instruments other than above – Investments in equity instruments which are held for trading are generally classified as at fair value through profit or loss ("FVTPL"). For all other equity instruments, the Company makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income ("FVOCI") or fair value through profit or loss FVTPL.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified,

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

o) Fair value measurement

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

p) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the cash Management.

q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

r) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore,



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Company and requires interpretation of laws and past legal rulings.

s) Taxation

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognises MAT Credit as an asset, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. The MAT Credit Entitlement is disclosed under the head 'Deferred tax liabilities (net)'.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

The Company's ability to recover the deferred tax assets is assessed by the management at the close of each financial year which depends upon the forecasts of the future results and taxable profits that Company expects to earn within the period by which such brought forward losses may be adjusted against the taxable profits as governed by the Income-tax Act, 1961. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

assets on a net basis or their tax assets and liabilities will be realised simultaneously.

t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's Board of Directors assesses the financial performance and position of the Company, and makes strategic decision. The Board has been identified as the chief operating decision maker. The Company's business activity is organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Company's primary business segment is reflected based on principal business activities carried on by the Company. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Company operates in one reportable business segment i.e., manufacturing and selling of metal components for critical and super critical applications. The geographical information analyses the Company's revenue and trade receivables from such revenue in India and other countries. In presenting the geographical information, segment revenue and receivables has been based on the geographic location of customers. Refer note 47 for segment information presented.

u) Research and development costs

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred. Items of property, plant and equipment and acquired intangible assets utilized for research and development are capitalized and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

v) Derivative financial instruments

The Company holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled

commercial banks / regulated brokerage firms. Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred.

w) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 (now Schedule III of Companies Act, 2013), the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

x) Significant accounting judgements, estimates and assumptions

When preparing the financial statements management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Significant judgements:

(i) Evaluation of indicators for impairment of non-financial assets

The evaluation of applicability of indicators of impairment of non-financial assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

(ii) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised. The recognition of deferred tax assets and reversal thereof is also dependent upon management decision relating to timing of availment of tax holiday benefits available under the Income Tax Act, 1961 which in turn is based on estimates of future taxable profits.

(iii) Contingent liabilities

The Company is the subject of certain legal proceedings which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Sources of estimation uncertainty:

(i) Provisions

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding guarantees. However, the actual future outcome may be different from management's estimates.

(ii) Fair valuation of financial instruments

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

(iii) Recoverability of advances/receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

y) Standards issued but not effective

Ministry of Corporate Affairs "MCA" notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

5 Property, plant and equipment

Particulars	Freehold land	Leasehold land	Factory building	Plant and machinery	Computers	Mould and dies	Vehicles	Furniture and fixtures	Office equipments	Research and development assets			Total	
										Plant and machinery	Computers	Mould and dies		Vehicles
Gross Block														
As at 1 April 2018	701.81	50.23	875.57	7,638.60	175.04	1,213.37	243.58	114.75	101.97	253.28	1.18	111.77	6.35	11,487.50
Additions	-	-	3,484.91	3,887.77	18.11	111.16	71.97	74.07	74.92	-	-	-	-	7,722.91
Disposals/assets written off	-	-	-	15.34	-	-	46.05	-	-	-	-	-	-	61.39
Balance as at 31 March 2019	701.81	50.23	4,360.48	11,511.03	193.15	1,324.53	269.50	188.82	176.89	253.28	1.18	111.77	6.35	19,149.02
Additions	-	-	310.05	8,744.51	21.82	298.92	13.55	3.77	16.21	1.75	-	-	-	9,410.58
Disposals/assets written off	-	-	-	-	-	-	30.77	-	-	-	-	-	-	30.77
Classified as investment property	125.59	-	150.10	-	-	-	-	-	-	-	-	-	-	275.69
Classified as held for sale	-	50.23	201.88	-	-	36.03	-	21.77	16.81	-	-	-	-	326.72
Balance as at 31 March 2020	576.22	-	4,318.55	20,255.54	214.97	1,587.42	252.28	170.82	176.29	255.03	1.18	111.77	6.35	27,926.42
Accumulated depreciation														
As at 1 April 2018	-	14.33	354.10	3,432.56	161.63	853.68	141.89	84.16	82.99	152.44	1.04	102.63	3.36	5,384.81
Charge for the year	-	0.61	108.38	621.42	3.67	88.00	32.64	11.29	14.72	14.80	-	1.25	0.30	897.08
Adjustments for disposals	-	-	-	14.69	-	-	31.36	-	-	-	-	-	-	46.05
Balance as at 31 March 2019	-	14.94	462.48	4,039.29	165.30	941.68	143.17	95.45	97.71	167.24	1.04	103.88	3.66	6,235.84
Charge for the year	-	0.60	133.31	716.46	9.33	89.19	26.92	14.13	18.01	-	-	1.26	-	1,009.21
Adjustments for disposals	-	-	-	-	-	-	27.75	-	-	-	-	-	-	27.75
Classified as investment property	-	-	88.23	-	-	-	-	-	-	-	-	-	-	88.23
Classified as held for sale	-	15.54	72.36	-	-	34.25	-	18.22	16.00	-	-	-	-	156.37
Balance as at 31 March 2020	-	-	435.20	4,755.75	174.63	996.62	142.34	91.36	99.72	167.24	1.04	105.14	3.66	6,972.70
Net block as at 31 March 2019	701.81	35.29	3,898.00	7,471.74	27.85	382.85	126.33	93.37	79.18	86.04	0.14	7.89	2.69	12,913.18
Net block as at 31 March 2020	576.22	-	3,883.35	15,499.79	40.34	590.80	109.94	79.46	76.57	87.79	0.14	6.63	2.69	20,953.72

Notes:

- Refer note 49 "Assets pledged as security" for details regarding property, plant and equipment pledged as security.
- Refer note 46(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Plant and machinery includes assets amounting to ₹ 1,200 lakh, out of which ₹ 500 lakh was acquired under the Technology Development and Demonstration Programme (TDDP) project and ₹ 700 lakh was acquired under the Technology Acquisition and Fund Programme (TAFP) project. These assets have restricted use under their respective projects.



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

6. Capital work-in-progress

Particulars	Amount
Balance as at 1 April 2018	15,272.66
Additions	1,906.12
Capitalised during the year	(7,526.49)
Balance as at 31 March 2019	9,652.29
Additions	1,096.92
Capitalised during the year	(8,569.98)
Classified as held for sale	(281.77)
Balance as at 31 March 2020	1,897.46

Notes:

Additions to capital work in progress include interest of ₹ 402.04 lakh (31 March 2019: ₹ 414.87 lakh) capitalised during the year.

7. Investment property

Particulars	Freehold land	Factory building	Total
Net carrying value As at 31 March 2020	125.59	61.87	187.46

Notes:

(i) Amount recognised in statement of profit and loss for investment property

Particulars	As at 31 March 2020	As at 31 March 2019
Rental income	3.75	-
Direct operating expenses that generated rental income	-	-
Direct operating expenses that did not generate rental income	-	-
Profit from leasing of investment property	3.75	-

(ii) The aforementioned investment property is leased to a tenant under short term operating lease agreement with rentals payable monthly. However, lease can be terminated by either of the parties during the term, hence considered as cancellable and accordingly no lease disclosure given, as required by Ind AS 116 "Leases".

(iii) Fair value of investment property

Particulars	As at 31 March 2020	As at 31 March 2019
Fair value	1,483.18	-

The Company obtains independent valuations for its investment property. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources such as current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

8. Other intangible assets

Particulars	Software	Licences	Research and development asset - Software	Total
Gross block				
At 1 April 2018	156.43	39.70	4.72	200.85
Additions	0.90	-	-	0.90
Balance as at 31 March 2019	157.33	39.70	4.72	201.75
Additions	32.49	-	-	32.49
Balance as at 31 March 2020	189.82	39.70	4.72	234.24
Accumulated amortisation				
At 1 April 2018	90.08	39.70	4.41	134.19
Charge for the year	12.31	-	0.01	12.33
Balance as at 31 March 2019	102.39	39.70	4.42	146.52
Charge for the year	12.01	-	0.01	12.02
Balance as at 31 March 2020	114.40	39.70	4.44	158.54
Net block as at 31 March 2019	54.94	-	0.30	55.23
Net block as at 31 March 2020	75.42	-	0.28	75.70

9(a) Non-current investments

Particulars	As at 31 March 2020	As at 31 March 2019
Unquoted investment		
Investment in equity instruments in subsidiary (at cost)		
10,000 equity shares (31 March 2019: nil) of ₹ 10 each of Aerolloy Technologies Limited	1.00	-
Quoted investment		
Investment in equity instruments (at fair value through OCI)		
Nil shares (31 March 2019: 1,125) of ₹ 10 each of Valecha Engineering Limited	-	0.21
	1.00	0.21
Aggregate amount of quoted investments and market value thereof	-	0.21
Aggregate amount of unquoted investments	1.00	-



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

9(b) Current investments

Aggregate amount of quoted investments and market value thereof	As at 31 March 2020	As at 31 March 2019
Quoted instruments		
Investment in mutual fund (at fair value through profit or loss)		
Nil units (31 March 2019: 8.76 units) of ₹ 1,972.26 each of PNB Mutual Fund	-	0.27
Nil units (31 March 2019: 190.68 units) of ₹ 1,527.32 each of IDFC Mutual Fund	-	4.30
5,000 units (31 March 2019: 5,000 units) of ₹ 10 each of UTI Equity Fund (Prev. Mastergain1992 of UTI)	5.79	7.20
	5.79	11.77
Aggregate amount of quoted investments and market value thereof	5.79	11.77

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

10(a) Non-current financial assets - loans

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Security deposits	68.70	91.10
Loan to employees*	-	1.00
	68.70	92.10

*This includes loan given to director amounting to nil (31 March 2019: ₹ 1 lakh)

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

10(b) Current financial assets - loans

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loan to employees*	89.36	110.44
Other loans and advances	150.06	206.30
	239.42	316.74

*This includes loan given to director amounting to ₹ 4.75 lakh (31 March 2019: ₹ 9.00 lakh)

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

11(a) Non-current financial assets - others

Particulars	As at 31 March 2020	As at 31 March 2019
Deposits with banks with maturity more than 12 months*	13.41	13.14
	13.41	13.14

*The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

11(b) Current financial assets - others

Particulars	As at 31 March 2020	As at 31 March 2019
Export incentives receivable	282.44	378.07
Other financial assets	488.00	-
	770.44	378.07

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

12. Non-current tax assets (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Advance income-tax (net)	-	2.28
	-	2.28

13. Other non-current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Capital advances	164.33	284.90
	164.33	284.90

14. Inventories

Particulars	As at 31 March 2020	As at 31 March 2019
(Valued at lower of cost or net realisable value)		
Raw materials	832.26	1,159.07
Work-in-progress	3,722.78	2,624.29
Finished goods	45.02	8.07
Stores and spares	523.46	530.38
Loose tools	85.41	74.33
	5,208.93	4,396.14



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

15. Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good	4,396.82	4,395.56
Unsecured, credit impaired	15.38	4.27
	4,412.20	4,399.83
Less: Provision for expected credit loss	(15.38)	(4.27)
	4,396.82	4,395.56

Movement in the provision for expected credit loss

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	4.27	4.27
Add: Allowance provided during the year (refer note 37 and 43)	11.11	-
Balance at the end of the year	15.38	4.27

16. Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks	138.47	518.37
Cash on hand	12.62	8.64
Balances in deposit account with original maturity upto 3 months*	-	31.50
	151.09	558.51

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Note:

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

17. Other bank balances

Particulars	As at 31 March 2020	As at 31 March 2019
Deposits with original maturity more than 3 months but remaining less than 12 months*	178.15	87.42
	178.15	87.42

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

18. Other current assets

Particulars	As at	
	31 March 2020	31 March 2019
Prepaid expenses	35.99	23.75
Balances with statutory and government authorities	602.00	773.63
Gratuity asset	-	8.77
Other loans and advances	-	76.60
	637.99	882.75

19. Assets held for sale

Particulars	As at	
	31 March 2020	31 March 2019
Leasehold land, factory building, mould and dies, furniture and fixtures and office equipments	170.35	-
Capital work-in-progress	281.77	-
	452.12	-

Notes:

Details of assets held for sale :

- The Company executed an agreement to sell for transfer of its Plant-2 situated at Sarojini Nagar, Lucknow, for a consideration of INR 300.00 lakh. The said transfer is pending for its final execution and registration.
- The Company executed an agreement to sell for transfer of its Residential property at Ansals Golf Villa, Sushant Golf City, Lucknow. The said transfer is pending for its final execution and registration.

20. Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Authorised:				
Equity shares of ₹ 10 each	89,75,000	897.50	89,75,000	897.50
Redeemable cumulative preference shares of ₹ 10 each	20,25,000	202.50	20,25,000	202.50
	1,10,00,000	1,100.00	1,10,00,000	1,100.00
Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 each	52,39,063	523.91	52,39,063	523.91
	52,39,063	523.91	52,39,063	523.91

a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	52,39,063	523.91	52,39,063	523.91
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	52,39,063	523.91	52,39,063	523.91



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

b) Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of shareholders holding more than 5% of the equity share capital:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number	% of holding	Number	% of holding
Sachin Agarwal	11,13,560	21.25%	12,44,560	23.76%
Pragati India Fund Limited	10,47,813	20.00%	10,47,813	20.00%
Mapple Commerce Private Limited	6,25,150	11.93%	6,25,150	11.93%
Nirala Merchants Private Limited	4,60,200	8.78%	4,60,200	8.78%
Priya Ranjan Agarwal	3,86,000	7.37%	3,86,000	7.37%

d) Information regarding issue of shares in the last five years

- The Company has not issued any shares without payment being received in cash except shares issued in the year ended 31 March 2016, 1,047,813 equity shares of ₹ 10 each in lieu of the conversion of 400,000 Zero Coupon Compulsory Convertible Debentures of face value ₹ 1,000 each to Pragati India Fund Limited.
- There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

21. Other equity

Particulars	As at 31 March 2020	As at 31 March 2019
a. Capital reserve		
Balance at the beginning of the year	1.75	1.75
Add: Additions during the year	-	-
Balance at the end of the year	1.75	1.75
b. Securities premium		
Balance at the beginning of the year	4,120.72	4,120.72
Add: Additions during the year	-	-
Balance at the end of the year	4,120.72	4,120.72
c. General reserve		
Balance at the beginning of the year	4,624.17	4,624.17
Add: Additions during the year	-	-
Balance at the end of the year	4,624.17	4,624.17

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2020	As at 31 March 2019
d. Retained earnings		
Balance at the beginning of the year	4,769.07	3,681.33
Add: Additions during the year	1,028.93	1,087.74
Balance at the end of the year	5,798.00	4,769.07
e. Other comprehensive income		
Balance at the beginning of the year	0.01	0.01
Add: Additions during the year	-	-
Balance at the end of the year	0.01	0.01
Total	14,544.64	13,515.71

Nature and purpose of other reserves:

(a) Capital reserve

Capital reserve was created in respect of proceeds of forfeited shares.

(b) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(c) General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(d) Retained earnings

Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

22(a) Non-current borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Term loans from banks	8,043.12	8,116.37
Term loans from financial institutions	202.70	285.70
Vehicle loans from banks and financial institutions	58.98	73.89
Special letter of credit - from banks	299.67	-
	8,604.47	8,475.96
Less: Current maturities of long term borrowings (refer note 28)	(887.38)	(1,061.63)
	7,717.09	7,414.33



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Terms and conditions of the outstanding borrowings are as follows:

Particulars	Terms of repayment	Maturity	As at 31 March 2020	As at 31 March 2019
Term loan from State Bank of India	32 quarterly instalments	December 2025	1,690.22	1,840.22
Term loan from Punjab National Bank	36 quarterly instalments	March 2027	1,610.22	1,777.33
Term loan from HDFC Bank	12 half yearly instalments	April 2022	833.33	1,166.17
Term loan from Yes Bank	35 quarterly instalments	March 2027	2,746.80	2,907.18
Term loan from ICICI Bank	28 quarterly instalments	March 2026	1,207.03	483.00
Vehicle loan from Yes Bank	36 monthly instalments	January 2022	2.91	4.28
Vehicle loan from Yes Bank	36 monthly instalments	April 2021	4.50	8.26
Vehicle loan from Yes Bank	36 monthly instalments	January 2022	1.49	2.19
Vehicle loan from Yes Bank	35 monthly instalments	July 2022	9.58	-
Vehicle loan from HDFC Bank	36 monthly instalments	April 2019	-	2.92
Vehicle loan from HDFC Bank	60 monthly instalments	December 2023	39.86	48.74
Vehicle loan from ICICI Bank	36 monthly instalments	April 2020	0.52	7.50
Term loan from Siemens Limited	48 monthly instalments	March 2022	180.62	256.56
Term loan from Siemens Limited	48 monthly instalments	September 2022	5.00	6.63
Term loan from Siemens Limited	48 monthly instalments	September 2022	17.13	22.51

Notes:

- Term loans from banks and financial institutions carrying interest rate ranging from 10.00% to 11.75% p.a.
Term loans from banks are secured by way of equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1, Lucknow Plant 2 and AMTC Plant (at village Sarai Shahajadi) and first pari-passu charge on the plant and equipment of the Lucknow Plant 1, Lucknow Plant 2 and AMTC Plant (at village Sarai Shahajadi) of the Company and second charge ranking pari-passu on the whole of the present and future current assets of the Company.
- Further the term loans from banks are secured by way of personal guarantee of the Directors of the Company.
- Vehicle loans carry interest rates ranging from 9.75% to 12.50% p.a and are secured by way of absolute charge on respective assets thus purchased.
- Buyer's credit facility from banks carries interest 1.03% p.a.
- Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.
- In view of continuing disruptions on account of Covid-19, the Reserve Bank of India (RBI) has announced the moratorium facility on repayment of loans. The Company has opted for this facility for the months of March 2020 to August 2020.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

22(b) Current borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Working capital facilities- from banks	6,455.06	5,749.11
Special letter of credit - from banks	-	115.98
	6,455.06	5,865.09

Notes:

- Working capital facilities from banks carry interest rates ranging from 9.00% to 11.18% p.a. and are repayable on demand. These facilities are secured by way of first charge ranking pari-passu on the whole of the present and future current assets of the Company and further secured by second charge on equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1, Lucknow Plant 2 and AMTC Plant (at village Sarai Shahajadi) and first second pari-passu charge on plant and equipment of the Lucknow Plant 1, Lucknow Plant 2 and AMTC Plant (at village Sarai Shahajadi) of the Company."
- Further the cash credit facilities and special letter of credit facility are secured by way of personal guarantee of the Directors of the Company.
- Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.
- Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Non-current borrowings	Lease liabilities	Current borrowings	Interest accrued
As at 1 April 2018	8,466.57	-	5,483.80	62.56
Add: Non cash changes due to-				
- Interest expense debited to statement of profit and loss	-	-	-	840.13
- Interest expense capitalised to capital work-in-progress	-	-	-	414.87
Add: Cash inflows during the year				
- Proceeds from non-current borrowings	916.39	-	-	-
- Proceeds from current borrowings	-	-	381.29	-
Less: Cash outflow during the year				
- Repayment of non-current borrowings	907.00	-	-	1,300.59
- Interest paid	-	-	-	-
As at 1 April 2019	8,475.96	-	5,865.09	16.97
Add: Non cash changes due to-				
- Interest expense debited to statement of profit and loss	-	-	-	1,011.51
- Interest expense capitalised to capital work-in-progress	-	-	-	402.04



Particulars	Non-current borrowings	Lease liabilities	Current borrowings	Interest accrued
Add: Cash inflows during the year				
- Proceeds from non-current borrowings	1,033.89	-	-	-
- Proceeds from current borrowings	-	-	589.96	-
Less: Cash outflow during the year				
- Repayment of non-current borrowings	905.37	-	-	-
- Interest paid	-	-	-	1,333.40
Closing balance as on 31 March 2020	8,604.47	-	6,455.06	97.13

23 Other financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Security deposit	7.50	-
	7.50	-

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

24. Provisions

Particulars	Non-current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Provision for employees benefits				
- Provision for gratuity	23.29	-	3.18	58.12
- Provision for compensated absences	84.54	75.48	21.06	10.11
	107.83	75.48	24.24	68.23

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

25. Deferred tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liability arising on account of:		
Difference between book balance and tax balance of property, plant and equipment	1,587.44	1,037.25
Tax impact on allowance under tax exemptions/deductions	-	31.17
	1,587.44	1,068.42
Deferred tax asset arising on account of:		
Brought forward losses and unabsorbed depreciation	409.34	247.61
Provision for employee benefits	30.93	37.54
Tax impact on allowance under tax exemptions/deductions	29.93	-
Provision for doubtful debts	4.28	1.19
	474.48	286.34
Minimum alternate tax credit entitlement	957.48	712.62
Net deferred tax liability	155.48	69.45

(A) Movement in deferred tax liabilities:

Particulars	As at 1 April 2018	Recognised in statement of profit and loss	Recognised in balance sheet	As at 31 March 2019
Deferred tax liability arising on account of:				
Difference between book balance and tax balance of property, plant and equipment	679.48	357.77	-	1,037.25
Tax impact on allowance under tax exemptions/deductions	21.56	9.61	-	31.17
	701.04	367.38	-	1,068.42
Deferred tax asset arising on account of:				
Provision for employee benefits	40.92	(3.38)	-	37.54
Provision for doubtful debts	1.18	0.01	-	1.19
Brought forward losses and unabsorbed depreciation	-	247.61	-	247.61
	42.10	244.24	-	286.35
Minimum alternate tax credit entitlement	189.70	375.34	147.59	712.62
Net deferred tax liability	469.24	(252.20)	(147.59)	69.45



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Movement in deferred tax liabilities:

Particulars	As at 1 April 2019	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2020
Deferred tax liability arising on account of:				
Difference between book balance and tax balance of property, plant and equipment	1,037.25	550.19	-	1,587.44
Tax impact on allowance under tax exemptions/ deductions	31.17	(31.17)	-	-
	1,068.42	519.02	-	1,587.44
Deferred tax asset arising on account of:				
Provision for employee benefits	37.54	(14.96)	8.35	30.93
Provision for doubtful debts	1.19	3.09	-	4.28
Tax impact on allowance under tax exemptions/ deductions	-	29.93	-	29.93
Brought forward losses and unabsorbed depreciation	247.62	161.72	-	409.34
	286.35	179.79	8.35	474.48
Minimum alternate tax credit entitlement	712.62	244.86	-	957.48
Net deferred tax liability	69.45	94.38	(8.35)	155.48

(B) Unrecognised deferred tax assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Gross amount	Tax effect	Gross amount	Tax effect
Brought forward long term capital losses	28.00	6.23	143.46	31.93
	28.00	6.23	143.46	31.93

(C) Unused tax losses and credits

The Company has unused MAT credit amounting to ₹ 957.48 lakhs as at 31 March 2020 (31 March 2019: ₹ 712.62 lakhs). MAT paid can be carried forward for a period of 15 years and can be set off against the future tax liabilities. MAT is recognised as a deferred tax asset only when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

26. Other non-current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred income	1,122.23	1,155.56
	1,122.23	1,155.56
(i) Reconciliation of deferred income		
Opening balance as at the beginning of the year	1,155.56	788.89
Add: Grant received during the year	-	400.00
Less: Released to the Statement of Profit and Loss	(33.33)	(33.33)
Closing balance as at the end of the year	1,122.23	1,155.56

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

- (ii) The Company had submitted a project proposal amounting to ₹ 5,101.87 lakh to the Global Innovation and Technology Alliance (GITA) and the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, for development and commercialisation of Titanium Casting with Ceramic Shelling Technology. The department has committed partial support as a grant of ₹ 1,000.00 lakh out of the total cost of ₹ 5,101.87 lakh under the Technology Acquisition and Fund Programme (TAFP) of Department of Heavy Industry (DHI) for a project duration of 4 years vide their letter no. DHI/GITA/TAFP/RFP Cycle 1/2016 TP0301020 dated 10 February 2017. The Company has received grant of ₹ 700.00 lakh during the previous years. The Company has made an outlay of ₹ 4,101.87 lakh towards the project.
- (iii) The grants received are related to assets and have been presented by setting up the grant as deferred income. The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset. There are no unfulfilled conditions or contingencies attached to these grants.

27. Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Due to :		
Total outstanding dues of micro enterprises and small enterprises*	43.89	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,691.72	3,500.12
	2,735.61	3,500.12

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

*Dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), to the extent identified and information available with the Company pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below:

Particulars	As at 31 March 2020	As at 31 March 2019
Principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year	43.89	-
The amount of interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

28. Current financial liabilities- others

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of long term borrowings [refer note 22(a)]	887.38	1,061.63
Interest accrued but not due on borrowings	97.12	16.97
Security deposit	-	0.11
Others		
- towards creditors for capital goods	287.61	391.26
- towards employee related payables	157.16	42.84
- other payables	117.97	164.58
	1,547.24	1,677.39

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

29. Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advance received from customers	91.50	28.61
Statutory dues payable	58.69	52.51
Other payables	-	45.96
Other loans and advances	150.28	-
	300.47	127.08

30. Current tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for taxation (net of advance income tax)	161.23	47.94
	161.23	47.94

31. Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of products	15,983.75	14,354.88
Other operating revenues (refer (a) below)	828.94	769.92
Revenue from operations	16,812.69	15,124.80
(a) Other operating revenues		
Export incentives	781.08	710.90
Income from power generation	47.86	59.02
	828.94	769.92

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

32. Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest from assets valued at amortised cost		
- from banks	10.97	7.36
- from others	98.95	5.05
Rent income	4.15	-
Insurance claims received	-	0.18
Gain on foreign exchange fluctuation (net)	572.41	359.91
Fair value gain on investment at fair value through profit or loss (net)	-	1.09
Dividend income	0.13	0.15
Amortisation of deferred income	33.33	33.33
Miscellaneous income	0.27	14.95
	720.21	422.02

33. Cost of materials consumed

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Raw materials at the beginning of the year	1,159.07	1,151.76
Add: Purchases	4,490.85	4,493.78
Less: Raw materials at the end of the year	832.26	1,159.07
	4,817.66	4,486.47
Less: Raw material consumed for research and development	29.64	7.26
Cost of materials consumed	4,788.02	4,479.21

34. Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Inventories at the beginning of the year		
Work-in-progress	2,624.29	2,208.98
Finished goods	8.07	11.96
	2,632.36	2,220.94
Inventories at the end of the year		
Work-in-progress	3,722.78	2,624.29
Finished goods	45.02	8.07
	3,767.80	2,632.36
Changes in inventories of finished goods and work-in-progress	(1,135.44)	(411.42)



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

35. Employee benefits expense*

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus	1,929.62	1,731.71
Contribution to provident and other funds	130.58	124.29
Gratuity expense (refer note 44)	37.58	30.38
Staff welfare expenses	64.44	59.59
	2,162.22	1,945.97

*Employee benefit expenses excludes ₹ 22.57 lakhs (31 March 2019: ₹ 21.87 lakhs) towards research and development expenses (refer note 36)

36. Research and development expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Raw materials consumed	29.64	7.26
Materials, stores and spares consumed	130.43	81.92
Salary and wages	22.57	21.87
	182.64	111.05

37. Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Manufacturing expenses		
Stores and spares consumed*	2,574.59	2,186.84
Power and fuel	1,549.61	1,436.43
Repairs and maintenance	-	-
- plant and machinery	318.94	320.99
- building	27.02	22.06
Packing and general consumables	202.97	351.27
Processing and work charges	1,131.80	731.76
Freight inward	47.29	47.87
Outsourced services	94.94	100.86
Testing and inspection charges	434.13	312.60
Sub-total (A)	6,381.29	5,510.68
Administrative, selling and other expenses		
Rent	23.08	22.47
Rates and taxes	20.34	11.57
Insurance expenses	57.40	41.00
Security expenses	93.44	101.14
Legal and professional expenses	82.47	76.76
Payment to auditors	22.56	24.12

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Travelling and conveyance	217.96	126.87
Vehicle running and maintenance	143.41	163.50
Communication expenses	26.86	28.33
Printing and stationery	23.60	22.77
Training and recruitment	146.83	7.58
Seminar, conferences and exhibitions	14.89	33.88
Financial instruments measured at fair value	156.87	-
Fair value loss on investment at fair value through profit or loss (net)	1.43	-
Freight and clearing	158.45	169.94
Sales commission	4.46	33.85
Claim settlement expenses	120.14	24.80
Advertisement and promotion	6.60	8.54
Donation and charity	2.01	1.47
Loss on disposal of assets (net)	1.78	2.63
Computer expenses	26.53	13.62
Corporate social responsibility expenses [refer note 37 (b)]	17.50	16.29
Bad debts written off	114.39	-
Business promotion expenses	32.56	23.17
Provision for expected credit loss	11.11	-
Advances written off	-	50.62
Office upkeep and maintenance charges	53.36	44.45
Miscellaneous expenses	24.16	26.95
Sub-total (B)	1,604.19	1,076.31
Grand total (C=A+B)	7,985.48	6,586.99

*Stores and spares consumed excludes ₹ 130.43 lakh (31 March 2019: ₹ 81.92 lakh) towards research and development expenses (refer note 36)

37(a) Payment to auditors

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor:		
- Statutory audit (including limited reviews)	19.00	15.00
- Tax audit	2.00	1.80
In other capacity:		
- Certification	1.00	0.50
- Others	-	2.00
- Out of pocket expenses	0.56	4.82
	22.56	24.12



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

37(b) Corporate social responsibility expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019	
Gross amount required to be spent under section 135 of the Act	17.14	16.29	
Amount spent during the year ended 31 March 2020:	In cash	Unspent amount	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	17.50	-	17.50
	17.50	-	17.50
Amount spent during the year ended 31 March 2019:	In cash	Unspent amount	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	16.29	-	16.29
	16.29	-	16.29

38. Finance costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense on borrowings measured at amortised cost		
- on working capital loans	481.97	380.92
- on term loans	472.87	411.45
Interest on others	62.73	47.75
Other borrowing cost	121.36	81.24
	1,138.93	921.36

39. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property, plant and equipment	1,009.21	897.99
Amortisation on other intangible assets	12.02	11.43
	1,021.23	909.42

40. Exceptional items

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Retrenchment compensation*	-	61.81
	-	61.81

* The Company has moved its operations from Plant 1 to AMTC, therefore, retrenchment compensation amounting to Rs. 61.81 lakhs was paid by the Company to the outgoing employees for the previous year.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

41. Tax expense

(a) Income tax expenses recognised in profit and loss

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax:		
Current tax	244.86	194.52
Current tax - earlier years	-	(91.41)
	244.86	(91.41)
Deferred tax:		
In respect of current year origination and reversal of temporary differences	339.23	123.12
MAT credit entitlement - current year	(244.86)	(194.52)
Less: Minimum alternate tax credit entitlement-earlier years	-	(180.82)
	94.38	(57.70)
Total tax expense recognised in profit and loss	339.23	(149.11)

(b) Income tax expenses recognised in other comprehensive income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Deferred tax:		
Re-measurement of defined benefit obligations	8.35	1.47
Total tax expense recognised in other comprehensive income	8.35	1.47

(c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 27.82% (31 March 2019: 27.82%) and the reported tax expense in the statement of profit and loss are as follows:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Accounting profit before income-tax	1,389.82	942.43
At India's statutory income-tax rate of 27.82% (31 March 2019: 27.82%)	386.65	262.18
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax incentive and concession	(25.40)	(28.56)
Non deductible expenses	(3.26)	7.11
Minimum alternate tax not recognised in previous year	-	(180.82)
Deferred tax asset utilized but not recognised in previous year	-	(139.91)
Change in tax rate	-	5.00
Tax earlier years on account of closure of tax assessments	-	(28.89)
Impact of deferred tax which are reversing after the utilisation of mat credit period	(51.88)	-
Others	33.12	(45.22)
	339.23	(149.11)



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Basis of computing Company's statutory income-tax rate:		
Base rate	25.00%	25.00%
Add: Surcharge @ 7%	1.75%	1.75%
	26.75%	26.75%
Add: Education cess @ 4%	1.07%	1.07%
	27.82%	27.82%

The Taxation Laws (Amendment) Act, 2019 has amended the Income-tax Act, 1961 to provide an option to the Company to pay Income-tax at concessional rate of 22% plus applicable surcharge and cess, subject to certain specified conditions, as compared to the present rate of 25% plus applicable surcharge and cess for the assessment year 2020-21 onwards. The Company expects to avail the lower tax rate from a later financial year and accordingly remeasured deferred tax at such concessional rate, only to the extent that the deferred tax assets are expected to be realised or deferred tax liabilities are expected to be settled in the periods during which the Company expects to be subject to lower tax rate.

42. Earnings per share

Earnings per share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit for the year attributable to equity shareholders	1,050.59	1,091.54
Weighted average number of equity shares (nos. in lakh)	52.39	52.39
Nominal value per share (₹)	10.00	10.00
Earnings per share - basic and diluted (₹)	20.05	20.83

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

43. Financial instrument and risk review

(A) Financial instruments

(i) Capital management

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 22(a) and 22(b); cash and cash equivalents and current investments and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non-current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

The following table summarises the capital of the Company:

Particulars	As at 31 March 2020	As at 31 March 2019
Equity	15,068.55	14,039.62
Liquid assets (cash and cash equivalent and current investments) (a)	156.88	570.29
Current borrowings [note 22(b)]	6,455.06	5,865.09
Non-current borrowings [note 22(a)]	7,717.09	7,414.33
Current maturities of non current borrowings (refer note 28)	887.38	1,061.63
Interest accrued but not due on borrowings (refer note 28)	97.12	16.97
Total debt (b)	15,156.65	14,358.02
Net debt (c=(b) - (a))	14,999.77	13,787.73
Total capital (equity + net debt)	30,068.32	27,827.35
Gearing ratio		
Debt to equity ratio	1.01	1.02
Net debt to equity ratio	1.00	0.98

(ii) Category of financial instruments

Particulars	Note no.	As at 31 March 2020			As at 31 March 2019		
		Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI
Financial assets							
Investments	9(a),9(b)	1.00	5.79	-	-	11.77	0.21
Loans	10(a),10(b)	308.12	-	-	408.84	-	-
Trade receivables	15	4,396.82	-	-	4,395.56	-	-
Cash and cash equivalents	16	151.09	-	-	558.51	-	-
Other bank balances	17	178.15	-	-	87.42	-	-
Other financial assets	11(a),11(b)	783.85	-	-	391.20	-	-
Total financial assets		5,819.03	5.79	-	5,841.53	11.77	0.21
Financial liabilities							
Borrowings	22(a),22(b)	14,172.14	-	-	13,279.42	-	-
Trade payables	27	2,735.61	-	-	3,500.12	-	-
Other financial liabilities	23, 28	1,554.74	-	-	1,677.39	-	-
Total financial liabilities		18,462.49	-	-	18,456.93	-	-

(iii) Fair value hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2020			As at 31 March 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets- measured at fair value						
Financial investment at FVTPL						
- Quoted mutual fund	5.79	-	-	11.77	-	-
Financial investment at FVOCI						
- Quoted equity shares	-	-	-	0.21	-	-
	5.79	-	-	11.98	-	-

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: This hierarchy includes financial instruments for which inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) have been used.

Level 3: Level 3: This hierarchy includes financial instruments for which inputs used are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the years ended 31 March 2020 and 31 March 2019.

Valuation techniques and significant unobservable inputs:

Financial instruments measured at fair value

Type	Valuation technique
Equity instruments	Quoted market price as at the reporting period
Mutual funds	Quoted closing NAV as at the reporting period

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of short-term trade and other receivables, trade payables, cash and cash equivalents, other bank balances, other financial liabilities and other financial assets are considered to be the same as their fair values, due to their short-term nature.

In respect of other long-term financial assets/liabilities stated above as measured at amortised cost, their carrying values are not considered to be materially different from their fair values.

(B) Financial risk management

In the course of its business, the Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Company is not engaged in speculative treasury activities but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

(i) Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company is exposed to credit risk from trade receivables, cash and cash equivalents, short term investments, loans and advances and derivative financial instruments.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Trade receivables

The Company primarily sells critical and super critical cast components to selected customers comprising mainly in engineering industry in India and outside India. The Company extends credits to customers in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Company monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets.

Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Company has a policy of accepting only credit worthy counter parties and defines credit limits for the customer which are reviewed periodically.

The Company does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Cash and cash equivalents and deposits with bank

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant deposit balances other than those required for its day to day operations. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Loans and advances

The Company provides loans to its employees and furnishes security deposits to various parties for electricity, communication, etc. The Company considers that its loans have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations or its own employees from whom the risk of default is low.

Investments

The Company has invested in quoted equity instruments and mutual funds. The management actively monitors the performance of the funds which affect investments. The Company does not expect the counterparty to fail to meet its obligations, and has not experienced any significant impairment losses in respect of any of the investments.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date are:



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current loans	68.70	92.10
Other non-current financial assets	13.41	13.14
Cash and cash equivalents	151.09	558.51
Other bank balances	178.15	87.42
Current loans	239.42	316.74
Other current financial assets	770.44	378.07
	1,421.21	1,445.98
Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)		
Trade receivables	4,396.82	4,395.56
	4,396.82	4,395.56

Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The Company has customers with strong capacity to meet the obligations and therefore the risk of default is negligible in respect of outstanding from customers. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectable in full. However, the Company has recognised allowance for expected credit loss on the basis of its assessment of the credit loss from the past trend available with the Company.

Movement in the provision for expected credit loss

	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	4.27	4.27
Add: Allowance provided during the year	11.11	-
Balance at the end of the year	15.38	4.27

(c) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Ageing	As at 31 March 2020	As at 31 March 2019
Less than 30 days	3,074.96	1,529.85
30-90 days	959.67	2,085.00
90-180 days	160.05	512.97
180-365 days	171.09	204.84
More than 365 days	46.43	67.17
	4,412.20	4,399.83

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

(ii) Liquidity risk

Liquidity risk reflects the risk that the Company will have insufficient resources to meet its financial liabilities as they fall due.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, cash and cash equivalents and the cash flow that is generated from operations to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

As at 31 March 2020, the Company had a working capital of ₹ 359.34 lakh including cash and cash equivalents of ₹ 151.09 lakh but excluding assets held for sale. As at 31 March 2019, the Company had a working capital of ₹ (258.89) lakh including cash and cash equivalents of ₹ 558.51 lakh.

(a) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2020	As at 31 March 2019
Non- derivative financial liabilities		
Floating rate borrowings		
- Expiring within one year (bank overdraft and other facilities)	644.00	339.73
- Expiring beyond one year (term loan)	2,457.00	1,088.15
Total	3,101.00	1,427.88

(b) Maturities of financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, based on contractual undiscounted cash flows:

31 March 2020

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Non current borrowings (including current maturities and interest)	984.49	5,188.86	2,528.23	8,701.59
Current borrowings				
- Working capital loans	6,455.06	-	-	6,455.06
Trade payables	2,735.61	-	-	2,735.61
Other payables non-current	-	7.50	-	7.50
Other payables-current	562.74	-	-	562.74
Total	10,737.90	5,196.36	2,528.23	18,462.50



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

31 March 2019

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Non current borrowings (including current maturities and interest)	1,814.17	7,196.93	3,462.33	12,473.43
Current borrowings				
- Working capital loans	5,749.11	-	-	5,749.11
- Buyers credit	115.98	-	-	115.98
Trade payables	3,500.12	-	-	3,500.12
Other payables-current	615.76	-	-	615.76
Total	11,795.13	7,196.93	3,462.33	22,454.39

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. The Company exports finished goods which are denominated in the currency other than the functional currency of the Company which exposes it to foreign currency risk. In order to minimise the risk, the Company executes forward contracts w.r.t sale made in currency other than functional currency.

(a) Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuation arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. Exchange rate exposures are managed within approved policy parameters utilising foreign exchange forward contracts.

Particulars	Currency	As at 31 March 2020	As at 31 March 2019
Financial assets			
Trade receivables	USD	13.34	18.16
	EURO	32.01	34.28
	GBP	0.01	0.09
Financial liabilities			
Special letter of credit (including interest)	JPY	(427.69)	(183.86)
Trade payables	USD	(0.05)	(0.02)
	EURO	(0.02)	(0.01)
	GBP	(0.57)	(0.14)
	JPY	(0.76)	-

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Particulars	Currency	As at 31 March 2020	As at 31 March 2019
Capital creditors			
	USD	(1.61)	(1.22)
	EURO	(0.03)	(0.44)
	GBP	(0.88)	(0.35)
	JPY	-	(8.20)

Sensitivity analysis

The following table demonstrates the sensitivity of profit and equity in USD, EURO, JPY and GBP to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities are given below:

Particulars	Change in currency exchange rate	Effect on profit before tax	
		As at 31 March 2020	As at 31 March 2019
USD	5%	0.58	0.85
	(5%)	(0.58)	(0.85)
EURO	5%	1.60	1.69
	(5%)	(1.60)	(1.69)
JPY	5%	(21.42)	(9.60)
	(5%)	21.42	9.60
GBP	5%	(0.07)	(0.02)
	(5%)	0.07	0.02

(b) Interest rate risk

The Company is exposed to interest rate risk arising mainly from non-current and current borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial liabilities is as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Variable rate instruments		
Term loan from banks	8,043.12	8,116.37
Vehicle loan	58.98	73.89
Term loans from financial institutions	202.70	285.70
Working capital loan	6,455.06	5,749.11
Special letter of credit	299.67	115.98
Total	15,059.53	14,341.05



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Sensitivity analysis

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the interest rates is given below:

Particulars	Change in interest rate	Effect on profit before tax	
		As at 31 March 2020	As at 31 March 2019
Borrowings	50 bp	(75.30)	(71.71)
	(50) bp	75.30	71.71

(c) Price risk

Company's exposure to price risk arises from investments made in quoted equity instruments and mutual funds and classified in the balance sheet either as fair value through OCI or at fair value through profit and loss.

To manage the price risk from quoted investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity analysis

Company's major quoted investment consists of investment in mutual funds which are measured at fair value through profit and loss. Investments made by the mutual fund includes investment in diversified instruments of Companies included in the market index. Also, the Company has made investments in quoted equity instruments which are measured at fair value through OCI.

The table below summarises the impact of sensitivity in the market index on the Company's profit for the year with all other variables held constant and the investment moved in line with the index.

Particulars	Change in market index	Effect on profit before tax	
		As at 31 March 2020	As at 31 March 2019
Investment in mutual fund	5%	0.29	0.59
	(5%)	(0.29)	(0.59)

Particulars	Change in market index	Effect on OCI	
		As at 31 March 2020	As at 31 March 2019
Investment in equity instruments	5%	-	0.01
	(5%)	-	(0.01)

Profit for the period would increase/decrease as a result of gain/loss on investment classified as at fair value through profit and loss. Other components of equity would increase/decrease as a result of gain/loss on investments classified as at fair value through other comprehensive income.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

44. Employee benefits

(i) Defined benefit plan

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised funds in India i.e. Life Insurance Corporation of India and Group Gratuity scheme.

Risk exposure:

- (a) Discount rate: A decrease in discount rate in subsequent valuations can increase the plan's liability.
- (b) Mortality rate: Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- (c) Investment risk: In case of funded plans, actual investment return on planned assets lower than the discount rate assumed at the last valuation date can impact the liability.
- (d) Attrition: Actual withdrawals proving higher or lower than assumed withdrawals at subsequent valuations can impact plan's liability.

Details of the Company's defined benefit plans are as follows:

A. Changes in the present value of obligations

Particulars	As at 31 March 2020	As at 31 March 2019
Present value of the obligation at the beginning of the year	448.86	463.40
Recognised in profit and loss		
- Interest cost	30.07	35.91
- Current service cost	38.17	32.28
Recognised in other comprehensive income		
Remeasurement gains / (losses)		
- Actuarial (gain)/loss from changes in financial adjustments and experience adjustments	30.58	(3.21)
Benefits paid	(26.39)	(79.52)
Present value of the obligation at the end of the year	521.29	448.86



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

B. Changes in the fair value of planned assets:

Particulars	As at 31 March 2020	As at 31 March 2019
Fair value of plan assets at the beginning of the year	457.62	487.91
Expected return on plan assets	30.66	37.81
Contributions	32.36	19.90
Benefits paid	(26.39)	(79.52)
Actuarial gain/(loss) on plan assets	0.57	(8.48)
Fair value of plan asset at the end of the year	494.82	457.62

C. Net liability/(asset) recognised in the balance sheet*

Particulars	As at 31 March 2020	As at 31 March 2019
Present value of the obligation at the end of the year	521.29	448.85
Fair value of plan assets at end of year	494.82	457.62
Net liability/(asset) recognised in balance sheet (refer note 24)*	26.47	(8.77)

*excludes the gratuity liability of nil (31 March 2019: ₹ 58.12 lakh) for Late Mr. Sateesh Agarwal which has been provided for on actual basis.

D. Expenses recognised in profit and loss

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest cost	30.07	35.91
Current service cost	38.17	32.28
Expected return on plan asset	(30.66)	(37.81)
Amount recognised in profit and loss (refer note 35)	37.58	30.38

E. Expenses recognised in other comprehensive income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Actuarial loss/(gain) on obligation	30.58	(3.21)
Actuarial (gain)/loss on plan assets	(0.57)	8.48
	30.01	5.27

F. Major category of plan asset as a % of total plan assets

Category of asset (% allocation)	As at 31 March 2020		As at 31 March 2019	
	(%)	Amount	(%)	Amount
Insurance policies	100	494.82	100	457.62

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

G. Actuarial assumptions

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	6.70%	7.75%
Expected rate of return	6.70%	7.75%
Salary growth rate	6.00%	6.50%
Withdrawal rate (per annum)		
18 - 30 years	5.00%	5.00%
31 - 44 years	3.00%	3.00%
45 - 58 years	2.00%	2.00%
Normal retirement age (years)	58	58
Mortality	IALM 2012-14	IALM 2006-08 Ultimate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

H. Sensitivity analysis

Particulars	As at 31 March 2020		As at 31 March 2019	
	Change in assumption	Effect on obligation	Change in assumption	Effect on obligation
Discount rate	1.00%	39.96	1.00%	34.07
	(1.00%)	(45.99)	(1.00%)	(39.03)
Salary growth rate	1.00%	(45.86)	1.00%	(39.13)
	(1.00%)	40.57	(1.00%)	34.75
Withdrawal rate	1.00%	(1.58)	1.00%	(2.76)
	(1.00%)	1.80	(1.00%)	3.14

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the balance sheet.

I. Expected maturity profile of defined benefit obligation (undiscounted cash flows)

Period	31 March 2020	31 March 2019
Less than 1 year	62.55	30.29
Between 1-2 years	23.93	57.46
Between 2-5 years	79.65	101.42
Over 5 years	355.16	310.49

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (as at 31 March 2019 is 10 years). Expected contribution to defined benefit plans in the next year is ₹ 43.26 lakh (31 March 2019: ₹ 38.47 lakh).



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

(ii) Other long-term benefits

A. Actuarial assumptions

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	6.70%	7.75%
Expected rate of return	6.70%	7.75%
Salary growth rate	6.00%	6.50%
Withdrawal rate (per annum)		
18 - 30 years	5.00%	5.00%
31 - 44 years	3.00%	3.00%
45 - 58 years	2.00%	2.00%
Normal retirement age (years)	58	58
Mortality	IALM 2012-14	IALM 2006-08 Ultimate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Compensated absences- unfunded

Particulars	As at 31 March 2020	As at 31 March 2019
Amounts recognised in balance sheet		
Current (refer note 24)	21.06	10.11
Non-current (refer note 24)	84.54	75.48
	105.60	85.59
Amounts recognised in statement of profit and loss		
Interest cost	5.73	6.01
Current service cost	13.27	11.88
Actuarial loss	21.07	10.06
	40.07	27.95
Changes in benefit obligations		
Present value of the obligation at the beginning of the year	85.58	77.59
Interest cost	5.73	6.01
Current service cost	13.27	11.88
Benefits paid	(20.05)	(19.97)
Actuarial loss	21.07	10.07
Present value of the obligation at the end of the year	105.60	85.58

(iii) Defined contribution plan

The Company makes fixed contribution towards Employee provident fund and Employee state insurance(ESI) to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. Similarly, the contribution is made in ESI at a specified percentage of payroll cost.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

The Company recognised ₹ 130.58 lakh (31 March 2019: ₹ 124.29 lakh) in respect of provident fund contributions and ESI contribution in the Statement of Profit and Loss and included in "Employee benefits expense" in note 35. The contribution payable to these plans by the Company is at rates specified in the rules of the schemes.

45. Leases

The Company has adopted Ind AS 116 "Leases" effective from 1 April 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using modified retrospective method. The Company's lease agreements are short term leases and therefore they do not fall under Ind AS 116. Thus, the adoption of this standard did not have any material impact on the profit of the current year.

Company as a lessee

The Company has entered into operating leases for its guest houses and employees' residences that are renewable on a periodic basis and are cancellable at Company's option. Total lease payments recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 23.08 lakh (31 March 2019: ₹ 22.47 lakh)

A. The following are amounts recognised in profit or loss:

Particulars	As at 31 March 2020
Depreciation expense of right-of-use assets	-
Interest expense on lease liabilities	-
Rent expense*	23.08
Total	23.08

*Rent expense in case of short term leases

- B. Total cash outflow for leases for the year ended 31 March 2020 was ₹ 23.08 lakh.
- C. The Company does not have any liability to make variable lease payments.
- D. The Company has not sublet any of the assets.
- E. The Company has not entered into any sale and leaseback transactions
- F. The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset	Carrying amount as at 31 March 2019	Additions during the year	Carrying amount as at 31 March 2020
Nil	-	-	-

G. The following is a reconciliation of the financial statement line items from Ind AS 17 to Ind AS 116 at 1 April 2019:

Right-of-use asset	Carrying amount as at 31 March 2019	Adjustment on adoption of Ind AS 116	Ind AS 116 carrying amount at 1 April 2019
Property, plant and equipment	12,913.18	-	12,913.18
Lease liabilities	-	-	-
Other non-current assets	284.90	-	284.90
Other current assets	882.75	-	882.75
Total	14,080.83	-	14,080.83



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Company as a lessor

The Company has entered into operating leases for part of its premises at Plant 1, Lucknow; that is renewable and is cancellable at either party's option. Total lease receipts recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 3.75 lakh (31 March 2019: nil)

46. Contingent liabilities and commitments

(i) Capital commitment:

Particulars	As at 31 March 2020	As at 31 March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	37.24	13.80

(ii) Contingent liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Guarantees excluding financial guarantees:		
In respect of non fund-based working capital facilities from banks:		
- Bank guarantees	405.55	305.43
- Letter of credit	325.70	363.40
Other contingent liabilities		
Disputed amounts for sales tax and entry tax [gross of amount paid under protest amounting to ₹ 10.28 lakh]	10.28	10.28
Disputed amounts for excise duty and service tax [gross of amount paid under protest amounting to ₹ nil]	-	15.70
Disputed amounts for goods and service tax [gross of amount paid under protest amounting to ₹ 14.89 lakh]	16.59	-

47. Segment information

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM') as they monitors the results for the purpose of making decisions about resource allocation and performance assessment and responsible for all major decisions w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisitions, and expansion of new facility. Accordingly, there is only one reportable segment for the Company which is "Engineering and allied activities", hence no specific disclosures have been made.

Entity wide disclosures:

(a) Information about products and services

The Company is engaged in the business of manufacturing and selling of critical and super critical cast components. Company operates in one product line, therefore product wise revenue disclosure is not applicable.

(b) Information about geographical area

The Company's sales to its customers includes sales to customers which are domiciled in India and outside India. Below is the details of Company's revenue from customers domiciled in India and outside India:

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from external customers		
- domiciled in India	2,721.07	1,969.05
- domiciled outside India	13,262.68	12,385.83
	15,983.75	14,354.88

(c) Information about major customers

Revenues of ₹ 4,903.17 lakh, ₹ 4,233.05 lakh and ₹ 1,042.82 lakh (31 March 2019: ₹ 3,545.35 lakh, ₹ 2,169.44 lakh and ₹ 1,842.78 lakh) are derived from three external customers.

48. Related party disclosures

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

(i) Name of the related parties and description of relationship:

Relationship	Name of related party
Entities controlled by KMPs and/or their relatives	PTC Foundation
	Sachin Aggarwal HUF
Subsidiary Company	Aerolloy Technologies Limited
Key Management Personnel ("KMP")	Mr. Sachin Agarwal, Chairman and Managing Director
	Mr. Priya Ranjan Agarwal, Director
	Mr. Alok Agarwal, Director
	Mr. Ashok Kumar Shukla, Director
	Mrs. Smita Agarwal, Chief Financial Officer and Women Director
	Mr. Brij Lal Gupta, Independent Director
	Mr. Ajay Kashyap, Independent Director
	Mr. Rakesh Chandra Katiyar, Independent Director
Relatives of Key Management Personnel	Mr. Krishna Das Gupta, Independent Director
	Mr. Vishal Mehrotra, Independent Director (w.e.f 28 September 2019)
	Ms. Kanchan Agarwal
	Mrs. Anshoo Agarwal
	Mrs. Reena Agarwal
	Mrs. Sangita Shukla



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

(ii) Disclosure of related parties transactions:

Particulars	For the year ended 31 March 2020				For the year ended 31 March 2019			
	Subsidiary company	Enterprises controlled by KMP/ relatives	Key management personnel (KMP)	Relatives of KMPs	Subsidiary company	Enterprises controlled by KMP/ relatives	Key management personnel (KMP)	Relatives of KMPs
Transactions during the year								
1. Rent paid	-	-	-	9.00	-	-	-	9.00
2. Corporate social responsibility expenses	-	17.14	-	-	-	16.17	-	-
3. Rent received	0.47	-	-	-	-	-	-	-
4. Investment made	1.00	-	-	-	-	-	-	-
Amounts paid during the year to KMP's and relatives of KMP's								
1. Managerial remuneration *	-	-	282.36	-	-	-	218.06	-
2. Salary and allowances	-	-	7.82	49.56	-	-	28.61	43.73
3. Sitting fees to independent directors	-	-	2.31	-	-	-	1.96	-
4. Advance against property	-	388.00	-	-	-	100.00	-	-

* Exclusive of provision for future liability in respect of gratuity and leave encashment which is based on actuarial valuation done on Company as a whole.

(iii) Balance outstanding at the year end:

Particulars	As at 31 March 2020	As at 31 March 2019
Outstanding balance (Amount payable)		
Key management personnel		
Managerial remuneration	35.25	37.88
Salary and allowances	-	2.63
Relative of KMP's		
Salary and allowances	3.35	1.02
Rent	0.68	0.68
Outstanding balance (Amount receivable)		
Key management personnel		
Loan to director	4.75	10.00
Subsidiary Company		
Rent	0.47	-
Investment	1.00	-
Entities controlled by KMPs and/or their relatives		
Advance against property	488.00	100.00

Note: The directors have given personal guarantee as security against term loans and working capital facilities from banks obtained by the Company.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

(iv) Compensation to Key Managerial Personnel (KMP)

The details of compensation to the members of key managerial personnel during the year was as follows:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Short-term employee benefits (refer note a)	278.59	236.33
Post-employment benefits		
- Defined contribution plan (refer note b)	11.59	12.30
- Defined benefit plan	refer note (c)	refer note (c)
- Other long-term benefits	refer note (c)	refer note (c)
	290.18	248.63

Note (a) Includes salary, commission, sitting fees and any other perquisites on accrual basis.

Note (b) Including contribution to provident fund and any other benefit.

Note (c) As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

49. Assets pledged as security:

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current borrowings:		
Equitable mortgage		
Land	660.93	661.53
Building	3,879.92	3,694.81
First charge		
Other movable property, plant and equipment	15,416.81	6,864.03
	19,957.66	11,220.37
Current borrowings:		
First charge		
Current assets	11,588.63	11,026.96
Second charge		
Land	660.93	661.53
Building	3,879.92	3,694.81
Other movable property, plant and equipment	15,416.81	6,864.03
	31,546.30	22,247.33
	51,503.96	33,467.70



Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

50. Revenue from Contracts with Customers

Indian Accounting Standard 115, "Revenue from Contracts with Customers" ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- i) Identify the contract(s) with customer;
- ii) Identify separate performance obligations in the contract;
- iii) Determine the transaction price;
- iv) Allocate the transaction price to the performance obligations; and
- v) Recognise revenue when a performance obligation is satisfied

a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Revenue from operations	As at 31 March 2020			As at 31 March 2019		
	Sale of products	Other operating revenues	Total	Sale of products	Other operating revenues	Total
Revenue by geography						
Domestic	2,721.07	47.86	2,768.93	1,969.05	59.02	2,028.07
Export	13,262.68	781.08	14,043.76	12,385.83	710.90	13,096.73
	15,983.75	828.94	16,812.69	14,354.88	769.92	15,124.80

b) Assets and liabilities related to contracts with customers

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non Current	Current	Non Current	Current
Trade receivables	-	4,396.82	-	4,395.56
Advance from customers	-	91.50	-	28.61
	-	4,488.32	-	4,424.17

51. The Company has formed a subsidiary, Aerolloy Technologies Limited, as at 17 February 2020. Since, there are no transactions in the subsidiary other than issue of share capital amounting to ₹ 1.00 lakh and other expenses amounting to ₹ 0.47 lakh during the period, which are inconsequential to the overall Company's financial position, the consolidated financial statements of the Company are not being furnished.

Notes to the financial statements for the year ended 31 March 2020

(All amounts in lakh of Indian Rupees, unless otherwise stated)

52. "COVID-19 continues to spread across the globe including India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. In view of the highly uncertain economic environment, the extent to which the COVID-19 pandemic will impact the business of the Company depends upon future developments that cannot be predicted reliably at this stage.

However, based on the preliminary estimates, the Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. Pursuant to the relaxed guidelines, the Company has resumed its operations, partially. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes arising due to the impact of this pandemic/future economic conditions impacting the financial and operational performance of the Company and take necessary measures to address the situation."

53. The figures of corresponding previous year have been regrouped/reclassified, wherever considered necessary, to make them comparable with those of current year figures.

For Walker Chandiook & Co. LLP

Chartered Accountants

(Firm Registration No. 001076N/N500013)

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

Sandeep Mehta

Partner

Membership No. 099410

Sachin Agarwal

Chairman and Managing Director

DIN No. : 00142885

Alok Agarwal

Director (Quality & Technical)

DIN No. : 00129260

Smita Agarwal

Director and Chief Financial Officer

DIN No. : 00276903

Anuj Nigam

Company Secretary

Mem. No.: FCS9515

Place: Chandigarh

Date: 27 June 2020

Place: Lucknow

Date: 27 June 2020



Notes to the financial statements for the year ended 31 March 2019

(All amounts in lakh of Indian Rupees, unless otherwise stated)

FIVE YEARS AT A GLANCE

PARTICULARS	2019-20	2018-19	2017-18	2016-2017	2015-2016
REVENUE FROM OPERATIONS(NET)	16,812.69	15,124.80	10,106.78	9,939.91	9,568.44
"EARNINGS BEFORE INTEREST, DEPRECIATION, EXCEPTIONAL ITEMS & TAXES"	3,549.98	2,835.02	1,827.26	1,678.75	1,615.15
FINANCE COSTS	1,138.93	921.36	401.53	345.15	256.32
DEPRECIATION	1,021.23	909.42	576.68	554.02	543.42
EXCEPTIONAL ITEMS	-	61.81	-	-	-
PROFIT BEFORE TAX	1,389.82	942.43	849.05	779.59	815.41
TAXES, NET OF MAT CREDIT ENTITLEMENT	339.23	-149.11	105.04	178.19	200.11
NET PROFIT	1,050.59	1,091.54	744.01	601.40	615.30
SHARE CAPITAL	523.91	523.91	523.91	523.91	523.91
RESERVE & SURPLUS	14,544.64	13,515.71	12,427.97	11,680.69	11,096.31
NET WORTH	15,068.55	14,039.62	12,951.88	12,204.60	11,620.22
EARNINGS PER SHARE	20.05	20.83	14.20	11.48	11.74
BOOK VALUE (RS.)	287.62	267.98	247.22	232.95	221.80
TOTAL OUTSIDE LIABILITIES/ TANGIBLE NET WORTH	1.35	1.42	1.39	1.41	1.48
CURRENT ASSETS/CURRENT LIABILITIES	1.07	0.98	1.01	1.29	1.61
OPERATING PROFIT MARGIN	21.1%	18.7%	18.1%	16.9%	16.9%
NET PROFIT MARGIN	6.2%	7.2%	7.4%	6.1%	6.4%

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 57th Annual General Meeting of the members of PTC Industries Limited will be held on Wednesday, the 30th day of September 2020 at 03.00 P.M through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") Facility to transact following business:

ORDINARY BUSINESS

To consider and, if thought fit, to pass, the following resolutions, as an Ordinary Resolution:

- To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors' and Auditors' thereon;**

"Resolved that, the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors' and Auditors' thereon laid before this

meeting, be and are hereby considered and adopted."

- To appoint a director in place of Mr. Ashok Kumar Shukla, who retires by rotation and being eligible, offers himself for re-appointment.**

"RESOLVED THAT Mr. Ashok Kumar Shukla (DIN: 08053171), who retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and being eligible, be and is hereby re-appointed as director of the Company and is liable to retire by rotation."

SPECIAL BUSINESS

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

- Approval of Remuneration for remaining period of tenure**

"RESOLVED THAT, pursuant to the provisions of section 197(3) read with

Schedule V of the Companies Act, 2013 and applicable provisions of SEBI (LODR) Regulations, 2013, the consent of the member be and is hereby accorded for payment of remuneration to the following Directors of the Company as per their respective terms of appointment, in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or reenactment thereof, as may, for the time being, be in force and as may be agreed to by and between the Board and the Director, in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the three years period starting from 01.10.2020 or during the remaining period of tenure of appointment, whichever is less.

Sr. No.	Name	Designation	Period of appointment	Date of Shareholders meeting approving the appointment
a)	Mr. Sachin Agarwal	Chairman & Managing Director	01.10.2017 – 30.09.2022	29.09.2017
b)	Mr. Alok Agarwal	Whole Time Director, designated as Director (Quality & Technical)	01.10.2017 – 30.09.2022	29.09.2017
c)	Mr. Priya Ranjan Agarwal	Whole Time Director, designated as Director (Marketing)	01.10.2017 – 30.09.2022	29.09.2017
d)	Ms. Smita Agarwal	Chief Financial Officer & Whole Time Director	01.06.2019 – 31.05.2024	28.09.2019
e)	Mr. Ashok Kumar Shukla	Whole Time Director	01.10.2017 – 30.09.2022	29.09.2017

RESOLVED FURTHER THAT, CMD of the Company be and is hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to aforesaid Directors in accordance with the provisions of the Act and rules made there under and to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be necessary, proper or expedient and for matters concerned therewith or incidental thereto for the purpose of giving effect to this resolution."

IMPORTANT NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business set out in Item No. 3 of the accompanying notice is annexed hereto.

2. General instructions for accessing and participating in the 57th AGM through VC/OAVM Facility

i. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 57th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 57th AGM

shall be the Registered Office of the Company.

ii. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 57th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 57th AGM through VC/OAVM Facility and e-Voting during the 57th AGM.

iii. In line with the MCA Circulars and SEBI Circular, the Notice of the 57th AGM will be available on the website of the Company at www.ptcil.com, and on the website of BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com

iv. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.

v. Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-Voting, for participation in the 57th AGM through VC/OAVM Facility and e-Voting during the 57th AGM.

vi. Members may join the 57th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 02:45 p.m. i.e. 15 minutes before the time scheduled to start the 57th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 57th AGM.

vii. Members may note that the VC/OAVM Facility, provided by CDSL, allows participation of at least 1,000 Members on a first-come-first-

served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 57th AGM without any restriction on account of first-come-first-served principle.

viii. Attendance of the Members participating in the 57th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

3. E-VOTING

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) In compliance with Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 read with Rule 20 of the Companies (Management & Administration) Rules, 2014, and other applicable provisions of the Companies Act, 2013, if any, the Company is pleased to provide the facility to the members to exercise their votes electronically and vote on all resolutions through e voting service facility arranged by CDSL.

(ii) The voting period begins on Sunday, September 27, 2020 at 09.00 AM and ends on Tuesday, September 29, 2020 at 05.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Wednesday, September 23, 2020 of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iv) The shareholders should log on to the e-voting website www.evoting-india.com.

- | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(v) Click on "Shareholders" module.</p> <p>(vi) Now enter your User ID</p> <p>a. For CDSL: 16 digits beneficiary ID,</p> <p>b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,</p> <p>c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.</p> | <p>Or</p> | <p>Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at https://www.cdslindia.com from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically</p> | <p>(vii) Next enter the Image Verification as displayed and Click on Login.</p> <p>(viii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.</p> <p>(ix) If you are a first time user follow the steps given below:</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.

- | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(x) After entering these details appropriately, click on "SUBMIT" tab.</p> <p>(xi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</p> <p>(xii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.</p> <p>(xiii) Click on the EVSN for the relevant PTC Industries Limited on which you choose to vote.</p> <p>(xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting.</p> | <p>Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.</p> <p>(xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.</p> <p>(xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.</p> <p>(xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.</p> <p>(xviii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.</p> <p>(xix) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.</p> <p>(xx) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded</p> | <p>from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.</p> <p>PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:</p> <ol style="list-style-type: none"> For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 Company/RTA email id. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders 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/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at anuj.nigam@ptcil.com The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be al-

lowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING 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 shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders 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.

Note for Non – Individual Shareholders and Custodians

- i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the ac-

count(s) for which they wish to vote on.

- iv. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- v. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- vi. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; anuj.nigam@ptcil.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Rakesh Dalvi (23058542-022) or Mr. Mehboob Lakhani (23058543-022).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022- 23058738 / 022- 23058542/43.

By Order of the Board of Directors,

Anuj Nigam

Company Secretary

Date: September 08, 2020

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

Item No. 3:

The tenure of Mr. Sachin Agarwal as CMD, Mr. Alok Agarwal as Director (Quality & technical), Mr. Priya Ranjan Agarwal as Director (Marketing), Mr. Ashok Kumar Shukla as Executive Director is still valid for almost 2 more years, and the Tenure of Ms. Smita Agarwal, Director and CFO valid for almost 4 year however three years period for the shareholders approval for payment of minimum remuneration as per the provisions of section 197(3) read with schedule V of the Companies Act, 2013 is coming to an end on 30.09.2020.

The Board of Directors of the Company in its meeting held on June 27, 2020, based on the recommendation of the Nomination and Remuneration Committee and Audit Committee of the Board of Directors have proposed take the approval of the shareholders at ensuing AGM for remaining tenure of respective directors for payment of minimum remuneration as per the provisions of section 197(3) read with schedule V of the Companies Act, 2013. There is no other change in terms of appointment.

The Chairman & Managing Director is responsible for implementation of the functions assigned by the Board from time to time, including but not limited to making recommendations to the Board with respect to the investments/disinvestments decisions, senior level appointments, retrenchments and increments, collaborations/joint ventures/further capital issues, borrowings, appointment of internal auditors/

statutory auditors/other intermediaries as may be required under laws as applicable to the Company and to take all extraordinary decisions and undertake activities, which are necessary to run the day to day operations of the Company and to carry out other supervisory and regulatory functions, including delegation/assignment of duties in the manner as may be required from time to time. He is a promoter director holding 11,13,560 equity shares in the share capital of the Company.

Mr. Alok Agarwal, Director (Quality & Technical) is responsible for operations, engineering, quality, R&D and procurement activities of the Company. He is also responsible for undertaking activities as assigned to him by CMD/Board from time to time. He is a promoter director holding 2,15,600 equity shares in the share capital of the Company.

Mr. Priya Ranjan Agarwal, Director (Marketing) is responsible for marketing activities of the Company. He is also responsible for undertaking activities as assigned to him by CMD/Board from time to time. He is a promoter director holding 3,86,000 equity shares in the share capital of the Company.

Mr. A K Shukla is responsible for the management of day to day operations of the Mehsana Plant of the Company. In this regard, he looks after the implementation of the Company's business plan directives; framing of policy related to the Mehsana Plant; preparation of growth and action

plans for this plant; and works on increasing production, asset capacity and flexibility, while minimizing unnecessary costs and maintaining current quality standards. He holds 81,369 equity shares in the share capital of the Company. He is not related to the promoters, directors or key managerial personnel of the Company and shall be designated as a non-promoter executive director.

Ms. Smita Agarwal, Director and Chief Financial Officer, is responsible taxation and finance functions of the Company. She is also responsible for undertaking activities as assigned to her by CMD/Board from time to time. She is a promoter director holding 1,31,000 equity shares in the share capital of the Company.

The Board, accordingly, recommends the resolution set out under item number 3 for approval of the members of the Company as a Special Resolution.

None of the Promoters, Directors, Key Managerial personnel or their relatives, except Mr. Sachin Agarwal, Chairman and Managing Director and Ms. Smita Agarwal are related as spouse, and respective director himself, is concerned or interested, financially or otherwise, in passing of the aforesaid Resolution except to the extent of his shareholding as a member of the Company.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013 (in respect of business proposed at item no. 3):

I. General Information

Nature of Industry	Engineering with foundry, machining, forging & fabrication as key activities
Date or expected date of commencement of commercial production	PTC Industries Limited has legacy of more than 57 years with its date of incorporation being March 20, 1963.
Financial performance based on given indicators	The details of financial performance of the Company for the years 2018-19 and 2019-20 are provided separately in the Annual Report.

Foreign investments or collaborations, if any	Foreign investors, mainly comprising NRIs and Overseas Body Corporate are investors in the Company on account of past issuances of securities and issue of equity shares in lieu of conversion of Zero Coupon Compulsorily Convertible Debentures (CCD's).
-----------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

II. Information about the appointees

Background details	Mr. Sachin Agarwal is the Chairman & Managing Director of the Company.	Mr. Alok Agarwal is the Director – Quality & Technical of the Company.	Mr. Priya Ranjan Agarwal is Director - Marketing of the Company	Mr. Ashok Kumar Shukla is an Executive Director - Mehsana Plant	Ms. Smita Agarwal is the Director and Chief Financial Officer of the Company	
Past remuneration	Details of past remuneration are as follows: (Rs. In lakhs)					
	Year	Remuneration				
		Sachin Agarwal	Alok Agarwal	Priya Ranjan Agarwal	Ashok Kumar Shukla	Smita Agarwal
	2017-18	91,78,839	27,61,102	25,22,667	15,79,669	-
	2018-19	95,05,455	28,10,334	26,56,002	68,34,679	-
	2019-20	1,13,73,593	36,14,524	42,01,059	63,94,869	26,52,592
Recognition or awards	Sachin Agarwal	Alok Agarwal	Priya Ranjan Agarwal	Ashok Kumar Shukla	Smita Agarwal	
	Under the leadership of Mr. Sachin Agarwal, the Company has won many awards and recognitions, including the TIME India Award, National Award for R&D Efforts in the Industry, by the Department of Science and Industrial Research, Government of India; approval from the Department of Scientific & Industrial Research under their Technology Development and Demonstration Programme; being recognized as one of the 16 Hidden Gems by Forbes India, and numerous export and supplier awards by State departments and customers.	Mr. Alok Agarwal has done extensive work in improving the quality standards in the Plant and obtaining various ISO and other quality certifications for the Company. His responsibilities also include Environment, Health and Safety compliances for the Company. Under this able guidance, the Company has been bestowed with many awards including the Exporter Award from the Government of Uttar Pradesh.	Mr. Priya Ranjan Agarwal is primarily responsible for business development in key infrastructure projects and marketing activities and has contributed largely for PTC to become a well-known and respected name in the country. He has been instrumental in the execution of several large project orders received by PTC from domestic companies. His hard work and perseverance have led to the recognition of the Company as a vendor in various Public Sector Undertakings and government agencies.	Mr. Ashok Kumar Shukla has done extensive work in improving the operations of the Mehsana Plant and successfully establishing the production line at the plant to deliver quality production in an efficient and competent manner.	Ms. Smita Agarwal began to take an active leadership role in PTC nearly 8 years ago and steered the management of a foreign direct investment into the company in 2013. She was also the winner of the 2017 Women Achiever Awards by LMA in the corporate category. Recently, she was also recognised by NITI Aayog as one of the top 60 women entrepreneurs in the country at their Women Transforming India Awards 2018.	

<p>Job profile and suitability</p>	<p>Mr. Sachin Agarwal is an MBA in Operations from the University of Tulsa, USA and has pursued M.S. in Finance from Boston College, USA. He has also worked for American Airlines in the field of operations. He has over 22 years of professional experience in the overall managerial areas. Taking this into consideration, the Board bestowed the task of managing the overall operations of the Company, international business development, day to day management of the Company and implementation of Board policies and decisions. Under Mr. Sachin Agarwal's leadership, the Company has achieved new heights and attained remarkable growth. Sachin's exceptional entrepreneurship skills have succeeded in transforming the Company to one of the most technologically advanced companies in the world with capabilities to partner with organisations like Rolls Royce, GE, Siemens, etc for the manufacture of highly critical parts and sub-systems.</p>	<p>Mr. Alok Agarwal is a B. Tech from IIT, Kanpur. He has been working with PTC Industries for the past 26 years. He is a Whole-time director designated as Director (Quality & Technical). Over the years, he has held various senior positions in the Production, Quality and Technical areas. He spent a number of years at the Ahmedabad Plant, and was deeply involved in the design, project management and commission in of the unit. Being a person with a strong penchant for analytical work and high technology skills, he was chosen to head Lucknow Plant 1 and the Quality & Technical divisions of the Company. Mr. Alok Agarwal also looks after the operational, engineering, quality, R&D and docurement activities of the Company. He has all the requisite qualifications and rich experience for a person in his position.</p>	<p>Mr. Priya Ranjan Agarwal joined PTC in 1992 and has been working with company for the last 28 years. He is a Whole-time director on the Board of the Company. Mr. Priya Ranjan Agarwal is a Bachelor of Engineering (Mechanical). He has made a substantial contribution in creation of a wide base of customers for the Company. He has significant experience in the casting industry spanning more than 30 years and has been instrumental in making PTC a recognized name in the country. With the establishment of the AMTC Plant of the Company, his immense skill, knowledge and capability in marketing and sales is of great significance for the overall operations of the Company especially at a stage when the Company has increased its capacity four times and shall require new business to efficiently utilize this capacity.</p>	<p>Mr. Ashok Kumar Shukla joined PTC IN 2003 and has been working with the Company for the last 16 years in various capacities. He is a Bachelor of Technology (Mechanical). He has made a substantial contribution for the implementation and achievement of PTC's business plan directives, implementation of policy matters, charting growth plans, increasing production, assets capacity and flexibility, while minimizing unnecessary costs and maintaining current quality standards in respect of Company's Mehsana Plant.</p>	<p>Ms. Smita Agarwal has joined PTC in 2009, and has been working with company for the last 11 years in various capacities. She is the Director and CFO of the Company. She is a qualified Chartered Accountant with an experience of over 22 years and has worked in various capacities at PwC in their offices in New Delhi and London. During her tenure at PTC, she has led various initiatives including the listing of the company's shares at BSE, the plementation of various business processes, ERP systems, compliance and reporting systems, etc. She has a strong financial background with a fluency in Business Processes. She is also a competent public speaker conducting many training sessions and speaking engagements on many platforms.</p>
------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Remuneration proposed	As recommended by the Board, the proposed remuneration will exceed the limit prescribed under Section 197 & 198 of the Companies Act, 2013 read with Schedule V.				
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of Chief Executive Officer /Managing Director levels of similar sized companies.				
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration, Mr. Sachin Agarwal holds 11,13,560 equity shares of the Company. Further, he is the son of Late Mr. Satish Chandra Agarwal, Ex-Chairman of the Company and husband of Ms. Smita Agarwal, Director and Chief Financial Officer of the Company.	Besides the remuneration receivable, Mr. Alok Agarwal holds 2,15,600 equity shares of the Company and his spouse is appointed to office of profit in the Company pursuant to the provision of Section 188(1) of the Companies Act, 2013. He does not have any other relationship directly or indirectly with the Company or any relationship with managerial personnel.	Besides the remuneration receivable, Mr. Priya Ranjan Agarwal holds 3,86,000 equity shares of the Company and his spouse is appointed to office of profit in the Company pursuant to the provision of Section 188(1) of the Companies Act, 2013 He does not have any other relationship directly or indirectly with the Company or any relationship with managerial personnel.	Besides the remuneration receivable, Mr. Ashok Kumar Shukla holds 81,369 equity shares of the Company and his spouse is appointed to office of profit in the Company pursuant to the provision of Section 188(1) of the Companies Act, 2013 He does not have any other relationship directly or indirectly with the Company or any relationship with managerial personnel.	Besides the remuneration receivable, Ms. Smita Agarwal, holds 1,31,000 equity shares of the Company. She is wife of Mr. Sachin Agarwal, Chairman and Managing Director of the Company,

III. Other Information

Reasons of loss or inadequate profits	The Company is a phase of capital expansion and augmenting its technology portfolio and infrastructure. At this time, significant amount of its resources are being used in the development of new technologies and processes which are expected to yield substantial revenue growth and operational improvements in the future. Additionally, the significant amount of depreciation and interest being charged to the Profit & Loss Account have affected the current profitability. With the growth in sales and shift to higher realisation product range, this trend shall be reversed.
Steps taken or proposed to be taken for improvement	With the improvements in technology and processes that the Company has introduced, it expects a significant reduction in its operational costs. The Company's newly established AMTC Plant has the capacity to manufacture castings up to 6,000 kgs single piece using the Replicast® and RapidCast™ technologies. It houses the latest equipment, systems and software and is a clean, green and lean facility. These measures shall significantly improve the profitability of the Company.
Expected increase in productivity and profits in measurable terms	The aforesaid steps taken and to be taken by the Company are expected to improve the Company's performance and profitability in the future by 25-30% in the next 2-3 years.

IV. Disclosures: As required, the information is provided under Corporate Governance Section of Annual Report 2020.

Register pursuant to section 190 of the Companies Act, 2013 is open for inspection to any member without payment of any fee at the office hours at the registered office of the Company.

By order of the Board for
PTC INDUSTRIES LIMITED

Place: Lucknow
Date: September 08, 2020

Anuj Nigam
Company Secretary



PTC Industries Limited

NH 25A, Sarai Shahjadi,
Lucknow 227 101,
Uttar Pradesh, India
www.ptcil.com



A NEW VISION, A NEW MISSION, A NEW REALITY.

OUR VISION IS TO BE THE
#1 CHOICE IN THE MARKETS
WE SERVE, CREATING VALUE
THROUGH INNOVATIVE
SOLUTIONS.

OUR MISSION IS BE A LEADING
GLOBAL MANUFACTURER
OF ENGINEERED METAL
COMPONENTS, PRODUCTS
AND SYSTEMS THROUGH
SUSTAINABLE, DISRUPTIVE
AND INNOVATIVE
TECHNOLOGIES.

The company is now at the threshold of a new era, new possibilities and a future that shall change the way we think about manufacturing at the component level. The company's dictum of **Aspire**, **Innovate** and **Achieve** continues to be the mantra that drives it towards the creation of a customer centric, innovation driven, technology oriented, socially responsible organization, and its vision and mission statements in the context of this new reality has led to the definition of a new vision, a new mission.

We feel this new vision and mission defines who we are as an organization, what we stand for and what we want to achieve in the coming years. We believe these shall serve as guiding principles, and help us to distinguish between the paths that lie before us in order to stay true to our purpose and to achieve that highest pinnacles of success in a morally, socially and ethically responsible manner.

PTC continues to,

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

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

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