



# INVESTMENT & PRECISION CASTINGS LTD

You Design, We Cast

Corporate Identification No. (CIN) :  
L27100GJ1975PLC002692

REGD. OFFICE  
& WORKS  
TELEPHONE  
FAX  
E-MAIL  
WEBSITE

NARI ROAD, BHAVNAGAR  
GUJARAT, INDIA 364 006  
(91) (278) 252 3300 to 04  
(91) (278) 252 3500 to 02  
direct1@ipcl.in  
www.ipcl.in

EN 9100	: 2016
IATF 16949	: 2016
ISO 9001	: 2015
ISO 14001	: 2015
BS OHSAS 18001	: 2007

Certified Company

Date: 08.09.2020

To,  
Dept. of Corporate Affairs  
BSE Limited,  
PhirozeJeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

Dear Sir/Madam,

Ref.: Scrip Code: 504786

Sub: Notice of 45<sup>th</sup> Annual General Meeting ("AGM") along with Annual Report of the Company for FY 2019-20.

Ref: Regulation 30 and 34 of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 read with SEBI Circular No SEBI/HO/CFD/CMD1/CIRJP/2020/79 dated May 12, 2020

We wish to inform that 45th Annual General Meeting (AGM) of the Members of the Company is scheduled to be held on Tuesday, 29<sup>th</sup> September, 2020 at 04:30 Noon through Video Conferencing / Other Audio Visual Means in terms of General Circulars dated April 08, 2020 and April 13, 2020 and May 05, 2020 issued by the Ministry of Corporate Affairs, to transact the business, as set out in the Notice of AGM.

We enclose herewith Notice of AGM along with the Annual Report of the Company for FY 2019-20 for information of Members.

The same is also available on Company's website at [www.ipcl.in](http://www.ipcl.in)

The above mentioned documents are also made available on the website of the Company at <https://www.ipcl.in/investor.php?val=7&id=5>

Further, the Company is pleased to provide e-voting facility to its Members holding shares in physical or dematerialized form, as on the cut-off date i.e. Monday, 21<sup>st</sup> September, 2020 to cast their votes by electronic means on the resolutions set forth in the Notice of AGM. Other information related to e-voting and AGM is given in the Notice and Annual Report.

Kindly find the same in order.

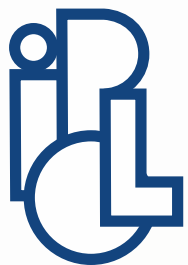
Thanking You.

For, INVESTMENT & PRECISION CASTINGS LIMITED

*P. P. Tamboli*

Mr. Piyush I Tamboli  
Managing Director  
DIN: 00146033





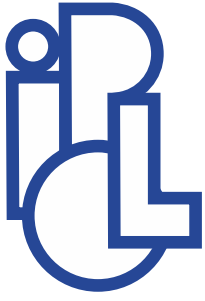
SINCE : 1975

**INVESTMENT & PRECISION CASTINGS LTD**

**YOU DESIGN, WE CAST**

**45<sup>th</sup>**  
ANNUAL REPORT  
**2019-2020**





45th ANNUAL REPORT  
2019-2020

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Please find our report online at



# COMPANY INFORMATION

## BORAD OF DIRECTORS

### PIYUSH I. TAMBOLI

Chairman & Managing Director

### B.PRATPKUMAR

Whole Time Director

### GIRISH C. SHAH

Independent Director

### AKSHAY R. SHAH

Independent Director

### VIMAL R. AMBANI

Independent Director

### VISHAKHA P. TAMBOLI

Non-Executive  
Non-Independent Director

### R.K.MENON

Chairman Emeritus

(Resigned w.e.f. 31<sup>st</sup> March,2020)

### HEMANT SHAH

Independent Director

(Appointed on 03.09.2020)

### J.M.MAPGAONKAR

Independent Director

(Retired w.e.f 26<sup>th</sup> September, 2019)

## CHIEF FINANCIAL OFFICER

Girish V. Shah \*

(\*Resigned w.e.f. 20<sup>th</sup> July, 2020)

## COMPANY SECRETARY

Hetal B. Kapadiya

## AUDITORS

PARK & Company

## SECRETARIAL AUDITOR

Alpesh Dhandhlya & Associates

## INTERNAL AUDITOR

R. J. Trivedi & Co.

## BANKER

Bank of Baroda

## CORPORATE & REGISTERED OFFICE

Nari Road, Bhavnagar,  
Gujarat – 364006, India

## REGISTRAR & TRANSFER AGENT

M/s MCA Shares Transfer Agents  
Ltd.

## COMPANY IDENTIFICATION NUMBER

(CIN)

L27100GJ1975PLC002692

## ISIN

INE155E01016

## BSE SCRIP CODE

504786



**MR. PIYUSH I. TAMBOLI**

Chairman & Managing Director

Dear Shareholders,

As we persist our journey of 45 years, since 1975, into investment casting manufacturing industry from being first casting manufacturing industry in Gujarat, to now having esteem recognition at national and global level we have outgrown ourselves , with each accomplishment of milestones of the company.

We would like to thank all our valuable stakeholder, for placing consistent faith and trust in your company Investment & Precision Castings Limited ( I&PCL ) in all times.

We look forward with optimism, with our leadership, which we believe , possesses the vision, mission , strength and resolve to steer in this intricate era, for growth , prosperity and well-bring for everyone.

We at I&PCL are forever grateful for your continued trust for over four decades. FY 2019-2020 has been a challenging year for I&PCL. As the banks became more stringent with car loans, the overall demand for vehicles has reduced. Automotive sector consists of our largest customer base and hence, the lower demand has had a major impact on our sales.

In-order to mitigate risks, I&PCL has increased focus on Non-Automotive sectors such as Aerospace, Defense and Medical Implants. We have made the necessary investments for the required equipment as well as received NADCAP certification for Non-Destructive Testing which is a major requirement for Aerospace & Defense clients.

As we get used to 'THE NEW NORMAL', we do see various other opportunities in the Automotive sector. Personal Vehicle demand is expected to go up as demand for public transport and ride sharing services are expected to fall due to social distancing norms. Moreover, the current slowdown in economy across the globe points towards interest rate-cuts which would further increase sales. Furthermore, the drop in crude oil prices could potentially boost global demand as well.

Currently, we are also witnessing a major shift in various supply-chains who are shifting from China to various other developing countries and India is expected to be a major beneficiary. This shift of major supply chains along with Modi-governments push for indigenization of various products is expected to boost our economy and provided major opportunities for Indian companies. The Indian Aerospace & Defense Sector which is a major target industry for indigenization has various components that I&PCL has developed and demand for components from these sectors is expected to grow. In-order to cater to these needs, I&PCL has planned for a separate Aerospace & Defense facility which shall be operational from March 2021.

I would like to conclude by thanking entire I & PCL team, all employees, working hard always for growth of the company as well as our customers, vendors and stakeholders who have made it possible for your company to maintain its journey of growth during a challenging phase of the Indian Economy.

I also wish to thank my fellow Board Members for their invaluable support.

Thanking You,



**MR. PIYUSH I. TAMBOLI**

**“ Everything is created twice,  
first in the mind,  
and then in reality ”**



## **INVESTMENT & PRECISION CASTINGS LIMITED**

*shall be professionally managed company devoted to,  
in making of high quality value products and services,  
complete customer satisfaction, and enhancing stakeholders value,  
while continue to meet growth expectations of employees and society.*

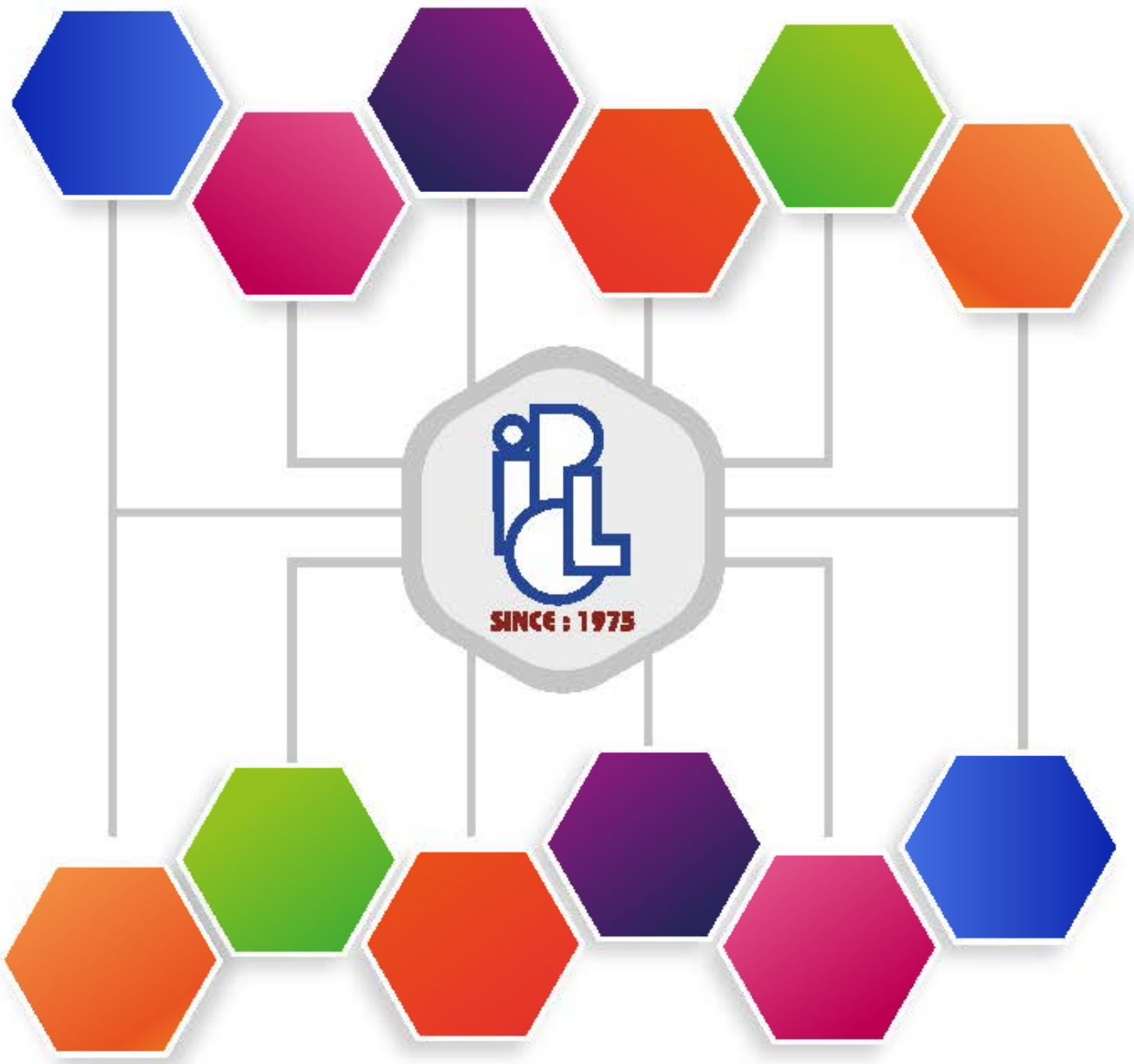
## **INVESTMENT & PRECISION CASTINGS LIMITED**

*shall be innovative, empowered professional team  
constantly creating values and*

**achieving higher benchmark  
across globe.**

*Through our vision,  
we will be fast growing entrepreneur,  
by redefining businesses and delivering high social impact,  
enhancing brand by our quality services and by leveraging  
Talent Technology.*

# INVESTMENT CASTINGS FOR





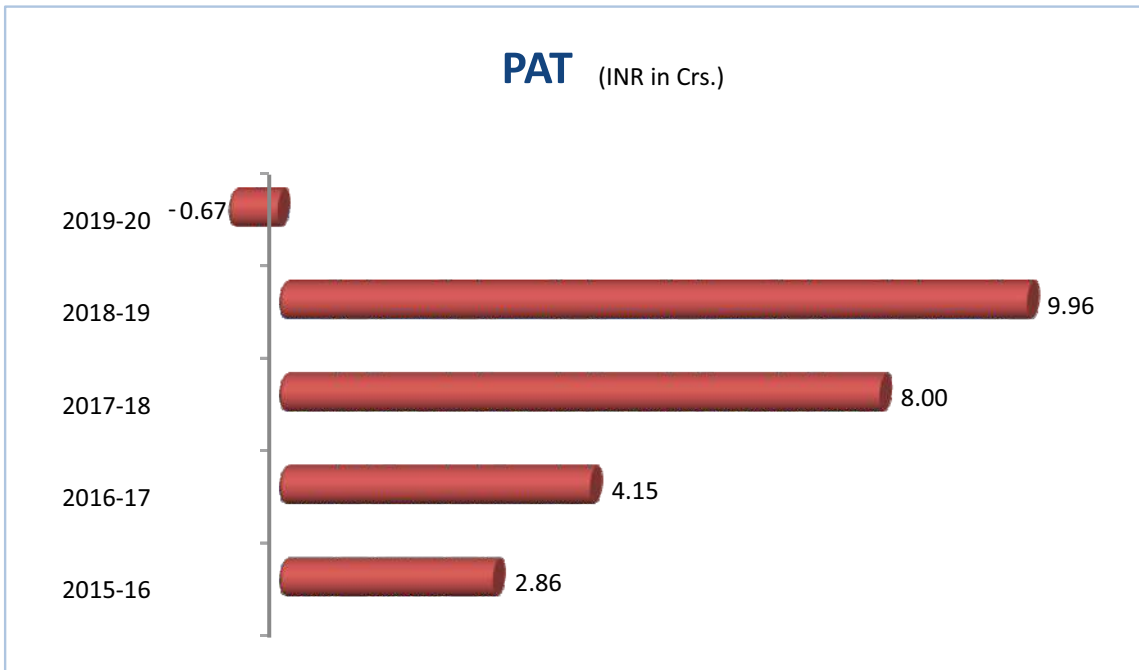
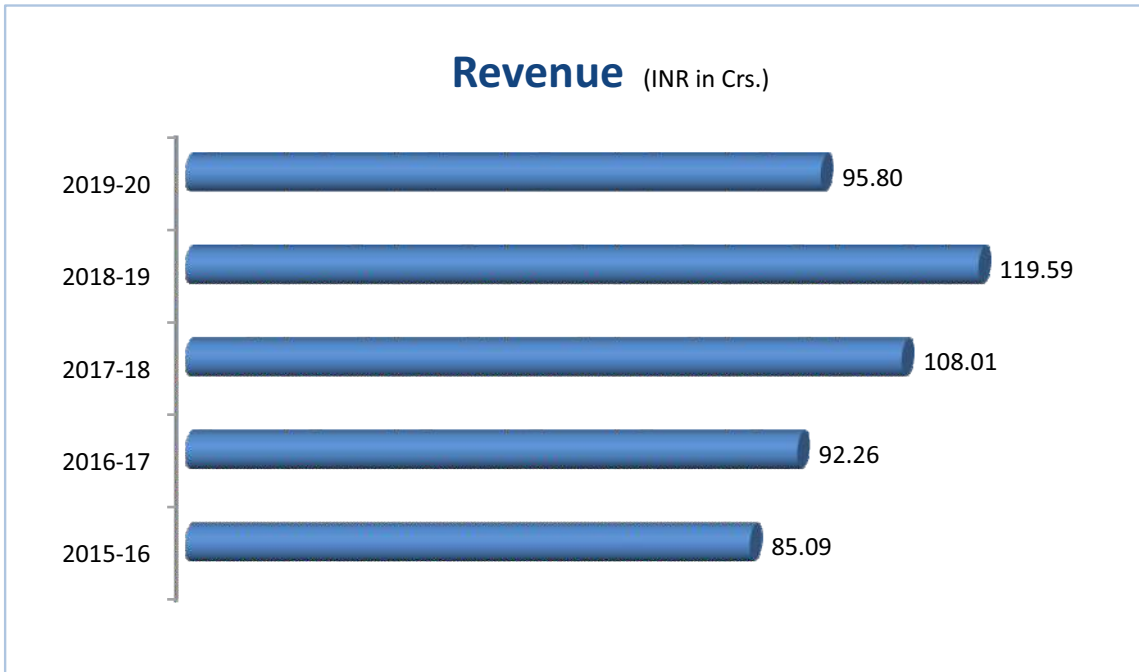
# OUR PERFORMANCE

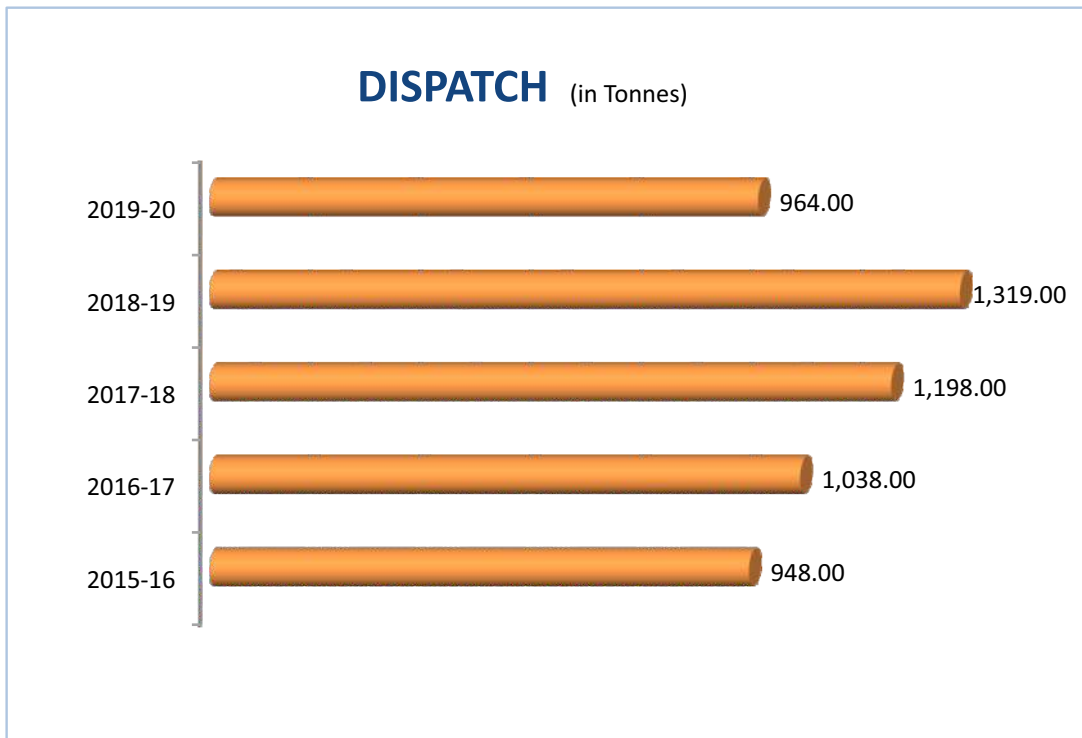
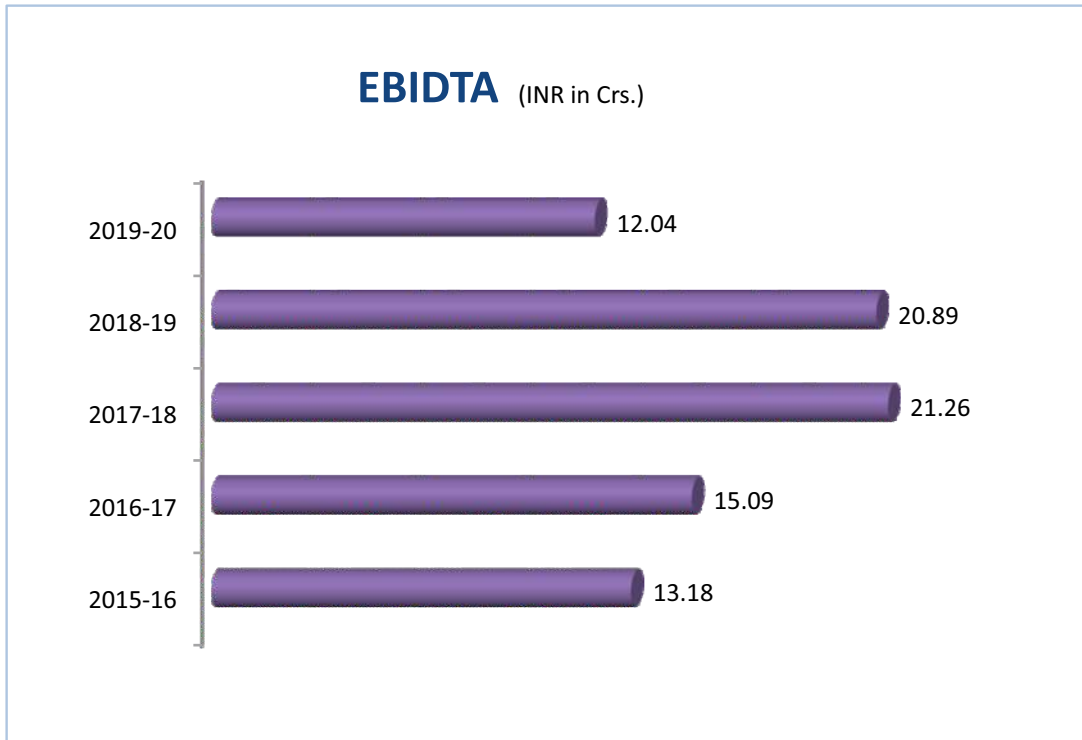
STANDALONE PERFORMANCE OF LAST TEN YEARS :

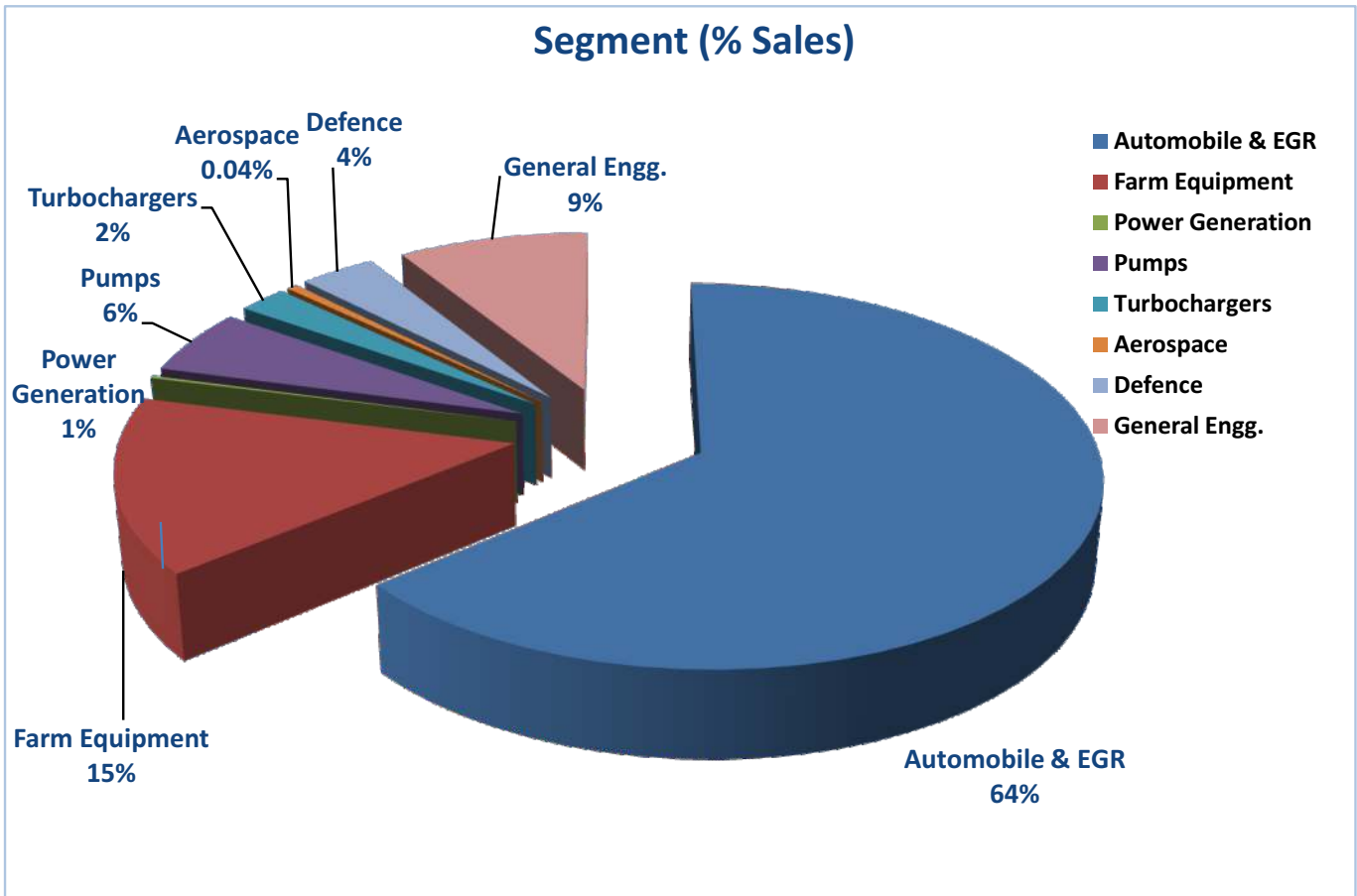
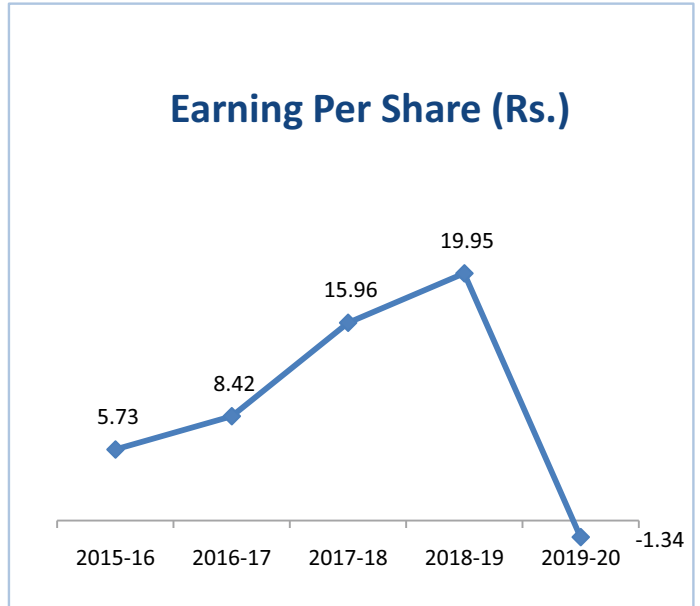
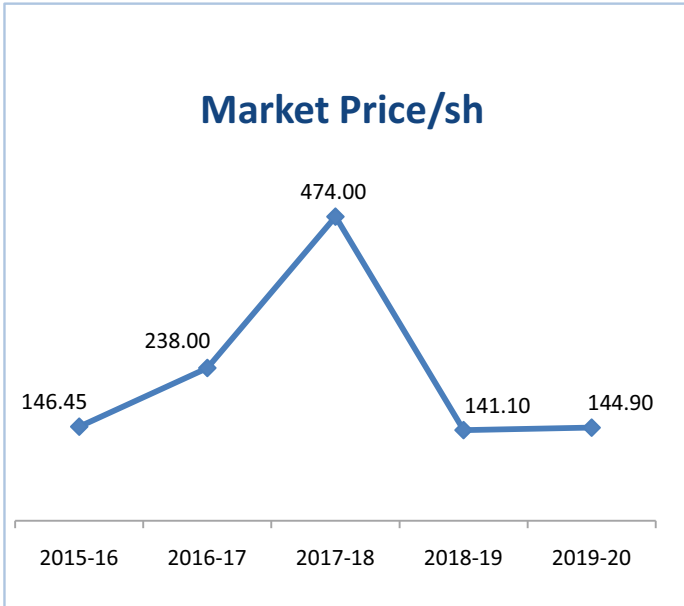
(INR in Lacs)

Particulars	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
<b>STATEMENT OF PROFIT &amp; LOSS</b>										
Revenue from operations	6,754.18	7,916.78	6,605.85	6,937.12	7,413.67	8,492.73	9,200.87	10,757.21	11,868.48	9,518.13
Operating Profit	159.80	14.01	(468.77)	(188.94)	(179.57)	72.93	268.33	744.13	355.15	(813.73)
Profit After Tax	328.67	295.73	42.14	159.13	215.36	286.49	423.79	798.05	997.61	(67.23)
<b>BALANCE SHEET</b>										
Net Worth	4,216.28	4,526.54	4,538.66	4,690.44	4,873.61	5,117.98	5,541.78	6,655.58	7,500.74	7,306.01
Total Borrowed Fund	2,879.33	3,166.54	3,179.93	2,765.09	2,841.55	2,892.31	2,780.12	3,726.01	5,292.31	5,491.03
Fixed Assets (Net)	3,668.19	3,785.24	4,383.07	4,434.98	4,631.35	4,841.12	4,860.21	6,816.81	8,492.84	8,445.67
Net Current Assets	3,742.43	1,315.46	1,008.11	732.46	709.01	696.23	1,170.79	914.43	279.17	(464.45)
<b>RATIO AND STATISTICS</b>										
PAT as % of net revenue from operations	4.87%	3.74%	0.64%	2.29%	2.90%	3.37%	4.61%	7.42%	8.41%	-0.71%
Book Value Per Share	85.01	91.24	91.51	93.81	97.47	102.36	110.84	133.11	150.01	146.12
Earning Per Share	6.57	5.96	0.85	3.21	4.31	5.73	8.48	15.96	19.95	(1.34)
Dividend (%)	12.50	10.00	5.00	5.00	5.00	7.00	0.13	0.25	0.20	0.01
Debt Equity Ratio	0.76	0.54	0.52	0.50	0.47	0.49	0.46	0.49	0.52	0.80
Operating Profit to Sales (%)	2.37%	0.18%	-7.10%	-2.72%	-2.42%	0.86%	2.92%	6.92%	2.99%	-8.55%

# KEY PERFORMANCE INDICATORS







# CORE VALUES

At **I&PCL**, values are fundamental to the business, and core to its existence, to transform our thoughts into the actions for providing better and improved quality of life, better access for great opportunities to more people all the time...



## INNOVATIONS

Innovations for us is, a way to do it better, and it's all about finding that way. Innovation is, doing the things no one has thought of. It is not just, about finding or creating something new, it's about finding ways of doing, which results into newer development, which provides a quality output and services, creates growth, not just to the organization, and employees but to the society and to the stakeholders as well.

## TEAM WORK

“Team work” makes “Dream work”. Team work for us is, Timely Efforts Achieved Meticulously. It is individual commitment to group effort that is what makes Team work, a company work, a society work, and a civilization work, as alone we can do little, but together we can do so much.



## RESPONSIBILITY

Responsibility to us is the total ownership of our thoughts and actions in every situation to achieve maximum common good in the best interest of Environment, Society, Customer, Supplier, Employee and Shareholders.

## EXCELLENCE

Excellence for us is, “Doing common things uncommonly well. “ It is doing, the common or ordinary things, in exceptionally uncommon way, such that, better than best output and services are provided. Excellence, for us is a lifestyle; it is continually enhancing our performance to consistently produce outstanding results with lasting impact.





## ENTREPRENUERSHIP

Entrepreneurship to us is leading with courage and conviction to convert gaps into opportunities, create wealth and contribute to growth of organization as well as of society. Entrepreneurship, is not just about the ideas, is about making those ideas happen, for growth and success, and well-being.

## EXPERIENCE

Experiences to us are what we create for our stakeholders, which makes them feel part of something special, leading to endearing and lasting relationships.



## TRUST

The most valuable business commodity is trust. Trust for us, is healthy and transparent relationship with our stakeholder, employees, our supply chain and our process, as with trust, we create and enhance lasting impact and goodwill, which creates values for organization and well-being of society.



# EXHIBITIONS



# INVESTMENT & PRECISION CASTINGS LIMITED

Registered office : Nari Road, Bhavnagar, Gujarat 364006

CIN : L27100GJ1975PLC002692

Email : direct1@ipcl.in ; Website : www.ipcl.in; phone : 0278-2523300

## NOTICE OF 45<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 45<sup>th</sup> (Forty Fifth) Annual General Meeting of Investment & Precision Castings Limited (CIN: 27100GJ1975PLC002692) will be held on Tuesday, 29<sup>th</sup> September, 2020, at 4.30 P.M. IST through Video Conferencing (VC)/Other Audio-Visual means (OAVM), to transact the following businesses in conformity with the regulatory provisions and Circulars issued by the Ministry of Corporate Affairs, Government of India:-

### ORDINARY BUSINESS

1. **To receive, consider and adopt, The Audited Financial Statement of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon,**

To consider and if thought fit, to pass the following resolutions as an **ORDINARY RESOLUTION**

**“RESOLVED THAT**the audited financial statement 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 received, considered and adopted.”

2. **To consider, the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors thereon.**

To consider and if thought fit, to pass the following resolutions as an **ORDINARY RESOLUTION;**

**“RESOLVED THAT**the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon laid before this meeting, be and are hereby received, considered and adopted.”

3. **To declare Dividend of Rs. 0.10/- (Rupees Ten Paise Only) for every equity share of the Face Value of Rs. 10/- each for Financial year 2019-2020.**

**“RESOLVED THAT**Dividend at the rate of Rs. 0.10 per Equity Share for the year 2019-2020 as recommended by Board of Directors, be and is hereby declared for the financial year ended March 31, 2020”

4. **To appoint a Director in place of Mrs. Vishakha P. Tamboli (DIN 06600319) who retires by rotation, and being eligible, offers herself for re-appointment.**

**To consider and, if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of section 152 of the Companies Act, 2013, Mrs. Vishakha P. Tamboli (DIN 06600319), who retires by rotation at this Meeting and being eligible offers herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”



**SPECIAL BUSINESS:**

**5. To appoint Mr. Hemant Shah as an Independent Director.**

To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:-

“**RESOLVED THAT** pursuant to the provisions of sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and upon the recommendation of the Nomination and Remuneration Committee, Mr. Hemant Shah, who was appointed as an additional director of the Company and who holds office upto the date of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from members proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years on the Board of the Directors of the Company from his effective date of appointment.”

**6. To appoint Cost Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.**

To consider and if thought fit, to pass, with or without modification(s) the following as an **ORDINARY RESOLUTION** the following;

“**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made

thereunder, as amended from time to time, the Company hereby appoint M/s. Parmaar Rajani & Associates, Cost Accountants (FRN 000414) Bhavnagar, as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2020-2021, at a remuneration of Rs. 35,000/- plus GST as applicable and actual out-of-pocket expenses payable to M/s. Parmaar Rajani & Associates, Cost Accountants (FRN 000414) Bhavnagar.

BY ORDER OF BOARD OF DIRECTORS  
FOR **INVESTMENT & PRECISION CASTING LIMITED**

**PIYUSH I. TAMBOLI**

Chairman & Managing Director  
Reg. Office: Nari Road, Bhavnagar, Gujarat 364006

**Notes:**

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice. Information on all the Directors proposed to be appointed/re-appointed at the Meeting as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 are provided in the Annexure - A to this Notice.
2. In view of the COVID 19 pandemic, the Ministry of Corporate Affairs vide its Circular dated 5th May, 2020 read with Circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as 'Circulars'), has introduced certain measures enabling companies to convene their Annual General Meetings (AGM/ Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and also send notice of the Meeting and other correspondences related thereto, through electronic mode. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2020 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only to those members whose e- mail ids are registered with the Company or the Registrar and Share Transfer Agent or the Depository Participants(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member. The Notice has also been hosted on the website of the Company [www.ipcl.in](http://www.ipcl.in), and on BSE at [www.bseindia.com](http://www.bseindia.com). AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
3. In compliance with the said Circulars, the Company has also published a public notice by way of an advertisement made dated 02.09.2020 in Saurashtra Samachar (Gujarati) and dated 01.09.2020 in Indian Express, both having a wide circulation in the district along with their electronic editions, inter alia, advising the members whose e-mail ids are not registered with the Company, its Registrar and Share Transfer Agent (RTA) or Depository Participant(s) (DPs), as the case may be, to register their e-mail ids with them.
4. The members who have not yet registered their e-mail ids with the Company may contact Company, on [investor@ipcl.in](mailto:investor@ipcl.in) for registering their e- mail ids on or before date i.e. 21<sup>st</sup> September, 2020.
5. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
6. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company ('the Board') have engaged the services National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.  
The Board has appointed Alpesh Dhandhlya & Associates (Practicing Company Secretary), as the Scrutinizer for this purpose.
7. The Company shall be providing the facility of voting through E-mail which shall be sent to the

designated e- mail id of the Scrutiniser i.e. MS/. Alpesh Dhandhlya & Associates (Practicing Company Secretary) welcome2pcs@gmail.com, to those members who do not cast their vote through remote e- voting, Members who cast their votes by remote e-voting may attend the Meeting through VC, but will not be entitled to cast their votes at the Meeting once again.

Or

The facility of e-voting through the same portal provided by National Securities Depository Limited (NSDL) will be available during the Meeting through VC also to those Members who do not cast their votes by remote e-voting prior to the Meeting. Members, who cast their votes by remote e-voting, may attend the Meeting through VC but will not be entitled to cast their votes once again.

8. Voting rights of the members (for voting through remote e-voting or e-voting system provide in the Meeting itself shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 21<sup>st</sup> September, 2020. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting or e- voting system provide in the Meeting.
9. The Register of Members of the Company will remain closed from 22<sup>nd</sup> September 2020 to 29<sup>th</sup> September 2020 (both days inclusive) for determining the name of members eligible for dividend on equity shares, if declared at the Meeting and the dividend if declared will be credited within one month from date of declaration to those members whose name shall appear on the Register of Members of the Company on 21<sup>st</sup> September 2020. In respect of shares held in electronic form, the dividend will be paid to members whose names are furnished by RTA as beneficial owner as on that date. As mentioned in the preceding note, in case of non-

availability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such member post normalization of postal services in the Country vide dispatch of dividend warrant/ cheque, as the case may be.

10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available only in electronic form for inspection during the Meeting through VC.
11. All other relevant documents referred to in the accompanying notice/explanatory statement shall be made open for inspection by the members only in electronic form at the Meeting on all working days, except Saturdays, from 11:00 a.m. to 1:00 p.m. up to the date of the ensuing Meeting which can be accessed at registered office of the Company.
12. The Notice for this Meeting along with requisite documents and the Annual Report for the financial year ended 2019-20 shall also be available on the Company's website at [www.ipcl.in](http://www.ipcl.in).
13. The Board of Directors has appointed. MS/. Alpesh Dhandhlya & Associates (Practicing Company Secretary) as the Scrutinizer for the purpose of scrutinizing the remote e- voting and e- voting system provide in the Meeting in a fair and transparent manner.
14. The results of remote e-voting and e- voting system provided in the Meeting shall be aggregated and declared on or after the Meeting of the Company by the Chairman or by any other person duly authorized in this regard.

15. The results declared along with the report of the scrutinizer shall be placed on the Company's website at [www.ipcl.in](http://www.ipcl.in) and on the website of NSDL immediately after the result is declared by the Chairman and simultaneously communicated to the Stock Exchanges.
16. Members are requested to contact the Company's Registrar & Share Transfer Agent, for reply to their queries/ redressal of complaints, if any, or contact Company at Email: [investor@ipcl.in](mailto:investor@ipcl.in).
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA or the Company.
18. SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides that from 1st April, 2019 transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, now the shares cannot be transferred in the physical mode. Members holding shares in physical form are therefore requested to dematerialize their holdings immediately. However, members can continue to make request for transmission or transposition of securities held in physical form.
19. Non-Resident Indian Members are requested to inform RTA, immediately on:
  - (a) Change in their residential status on return to India for permanent settlement;
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.
20. Since this AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), Members will not be able to appoint proxies for this meeting. Further, Attendance Slip and Route Map are not being annexed to this Notice.
21. In view of the MCA Circulars, no proxy shall be appointed by the members.
22. Corporate Members are requested to send a scanned copy (in PDF / JPG format) of the Board Resolution authorising their representatives to attend the AGM, pursuant to Section 113 of the Act, through e-mail at [investor@ipcl.in](mailto:investor@ipcl.in).
23. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on 21<sup>st</sup> September, 2020 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
24. **Instructions for e-voting during the AGM**  
The remote e-voting period begins on 26<sup>th</sup> September 2020, at 09:00 A.M. and ends on 28<sup>th</sup> September 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

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

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

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

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

**Details on Step 1 is mentioned below:**

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

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

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?

- i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
- a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

#### **Details on Step 2 is given below:**

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

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

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly

authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to welcome2pcs@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to at evoting@nsdl.co.in

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

- a) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@ipcl.in.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@ipcl.in.

- b) Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

**THE INSTRUCTIONS FOR MEMBERS FORVOTING ON THE DAY OF THE AGM ARE AS UNDER:**

- a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b) Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- c) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**The Results of voting will be declared within 48 hours from the conclusion of the AGM and the**

**25. Video Conferencing & Instructions for attending the AGM through VC / OAVM-**

In accordance with the aforementioned MCA Circulars, the Company has appointed NSDL for providing the VC facility to the members for participating in the Meeting. The members are requested to follow the following instructions in order to participate in the Meeting through VC mechanism:

Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at

<https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

Members are encouraged to join the Meeting through Laptops for better experience.

Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

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.

Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [investor@ipcl.in](mailto:investor@ipcl.in).

Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investor@ipcl.in](mailto:investor@ipcl.in). The same will be replied by the company suitably.

Those shareholders who have registered themselves as a speaker will only be allowed to

express their views/ask questions during the meeting.

### IEPF RELATED INFORMATION

26. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2011- 12, from time to time, to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. Details of dividends so far transferred to the IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).
27. The details of unpaid and unclaimed dividends lying with the Company as on March 31, 2020 are uploaded on the website of the Company and can be accessed through the link <https://www.ipcl.in/> Details of unpaid and unclaimed dividends up to March 31, 2019 are also uploaded on the website of the IEPF Authority and can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2019-20, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more.

Details of shares so far transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <https://www.ipcl.in>.

The concerned members/investors are advised to read Company’s Shareholders’ Referencer at weblink <https://www.ipcl.in/> or visit the weblink of the IEPF Authority <http://iepf.gov.in/IEPF/refund.html>, for detailed procedure to lodge the claim with the IEPF Authority.

Due Dates for transfer to IEPF, of the unclaimed/unpaid dividends for the financial year 2012-13 and thereafter, are as under:



F.Y.	Declaration Date	Due Date
2012-13	07.08.2013	06.09.2020
2013-14	07.08.2014	06.09.2021
2014-15	11.08.2015	10.09.2022
2015-16	26.07.2016	25.08.2023
2016-17	11.07.2017	10.08.2024
2017-18	09.08.2018	08.09.2025
2018-19	26.09.2019	25.10.2026

Pursuant to the Income-tax Act, 1961 read with the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from 1st April, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. Communication providing information and detailed instructions with respect

#### A. RESIDENT SHAREHOLDERS

##### A.1. Tax Deductible at source for Resident Shareholders,

Sr.No.	Particular	Withholding Tax	Documents required (if any)
1	Valid PAN updated in the Company's Register of Members	7.5%	No document required (if no exemption is sought)
2	No PAN/Valid PAN not updated in the Company's Register of Members	20%	No document required (if no exemption is sought)
3	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority

to tax on dividend for the financial year ended 31st March, 2020 is being sent separately by the Company to the Members.

Pursuant to the amendments introduced by the Finance Act, 2020 the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders w.e.f. 1st April 2020. **No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed RS. 5,000/-** The withholding tax rate would vary depending on the residential status of the shareholder and documents registered with the Company.

A.2. No Tax Deductible at Source on dividend payment to resident shareholders if the S hareholders submit and register following documents as mentioned in column no.4 of the below table with the Company.

Sr.No. (1)	Particular (2)	Withholding Tax (3)	Documents required (If any) (4)
1	Submission of form 15G/15H	NIL	Declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form 15H (applicable to an Individual who is 60 years and above), fulfilling certain conditions.
2	Shareholders to whom section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, etc	NIL	Documentary evidence that the said provisions are not applicable.
3	Shareholder covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961
4	Category I and II Alternative Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961
5	<ul style="list-style-type: none"> <li>• Recognised Provident Funds</li> <li>• Approved Superannuation Fund</li> <li>• Approved Gratuity Fund</li> </ul>	NIL	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT)
6	National Pension Scheme	NIL	No TDS as per section 197A (1E) of Income Tax Act, 1961

**B. NON-RESIDENT SHAREHOLDER**

Withholding tax on dividend payment to non-resident shareholders if the non-resident shareholders submit and register following document as mentioned in column no.4 of the below table with the Company.

Sr. No. (1)	Particular (2)	Withholding Tax Rate (3)	Documents required (If any) (4)
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	Foreign Portfolio Investors (FPIs) 20% (plus applicable surcharge and cess)	FPI registration number / certificate.
2	Other Non-resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	To avail beneficial rate of tax treaty following tax documents would be required: 1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received 2. PAN 3. Form 10F filled & duly signed 4. Self-declaration for non-existence of permanent establishment/ fixed base in India (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and review to the satisfaction of the Company)
3	Indian Branch of a Foreign Bank	NIL	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority. Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank
4	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority

**NOTES:**

- i. The Company will issue soft copy of the TDS certificate to its shareholders through email registered with the Company post payment of the dividend. Shareholders will be able to download the TDS certificate from the Income Tax Department's website <https://incometaxindiaefiling.gov.in> (refer to Form 26AS).
- ii. The aforesaid documents such as Form 15G/ 15H, documents under section 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be sent to Company at investor@ipcl.in to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/deduction received after date of declaration of dividend shall not be considered.
- iii. Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company.
- iv. In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund.
- v. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.
- vi. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult

their tax advisors for requisite action to be taken by them.

By order of board of directors  
For **INVESTMENT & PRECISION CASTINGS LIMITED**

Bhavnagar  
July 20,2020

**Mr. Piyush Tamboli**  
Chairman & Managing Director  
DIN -001460333

## EXPLANATORY STATEMENT

### (Pursuant to Section 102(2) of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the Special Business mentioned in the accompanying Notice.

#### **Item No. 5:**

Mr. Hemant Shah (DIN: 00309632) was appointed as Additional Director of the Company and he hold the office as Additional Director of the Company upto the date of this AGM.

The Nomination and Remuneration Committee of the Board of Directors has recommended the appointment of the above mentioned Additional Director for a term of five (05) consecutive years on the Board of Directors of the Company.

The Board of Directors of the Company, as per the recommendation of the Nomination and Remuneration Committee, considers that, given the background and experience and contributions made by him during his tenure, the continued association of aforesaid Additional Director would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, it is proposed to appoint Mr. Hemant Shah as Independent Director of the Company, not liable to retire by rotation, for a term of five (05) consecutive years on the Board of Directors of the Company.

The above mentioned Director of the Company fulfill the conditions specified in the applicable provisions under the Companies Act, 2013 (Act) and Rules made thereunder for his appointment as Independent Director of the Company and he is independent of the Management on his effective appointment date.

The Company has received requests from the Members of the Company proposing his name for appointment as Independent Director at the ensuing Annual General Meeting (AGM) under section 160 of the Act. The Company has also received the declaration to the effect that the Independent Director meet the criteria of Independent Director as provided under the provisions of section 149 (6) of the Act.

The terms and conditions of the appointment of Independent Director shall be open for inspection by the members at the Registered Office of the Company during the business hours on any working day till date of AGM and the same will also be kept open at the venue of AGM.

Disclosure required under Regulation 26 (4) & 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and SS-2 Secretarial Standards on General Meetings of Institute of Company Secretaries of India is set out as the Annexure to this Notice.

The Board recommends the Resolutions set forth in Item No. 5 for approval by the Members of the Company by way of an Ordinary Resolution.

Mr. Hemant Shah being interested and concerned in the above resolutions as it relates to his appointment as an Independent Director of the Company, none of the Directors or Key Managerial Personnel of the Company or their relatives present is, in any way, concerned or interested, financially or otherwise, in these Resolutions.

**Item No. 6:**

The Company is required to have the audit of its cost records conducted by a cost accountant in practice under Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 (“the Rules”). The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2021 as per the following details:

Name of the Cost Auditor - M/s. Parmaar Rajani & Associates, Cost Accountants (FRN 000414) Bhavnagar

Audit Fees-35,000/- plus GST as applicable and actual out-of-pocket expenses

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be approved by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 6 of the notice for approval of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2021.

The Board commends the Ordinary Resolution set out at item no. 6 of the notice for approval by the members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution.

## Annexure -A to the Notice

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings)

**INFORMATION ABOUT THE APPOINTEES:**

<b>NAME OF DIRECTOR</b>	Mr. HEMANT NAVINCHANDRA SHAH
<b>DATE OF BIRTH</b>	25.12.1961
<b>DATE OF APPOINTMENT/RE - APPOINTMENT</b>	03.09.2020
<b>QUALIFICATION</b>	B.COM
<b>DESIGNATION</b>	Independent Director
<b>CHAIRMAN/DIRECTOR OF OTHER COMPANIES</b>	<p>Companies Directors, Partners, as noted below;</p> <ul style="list-style-type: none"> <li>• NAVINSYNTEX PRIVATE LIMITED</li> <li>• NEWZEN LOGISTICS PRIVATE LIMITED</li> <li>• NILKAMALINFRABUILD PRIVATE LIMITED</li> <li>• SAFAL LOGISTICS LLP</li> <li>• SUPER HANDLERS PRIVATE LIMITED</li> <li>• NITLON HOSIERY LLP</li> <li>• NITEX HOSIERY LLP</li> <li>• REVO INTERNATIONAL LLP</li> <li>• RUZAR APPARELS LLP</li> <li>• HNS HOSIERY LLP</li> <li>• JHH INFRACON LLP</li> <li>• SUPER ENTERPRISE</li> <li>• NAVGUJARAT CFS AGENCY</li> <li>• NAVRATNA SERVICES</li> <li>• NITEX SALES CORPORATION</li> <li>• UNITED CORPORATION</li> </ul>
<b>EXPERIENCE</b>	25 years
<b>CHAIRMAN/MEMBER OF COMMITTEES OF BOARD OF COMPANY OF WHICH HE/SHE IS A DIRECTOR</b>	4 committees
<b>NO. OF SHARES HELD</b>	NIL
<b>COMPARATIVE REMUNERATION PROFILE WITH RESPECT TO INDUSTRIES, SIZE OF THE COMPANY, PROFILE OF THE PERSON AND POSITION</b>	The remuneration (i.e. sitting fees for attending meetings) of the appointee is fully justifiable and comparable to that prevailing in the industry, keeping in view the profile and the position and enriches knowledge and vast experience of the appointee.

<b>NAME OF DIRECTOR</b>	Mrs. V.P.Tamboli
<b>DATE OF BIRTH</b>	23.6.1968
<b>DATE OF APPOINTMENT/RE-APPOINTMENT</b>	26.09.2019 Re-appointment
<b>QUALIFICATION</b>	Engineer (B.E Civil)
<b>DESIGNATION</b>	Non Independent / Non Executive Director
<b>CHAIRMAN/DIRECTOR OF OTHER COMPANIES</b>	Meche Pvt. Ltd
<b>EXPERIENCE</b>	28 years
<b>CHAIRMAN/MEMBER OF COMMITTEES OF BOARD OF COMPANY OF WHICH HE/SHE IS A DIRECTOR</b>	1 (member) 1 (Chairman)
<b>NO. OF SHARES HELD</b>	313200
<b>COMPARATIVE REMUNERATION PROFILE WITH RESPECT TO INDUSTRIES, SIZE OF THE COMPANY, PROFILE OF THE PERSON AND POSITION</b>	The remuneration of the re-appointee is fully justifiable and comparable to that prevailing in the industry, keeping in view the profile and the position and enriches knowledge and vast experience of the re-appointee.

By order of board of directors

For **INVESTMENT & PRECISION CASTINGS LIMITED**

Bhavnagar  
July 20, 2020

**Mr. Piyush Tamboli**  
Chairman & Managing Director  
DIN -001460333



**INFORMATION AT GLANCE :**

Day, Date and Time of AGM	Tuesday , 29.09.2020 – 4.30 PM
Mode	Video Conference (VC) and Other Audio Visual Means (OAVM)
Helpline Number for VC/OAVM participation	evoting@nsdl.co.in
Submission of Questions/Queries before AGM	Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company 10 days before the date of through email on – investor@ipcl.in. The same will be replied by the Company suitably. Please note that, member’s queries/ questions will be responded to only, if the shareholder continues to hold the shares as on the cut-off date.
Speaker Registration before AGM	evoting@nsdl.co.in/ investor@ipcl.in.
Recorded Transcript	Will be made available post AGM at www.ipcl.in
Dividend for the F.Y. 2019 -20 recommended by the Board	Rs. 0.10/Share for Face Value of Share of Rs. 10 each.
Details of e-voting service provider and registrar and transfer agent	NSDL - evoting@nsdl.co.in M/s MCS Shares Transfer Agents Ltd.
Email Registration and Contact Updation Process	<b>Demat Shareholders :</b> Contact Respective Depository Participant
	<b>Physical Shareholders :</b> RTA & Company by sending Email- at investor@ipcl.in

# Board's Report 2019-2020

Dear Members,

The Directors have pleasure in presenting their 45<sup>th</sup> Annual Report and Audited Financial Statements for the year ended 31<sup>st</sup> March, 2020.

## 1. FINANCIAL MATTERS:

(INR in Lacs)

Sr.No.	PARTICULARS (CONSOLIDATED)	2019-20	2018-19
1	Total Income	9,575.81	11,958.98
2	Profit Before Depreciation & Tax (PBDT)	551.09	1,573.08
3	Less : Depreciation	659.31	617.11
4	Less : Tax (All)	(35.95)	(37.04)
5	Profit After Taxes (PAT)	(72.27)	993.02
6	Other Comprehensive income	(6.95)	(1.75)
7	Amount available for appropriation	(79.23)	991.27
8	Appropriations :		
	(a) Proposed Dividend	5.00	100.00
	(b) Corporate Dividend Tax	-	20.55
	(c) Balance carried forward	(84.23)	870.72

## 2. STATE OF COMPANY'S AFFAIRS

The total income for the financial year under review was Rs. 9,580.24 Lacs as against Rs.11,962.86 Lacs for the previous year, which is decrease by -19.92% in revenue as compare to previous years. The profit before tax for the financial year under review is Rs. (103.17) Lacs, as against Rs. 960.57 Lacs for the previous year. The profit after tax for the financial year review was Rs. (67.22) Lacs, as against Rs.997.60 Lakhs for the previous year.

There are no material changes and commitments which affect the financial position of the Company as on the date of this report since March 31, 2019.

There was no change in the nature of the business during the year under review.

## 3. RESEARCH & DEVELOPMENT:

Product Development and Process Improvements actively continued during the year.

## 4. WIND POWER PROJECT:

The Company's two Wind Turbine Generators are operating satisfactorily.

## 5. DIVIDENDS:

The Directors have recommended payment of dividend of Rs. 0.10/share for 50,00,000 equity shares of face value of Rs. 10 each ,i.e. at 1%, amounting to Rs. 5 Lacs , subject to approval of the members at this Annual General Meeting.

The Dividend payment is based upon the parameters mentioned in the Dividend Distribution Policy approved by the Board of Directors of the Company which is in line with regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations').

## 6. SHARE CAPITAL OF COMPANY

There was no change in the share capital during the year review.

## 7. CAPITAL & FINANCE

During the year under review, The Company has repaid long term borrowings of Rs. 1,595.37 Lacs on scheduled due dates. On the other hand, the Company borrowed, Rs. 1,319.42 Lacs for meeting business requirements and capital expenditure.

## 8. SUBSIDIARY COMPANY & INFORMATION ABOUT THE FINANCIAL PERFORMANCE/FINANCIAL POSITION OF THE SUBSIDIARY :

Company has only one Subsidiary Company  
The summary information on the balance sheet of the subsidiary company is given in this annual report

**9. DIRECTORS' RESPONSIBILITY STATEMENT :**

Your Directors confirm that,

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- II. The directors 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 31st March 2020 and of the profit of the Company for that period;
- III. The directors have taken proper and sufficient care 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;
- IV. The directors have prepared the annual accounts on a going concern basis;
- V. The Board has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**10. DEPOSIT:**

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013. The Company does not have any unclaimed deposits as of date. Pursuant to the Ministry of Corporate Affairs (MCA) notification amending the Companies (Acceptance of Deposits) Rules, 2014, the Company has filed with the Registrar of Companies (ROC) the requisite returns for outstanding receipt of money/loan by the Company, which is not considered as deposits.

**11. DETAILS OF DIRECTORS OR KMP WHO WERE APPOINTED OR HAVE RESIGNED/RETIRED DURING THE YEAR.**

Mr. J. M. Mapgaonkar, Independent Director, retired as on 26.09.2020

**EVENTS OCCURRING AFTER BALANCE SHEET DATE – CHANGE IN DIRECTORS/KMP :**

The Details of appointment/re-appointment of the Director:

**Mrs. Vishakha P. Tamboli (DIN 06600319)** retires by rotation, as required by the Companies Act, and she being eligible offers herself for her re-appointment.

Necessary resolutions relating to Directors who are seeking appointment/reappointment are included in the Notice of Annual General Meeting. The relevant details of the said Directors are given in the Notes/Annexure to the Notice of the Annual General Meeting.

Mr. Girish Shah, Chief Financial Officer, resigned as on 20.07.2020

**12. BOARD COMMITTEE & DETAILS OF BOARD MEETING HELD DURING THE YEAR**

The Company has constituted the following Committees of the Board of Directors:

- Audit Committee;
  - Stakeholders Relationship Committee;
  - Corporate Social Responsibility Committee;
  - Nomination and Remuneration Committee;
- and

The Corporate Governance Report contains the details of the composition of each of the above Committees, their respective role and responsibilities and details of Board Meeting held during the financial year 19-20.

**13. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES, DIRECTORS AND CHAIRMAN:**

The Nomination & Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, committees, individual directors and the Chairman has to be made. All Directors responded through a structured questionnaire giving feedback

about the performance of the Board, its Committees, Individual directors and the Chairman. The Board Performance Evaluation inputs, including areas of improvement, for the Directors, Board processes and related issues for enhanced Board effectiveness were discussed in the meeting of the Independent Directors held on 17.01.2020 and in the subsequent meeting of Nomination and Remuneration Committee and the Board. Most of the suggestions from the Board Evaluation exercise of FY 2019-20 have been suitably implemented such as considering qualitative criteria for performance evaluation exercise.

#### **14. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS & PARTICULARS OF EMPLOYEES AND REMUNERATION.**

The Company's policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act has been stated in the Corporate Governance Report, which forms part of the Board's Report.

Pursuant to the Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, no employee of the Company was paid remuneration exceeding the prescribed limits, during the Financial year 2019-20.

#### **15. ADEQUACY OF INTERNAL FINANCIAL CONTROL:**

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5) (e) of the Companies Act, 2013. For the year ended 31st March 2020, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

#### **16. HUMAN RESOURCES :**

The year under review saw, progress in people practices, as the Company continued on its journey of excellence in people management policies and processes, as your company considers its employees as most valuable assets of the company, and it is known that, without good employees, even the best of companies, ideas and growth will fail, hence for continues development of the same, company on frequent intervals organises various training program for learning latest developments and skills. Improving employees efficiency and performance has always been top priority for the company, as its the "human assets" are the prime facie assets of the company, results of which adds to the valuable goodwill of the company ,as your company is made up of, all skilled and professionally devoted employees, who work hard always for the company. The Company also aims to align human resource practices with its business goals. The performance management system enables a holistic approach to the issue of managing performance and does not limit to only an appraisal.

#### **17. AUDITORS & AUDITS**

##### **(1) Statutory Auditors:**

Park & Company, Chartered Accountant, Bhavnagar

##### **(2) Secretarial Auditors:**

M/s Alpesh Dhandhalya & Associates, Companies Secretaries, Ahmedabad

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, : The Board has appointed CS Alpesh Dhandhalya, practising company secretary, of M/s. CS Alpesh Dhandhalya & Associates, Companies Secretaries, Ahmedabad, to conduct Secretarial Audit for the financial year 2019-2020. The Secretarial Audit Report for the financial year ended March 31, 2020 contains observation

regarding shares to be transferred to IEPF and notice to be sent to the shareholders.

(3) In this connection, this is to inform that the company had sent individual notice to all concern shareholders whose shares were being transferred to the IEPF and also transferred equity shares into IEPF. For further details please refer –Secretarial Audit Report – Annexure 1 to this report.

(4) **Cost Auditors**

Your company carries out an audit of cost records relating to the principle product of the Company viz. “Unmachined and Machined, Ferrous and Non-ferrous alloys Investment Castings” according to the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 as amended. Your company has proposed to appoint M/s. Parmaar Rajani & Associates, Cost Accountants (FRN 000414) Bhavnagar, subject to approval of the members in this meeting, as the Cost Auditors to audit the cost accounts of the Company for the Financial Year 2019-2020. The Cost audit is presently applicable to the company according to the revised guideline for limit of turnover for cost audit under the Companies Act, 2013 as amended.

**18. AUDIT COMMITTEE :**

The Audit Committee comprises of Independent Directors namely Mr. Akshay R. Shah (Chairman), Mr. Girish C. Shah, Mr. Vimal R. Ambani and Mr. Piyush I. Tamboli as other Members. All the recommendations made by the Audit Committee were accepted by the Board. For further details refer Corporate Governance Report forming part of this report.

**19. NOMINATION AND REMUNERATION POLICY OF DIRECTORS :**

Policy laid down by the Nomination and Remuneration Committee for remuneration of Directors, Key Managerial Persons (KMP) and other

employees and the criteria formulated by the committee are mentioned in Corporate Governance report as section 178 of the per Companies Act,2013

The information relating to remuneration of the Directors as required under the provisions of Section 197(12) of the Act is given in Annexure -6 to this report.

**20. RISKS MANAGEMENT :**

The Management identifies the key risks for the Company, develop and implement the risk mitigation plan, reviews and monitors the risks and corresponding mitigation plans on a regular basis and prioritize the risks, if required depending upon the effect on the business/reputation.

**21. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED :**

The Company has disclosed the full particulars of the loans given, investments made or guarantees given or security provided as required under section 186 of the Companies Act, 2013, Regulation 34(3) and Schedule V of the SEBI LODR Regulations in Note 6 forming part of the financial statement.

**22. RELATED PARTY TRANSACTIONS :**

As per the related party transactions pursuant to section 134(3)(h) of the Act read with Rule 8(2) of Companies(Accounts) Rules,2014,

All contracts/arrangements/transactions entered during the financial year with related parties were in the ordinary course of the business and on arm's length basis. During the year, the company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Particulars of contract or arrangement with related parties as referred in sec 188 (1) of Companies Act 2013 in prescribed form AOC-2 is appended as **Annexure – 2** to the Board's Report.

**23. CORPORATE SOCIAL RESPONSIBILITY POLICY :**

In pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013, CSR Committee of the Board of Directors was formed to recommend (a) the policy on Corporate Social Responsibility (CSR) and (b) implementation of the CSR Projects or Programs to be undertaken by the Company as per CSR Policy for consideration and approval by the Board of Directors.

The Company is falling under the defined criteria applicable to the company under the Companies Act, 2013 and therefore the Company will undergo spending under the CSR Provisions as applicable, as per the provisions of the act, company has to spent Rs.33.29 lac on CSR activities during year under review. Report on CSR activities is annexed as Annexure - 5 as part of this report.

**24. SEXUAL HARASSMENT POLICY :**

The Company has in place a Zero tolerance Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**25. VIGIL MECHANISM / WHISTLEBLOWER POLICY :**

The Company has established a Vigil Mechanism and Whistle Blower Policy for its Directors and employees. The said Policy has been communicated to the Directors and employees of the Company and also posted on the website of the Company.

**26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS :**

During the year there were no orders passed by the regulators which affected the going concern of the Company's operation, present and future.

**27. EXTRACT OF ANNUAL RETURN AS PER SECTION 92 (3) OF COMPANIES ACT 2013:**

The details forming part of the extract of the Annual Return in form MGT - 9 is annexed herewith as "Annexure -3".

**28. DECLARATION FROM INDEPENDENT DIRECTORS :**

The Company has received necessary declaration from each Independent Director of the Company under section 149(7) of the Companies Act, 2013 that the Independent Director of the Company meet with the criteria of their Independence laid down in Section 149(6), and also under the Listing Regulations.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

The Independent Directors of the Company have registered / in the process of registering themselves with the data bank maintained by Indian Institute of Corporate Affairs (IICA). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of one (1) year from the date of inclusion of their names in the data bank. The said online proficiency self-assessment test will be undertaken by the Independent Directors of the Company, as applicable, within the prescribed timelines.

**29. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND BALANCE SHEET DATE:**

There are no material changes and commitments, that would affect financial position of the Company from the end of the financial year of the Company to which the financial statements relate and the date of the Board's report

**30. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY, UPGRADATION/ABSORPTION, FOREIGN EARNINGS AND OUTGO & THE CHANGE IN THE NATURE OF BUSINESS:**

The Company's principle product is "Un machined and Machined, Ferrous and Non-ferrous alloys Investment Castings". The Government has not classified the said category of product for giving information relating to the Conservation of Energy, Research and Development, Technology Up

gradation/Absorption, Foreign Earnings and Outgo. Information as required to be given under Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in Annexure -4 forming part of this Board Report.

**31. COMPLIANCE WITH SECRETARIAL STANDARDS :**

The Company has complied with all the requisite standards, norms and regulations as issued and notified from time to time by The Institute of Companies Secretaries of India, and as prescribed by the Central Government.

**32. INSIDER TRADING REGULATIONS:**

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a “Code of Conduct for Prevention of Insider Trading” and “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” for regulating, monitoring and reporting of trading in shares of the Company by the Promoters, Designated Persons, Key Managerial Personnel, Directors, Employees, Connected Persons and Insiders of the Company. The said codes are in accordance with the said Regulations and are also available on the website of the Company.

**33. CREDIT RATING :**

For the Financial Year 2019-2020 under review, the credit rating agency “Credit Analysis and Research Limited” has reaffirmed rating of CARE BBB - (Triple B; Outlook Negative) assigned to the long term bank facilities and it has reaffirmed the CARE A3+ (A Three Plus) rating assigned to short term facilities.

**34. LISTING WITH STOCK EXCHANGES :**

The Company is listed on The Bombay Stock Exchange Ltd. (BSE) since 1976. The company has paid listing fees to BSE for 2019-2020.

**35. CORPORATE GOVERNANCE :**

The Company is committed to good corporate

governance practices. The Report on Corporate Governance, as stipulated under Listing Regulations, forms an integral part of this Annual Report.

**36. SEGMENT REPORTING :**

The company has, in accordance with the Indian Accounting Standard (Ind AS) 108- Operating Segments, Identified Investment Activity and Power Generation Activities as its segments.

**37. ACCOUNTING FOR TAXES ON INCOME :**

Deferred Tax Asset of Rs. 33.60 Lacs has been credited to the amount available for appropriation for the current Financial Year, 2019-2020.

**38. MANAGEMENT DISCUSSION & ANALYSIS :**

Management Discussion and Analysis Report for the year under review, as required under Listing Regulations, is enclosed, as part of this report.

**39. QUALITY :**

Your Company has a dedicated and efficient Quality Assurance (“QA”) team is monitoring product quality. The teams also look after all the audit of various Quality System related certificates and adheres and implement the requirement of audit conducted by the auditors of various certificate.

**40. INSURANCE :**

All the assets of the Company, viz. Buildings, plant and machineries, Stocks, etc. are adequately insured and the insurance is renewed from time to time as per the due dates during the year.

**41. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS :**

In compliance with the requirements of the Listing Regulations, the Independent Directors have been familiarized about the Company by the functional heads of various departments of the Company which includes detailed presentations on the vision and mission of the Company, its operations, business plans, technologies and also future outlook of the entire industry.

**42. DEPOSITORY SYSTEM :**

As the members are aware, the Company's shares are compulsorily tradable in electronic form.

SEBI LODR Regulations mandate that the transfer, except transmission and transposition, of securities are to be carried out in dematerialized form only with effect from 1st April 2019. In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories. Accordingly, any investor desirous of transferring shares (which are held in physical form) can transfer only after their shares are dematerialized.

Further in adherence to SEBI's circular to enhance the due-diligence for dematerialization of the physical shares, the Company has provided the static database of the shareholders holding shares in physical form to the depositories to augment the integrity of its existing systems and enable the depositories to validate any dematerialization request.

**43. COMPANY RESPONSE TO COVID-19 :**

During March 2020, the COVID pandemic increased rapidly forcing Governments of most countries to enforce a lockdown of all activities.

Various guidelines issued in India by the Central and State Governments and abroad by various agencies on the Covid-19 pandemic, offices & factories of the Company had shut down operations from March 25, 2020. Your Company immediately took several measures to ensure health and safety of its workers and other employees and thereafter, steps were taken to ensure business.

For the quarter ended 31 March 2020, the impact due to COVID 19 on your Company's revenues and net profits, this was due to stoppage of work in almost all the plant sections for the last part of March 2020 as well as the disruption to the last mile work, like physical inspection, customer clearance etc., that could not be completed due to lockdown restrictions.

Your Company resumed partial service of operations from April 26, 2020, after implementation of standard protocols in line with the guidelines prescribed. As on the date of this report, your Company has resumed work in offices, manufacturing units.

The plants and office establishments that have started functioning have implemented safety and hygiene protocols like wearing of face masks, social distancing norms, workplace sanitation and employee awareness programmes. The protocols are regularly reviewed and updated based on revisions in guidelines received from authorities concerned from time to time.

With the graded opening of sites and factories, the Company is making every effort possible to make up for the lost time, due to the pandemic, during the year. The impact of the lockdown disruption is being assessed from time to time. A lot depends on the success of the various pandemic containment efforts being undertaken by the State and Central Government and Health authorities.

**44. REPORTING OF FRAUD :**

The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

**45. GENERAL :**

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

- I. Details relating to deposits covered under Chapter V of the Companies Act, 2013
- II. No significant or material orders were passed by the Regulations or Courts or Tribunals which impact the going concern status and Company's operations in future
- III. Your Directors further state that during the year under review, there were no cases filed pursuant to



the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**46. ACKNOWLEDGEMENT :**

Your Directors wish to place on record their appreciation of the contribution made by employees at all levels to the continued growth and prosperity of your Company. Your Directors also wish to place on record their appreciation to the shareholders, dealers, distributors, consumers, banks and other financial institutions for their continued support.

Your Directors, take this opportunity, to all, for placing immense faith and consistent trust, in your company.

For and on behalf of Board,  
For, **INVESTMENT & PRECISION CASTINGS LIMITED**

**Mr. Piyush Tamboli**  
Chairman & Managing Director  
DIN -001460333

Date : 20<sup>th</sup> July, 2020  
Place : Bhavnagar

**ANNEXURE TO THE BOARD'S REPORT:****ANNEXURE 1 TO BOARD'S REPORT****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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

To,  
The Members,  
INVESTMENT & PRECISION CASTINGS LIMITED  
Nari Road, Bhavnagar,  
Gujarat-364006India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Investment & Precision Castings Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- a) The Companies Act, 2013 (the Act) and the rules made thereunder;
- b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- d) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —

- i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
- iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
- v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
- vi) 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;
- vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);and
- viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India
  - 1) The Uniform Listing Agreement entered into by the Company with Stock Exchanges pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations/qualification:

- 2) As per the requirement of Rule 6 of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, the company has not published notice in the newspaper regarding transfer of concern equity shares into IEPF and also not transferred the concern equity shares of shareholders of the company to IEPF within statutory time limit.
- 3) The Company has not filed Form MGT 14 for appointment of the Internal Auditor for the Financial year 2019-20 with the Registrar of Companies as per the requirement of provisions section 179 (3) of the Companies Act, 2013.
- 4) The Company not submitted the Form MSME (Form for furnishing half yearly return with the registrar in respect of outstanding payments to Micro or Small Enterprises) for the half year ended 31.03.2019 and 30.09.2019 with the ROC within statutory time line as per the requirement of Pursuant to Order 2 and 3 dated 22 January, 2019 issued under Section 405 of the Companies Act, 2013].
- 5) The Certificate under Regulation 74 (5) of SEBI (Depositories and Participates) Regulations, 2018 has not been submitted within statutory time line.

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

- a) Factories Act, 1948 and Rules made thereunder;
- b) Payment of Bonus Act, 1965 and Rules made thereunder;
- c) Minimum Wages Act, 1948 and Rules made thereunder;
- d) Contract Labour (Regulation & Abolition) Act, 1970 and Rules made thereunder;
- e) Employee State Insurance Act, 1948 and Rules made thereunder;
- f) Provident Fund Act, 1952 and Rules made thereunder; and
- g) Apprentice Act, 1961 and Rules made thereunder;

**I 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 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Place: Ahmedabad

Date: July 20, 2020

FOR, Alpesh Dhandhlya & Associates  
Company Secretaries

CS ALPESH DHANDHLYA  
PROPRIETOR  
CP NO. 12119  
UDIN: A032500B000473336

To,  
The Members,  
INVESTMENT & PRECISION CASTINGS LIMITED  
Nari Road, Bhavnagar,  
Gujarat-364006, India

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

- 1) Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and 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 process and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- 5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- 6) 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.

Place: Ahmedabad

Date: July 20, 2020

FOR, Alpesh Dhandhlya & Associates

CS ALPESH DHANDHLYA

Company Secretaries

PROPRIETOR

CP NO. 12119

UDIN:A032500B000473336

**ANNEXURE 2 TO BOARD'S REPORT**  
**FORM AOC-I**

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

**Part "A": Subsidiaries**

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

1	Name of the subsidiary:	<b>I&amp;PCL VACUUM CAST LIMITED</b>
2	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period:	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
4	Share capital:	25,00,000
5	Reserves & surplus:	(741,549)
6	Total assets:	57,76,228
7	Total Liabilities:	57,76,228
8	Investments:	60,000
9	Turnover:	-
10	Profit before taxation:	(517,249)
11	Provision for taxation:	-
12	Profit after taxation:	(517,249)
13	Proposed Dividend:	-
14	Percentage of shareholding	100 %

Date: 20<sup>th</sup> July, 2020  
Place: Bhavnagar

By order of the Board of Directors,  
For **INVESTMENT PRECISION & CASTINGS LIMITED**

**MR.PIYUSH I. TAMBOLI**  
Chairman & Managing Director  
DIN- 00146033

**FORM NO. AOC – 2**

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

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

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

SR. NO.	PARTICULARS	DETAILS
a.	Name (s) of the related party & nature of relationship	All the contracts or arrangements or transactions were at arm's length basis. Transaction with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts
b.	Nature of contracts/arrangements/transaction	
c.	Duration of the contracts/arrangements/transaction	
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	
e.	Justification for entering into such contracts or arrangements or transactions'	
f.	Date of approval by the Board	
g.	Amount paid as advances, if any	
h.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SR. NO.	PARTICULARS	DETAILS
a.	Name (s) of the related party & nature of relationship	There were no material contracts or arrangement or transactions. Transaction with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements.
b.	Nature of contracts/arrangements/transaction	
c.	Duration of the contracts/arrangements/transaction	
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	
e.	Date of approval by the Board	
f.	Amount paid as advances, if any	

BY ORDER OF BOARD OF DIRECTORS  
For, **INVESTMENT PRECISION CASTINGS LIMITED**

**MR. PIYUSH I. TAMBOLI**  
CHAIRMAN & MANAGING DIRECTOR  
DIN-00146033

## ANNEXURE 3 TO BOARD'S REPORT

## Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.3.2019

[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:

CIN	L27100GJ1975PLC002692
REGISTRATION DATE	03.04.1975
NAME OF THE COMPANY	INVESTMENT & PRECISION CASTINGS LTD
CATEGORY / SUB-CATEGORY OF THE COMPANY	PUBLIC LIMITED COMPANY HAVING SHARE CAPITAL
ADDRESS OF THE REGISTERED OFFICE AND CONTACT DETAILS	NARI ROAD, BHAVNAGAR GUJARAT 364 006 INDIA
WHETHER LISTED COMPANY (YES/NO)	Yes
NAME, ADDRESS AND CONTACT DETAILS OF REGISTRAR AND TRANSFER AGENT, IF ANY	MCS SHARE TRANSFER AGENT LIMITED 201,SHATDAL COMPLEX,OPP:BATA SHOW ROOM , ASHRAM ROAD,AHMEDABAD-380009

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

SR NO.	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT / SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1	Steel Castings	28. 24310 FOR CASTINGS OF IRON AND STEEL 29. 24320 FOR CASTING OF NON FERROUS METAL	100 %

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

SR. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	APPLICABLE SECTION
1	I&PCL Vacuum Cast limited	U27300GJ2010PLC062162	Wholly Owned Subsidiary	2 (87) (ii)



**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENT AGE OF TOTAL EQUITY):**  
**(I). CATEGORY-WISE SHAREHOLDING:**

CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR (01.04.2019)				NO. OF SHARES HELD AT THE END OF THE YEAR (31.03.2020)				% CHANGE DURING THE YEAR
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
<b>A. PROMOTERS</b>									
<b>(1) INDIAN</b>									
a) Individual/ HUF	1,693,529	0	1,693,529	33.87%	1,703,529	0	1,703,529	34.07%	+0.20
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	809,728	0	809,728	16.20%	809,728	0	809,728	16.20%	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL A(1)</b>	<b>2,502,257</b>	<b>0</b>	<b>2,503,257</b>	<b>50.07%</b>	<b>2,513,257</b>	<b>0</b>	<b>2,513,257</b>	<b>50.27%</b>	<b>+0.20</b>
<b>(2) FOREIGN</b>									
a) NRI-individuals	0	0	0	0	0	0	0	0	0
b) Other	0	0	0	0	0	0	0	0	0
Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
Banks/FI	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL A(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL SHAREHOLDING OF PROMOTER (A)=(A)(1)+ (A)(2)</b>	<b>2,503,257</b>	<b>0</b>	<b>2,503,257</b>	<b>50.07%</b>	<b>2,513,257</b>	<b>0</b>	<b>2,513,257</b>	<b>50.27%</b>	<b>+0.20</b>
<b>B) PUBLIC SHAREHOLDING</b>									
<b>1. INSTITUTIONS</b>									
Mutual funds	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Central Govt.(IEPF)	9,265	0	9,265	0.19%	9,806	0	9,806	0.20%	+0.01
State Govt.	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
FIs	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Others (Specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL B(1)</b>	<b>9,265</b>	<b>0</b>	<b>9,265</b>	<b>0.19%</b>	<b>9,806</b>	<b>0</b>	<b>9,806</b>	<b>0.20%</b>	<b>+0.01</b>

<b>2. NON INSTITUTIONS</b>										
• <b>INDIVIDUAL</b>										
a) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1,341,243	63,819	1,405,062	28.10%	1,341,644	56969	1,398,613	27.98%	-0.21	
b) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	693,915	0	693,915	13.87%	714,664	0	714,664	14.29%	+0.42	
• <b>ANY OTHER (SPECIFY)</b>										
C) Other body corporates	1,27,272	0	127,272	2.54	85,981	0	85,981	1.72%	-0.82	
D) Non Resident Individual	151,157	0	151,157	3.02	155,482	0	155,482	3.11%	-0.09	
E) Hindu Undivided Family (huf)	110,072	0	110,072	2.20	122,197	0	122,197	2.44%	0.24	
<b>SUB TOTAL B(2)</b>	<b>2,423,659</b>	<b>63,819</b>	<b>2,487,478</b>	<b>49.75</b>	<b>2,419,968</b>	<b>56,969</b>	<b>2,476,937</b>	<b>49.54</b>	<b>-0.21</b>	
<b>TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+ (B)(2)</b>	<b>2,432,924</b>	<b>63,819</b>	<b>2,496,743</b>	<b>49.93</b>	<b>2,429,774</b>	<b>56,969</b>	<b>2,486,743</b>	<b>49.74</b>	<b>-0.19</b>	
<b>Grand Total (A+B)</b>	<b>4,936,181</b>	<b>63,819</b>	<b>5,000,000</b>	<b>100%</b>	<b>4,943,031</b>	<b>56969</b>	<b>5,000,000</b>	<b>100%</b>	<b>-</b>	

## (II). SHAREHOLDING OF PROMOTERS:

SR. NO.	NAME OF SHARE HOLDER	SAHRE HOLDING AT THE BEGNING OF THE YEAR (01.04.2019)			SAHRE HOLDING AT THE END OF THE YEAR (31.03.2020)			% CHANGE DURING THE YEAR
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	%OF SHARES PLEDGED/ ENCUMBERED TO TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	%OF SHARES PLEDGED/ ENCUMBERED TO TOTAL SHARES	
1	Meche Pvt. Ltd.	809,728	16.195	0	809,728	16.195	0	0
2	P I Tamboli	1,062,779	21.256	0	1,066,329	21.327	0	+0.071
3	V P Tamboli	313,200	6.264	0	323,200	6.464	0	+0.200
4	Jainam P Tamboli	296,000	5.920	0	296,000	5.920	0	0
5	Late I F Tamboli	3,550	0.071	0	0	0	0	-0.071
6	Kavya P Tamboli	9,400	0.188	0	9,400	0.188	0	0
7	Kasturi H. Kamdar	6,200	0.124	0	6,200	0.124	0	0
8	R K Menon	2,400	0.048	0	2,400	0.048	0	0
	<b>TOTAL</b>	<b>2,500,257</b>	<b>50.065</b>	<b>0</b>	<b>2,513,257</b>	<b>50.265</b>	<b>0</b>	<b>+0.200</b>

## (III). CHANGE IN PROMOTER'S SHAREHOLDING:

	SAHRE HOLDING AT THE BEGNING OF THE YEAR (01.04.2019)		CUMULATIVE SHAREHOLDING DURING THE YEAR (31.03.2020)	
	NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY
At the beginning of the year	2,500,257	50.01%	2,500,257	50.01%
Increase/(Decrease)	0	0	+13,000	+0.26
At the End of the Year	2,500,257	50.01%	2,513,257	50.27%

**(IV). SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

SR. NO.	TOP TEN SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR (01.04.2019)		CUMULATIVE SHAREHOLDING DURING THE YEAR (01.04.2019 TO 31.03.2020)	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	<b>Rekha N Shah</b>				
	At the beginning of the year	500,000	10.00	500,000	10.00
	Increase/Decrease in Shareholding during the year			0	0
	At the end of the year			500,000	10.00
2	<b>Zafar Ahmadullah</b>				
	At the beginning of the year	95,959	1.92	95,959	1.92
	Increase/Decrease in Shareholding during the year			0	0
	At the end of the year			95,959	1.92
3	<b>Saurabh Jain</b>				
	At the beginning of the year	75,000	1.5	75,000	1.5
	Increase/Decrease in Shareholding during the year			0	
	At the end of the year			75,000	1.5
4	<b>Praful Gangji Vora</b>				
	At the beginning of the year	50,000	1.00	50,000	1.00
	Increase/Decrease in Shareholding during the year			-1,500	0.03
	At the end of the year			48,500	0.97
5	<b>Nirav M. Sapani</b>				
	At the beginning of the year	21,854	0.44	21,854	0.44
	Increase/Decrease in Shareholding during the year			22,285	0.45
	At the end of the year			44,139	0.88
6	<b>Aksh Praful Vora</b>				
	At the beginning of the year	26,025	0.52	26,025	0.52
	Increase/Decrease in Shareholding during the year			0	
	At the end of the year			26,025	0.52
7	<b>Kalpesh Vipul Dodia HUF</b>				
	At the beginning of the year	19,300	0.39	19,300	0.39
	Increase/Decrease in Shareholding during the year			5142	0.10
	At the end of the year			24,442	0.49
8	<b>KSA Shares And Securities Private Limited</b>				
	At the beginning of the year	11,103	0.22	11,103	0.22
	Increase/Decrease in Shareholding during the year			10,721	0.21
	At the end of the year			21,824	0.44
9	<b>KARAN NARESH SHAH</b>				
	At the beginning of the year	0	0		
	Increase/Decrease in Shareholding during the year	21,000	0.42	21,000	0.42
	At the end of the year			21,000	0.42
10	<b>RANJAN PRAFUL VORA</b>				
	At the beginning of the year	19,069	0.38	19,069	0.38
	Increase/Decrease in Shareholding during the year			0	0
	At the end of the year			19,069	0.38

## (V). SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

SR. NO.	TOP TEN SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR (01.04.2019)		CUMULATIVE SHAREHOLDING DURING THE YEAR (01.04.2019 TO 31.03.2020)	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	<b>Mr. Piyush Tamboli (Chairman &amp; Managing Director)</b>				
	At the beginning of the year	1,064,798	21.30%	1,064,798	21.30%
	Increase/Decrease in Shareholding during the year	0	0	3,551	0.07%
	At the end of the year	1,064,798	21.30%	1,068,349	21.37%
2	<b>Mr. B.Pratapkumar (Whole-Time Director)</b>				
	At the beginning of the year	0	0	0	0
	Increase/Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	0	0	0	0
3	<b>Mr. Akshay R. Shah (Independent Director)</b>				
	At the beginning of the year	0	0	0	0
	Increase/Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	0	0	0	0
4	<b>Mr. Vimal R. Ambani (Independent Director)</b>				
	At the beginning of the year	0	0	0	0
	Increase/Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	0	0	0	0
5	<b>Mr. Girish C. Shah (Independent Director)</b>				
	At the beginning of the year	0	0	0	0
	Increase/Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	0	0	0	0
6	<b>Mrs. Vishakha P. Tamboli ( Non-Executive Director)</b>				
	At the beginning of the year	313,200	6.26%	313,200	6.26%
	Increase/Decrease in Shareholding during the year	0	0	10,000	0.2%
	At the end of the year	313,200	6.26%	323,200	6.46%
7	<b>Mr. R.K. Menon (Chairman Emeritus) (Resigned w.e.f. 31.03.2020)</b>				
	At the beginning of the year	2,400	0.006%	2,400	0.006%
	Increase/Decrease in Shareholding during the year			0	
	At the end of the year			2,400	0.006%
8	<b>Mr. Girish V. Shah (Chief Financial Officer) (Resigned w.e.f. 20.07.2020)</b>				
	At the beginning of the year	0	0	0	0
	Increase/Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	0	0	0	0
9	<b>Ms. Hetal B. Kapadiya (Company Secretary)</b>				
	At the beginning of the year	0	0	0	0
	Increase/Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	0	0	0	0

**V. INDEBTEDNESS :**

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

(INR in Lacs)

PARTICULARS	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
<b>INDEBTEDNESS AT THE BEGINNING OF THE FINANCIAL YEAR (01.04.2019)</b>				
i) Principal Amount	5,728.15	0	0	5,728.15
ii) Interest Due but Not Paid	0	0	0	0
iii) Interest Accrued but not due	0	0	0	0
<b>TOTAL (I + II + III)</b>	5,728.15	0	0	5,728.15
<b>Change in indebtedness during the financial year</b>				
<b>Net Change</b>	114.66	0	0	114.66
<b>INDEBTEDNESS AT THE END OF THE FINANCIAL YEAR (31.03.2020)</b>				
i) Principal Amount		0	0	
ii) Interest Due but Not Paid	0	0	0	0
iii) Interest Accrued but not due	0	0	0	0
<b>TOTAL (I + II + III)</b>	5,842.82	0	0	5,842.82

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

## A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

(INR )

SR.NO.	PARTICULARS OF REMUNERATION	NAME OF MD/WTD/ MANAGER		TOTAL AMOUNT
		CMD	WTD	
	Gross salary	4,200,000	1,885,077	6,085,077
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- others, specify	0	0	0
5	Others, please specify	0	0	0
	Total (A)	4,200,000	1,885,077	6,085,077
	Ceiling as per the Act	4,200,000	1,885,077	6,085,077

## B. REMUERATION TO OTHER DIRECTORS :

(INR Rs.)

SR. NO.	PARTICULARS OF REMUNERATION	NAME OF DIRECTORS					TOTAL AMOUNT
		A. R.SHAH	J. M. MAPGAONKAR	G. C SHAH	V.P.TAMBOLI	V.R. AMBANI	
1	<b>Independent Directors</b>						
	Fee for attending board committee meetings	115,000	38,000	152,000	0	114,000	419,000
	Commission	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0
	TOTAL (1)	115,000	38,000	152,000	0	114,000	419,000
2	<b>Other Non-Executive Directors</b>	0	0	0	0	0	0
	Fee for attending board committee meetings	0	0	0	80,000	0	80,000
	Commission	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0
	TOTAL (2)	0	0	0	0	0	0
	TOTAL (B)=(1+2)	115,000	38,000	152,000	80,000	114,000	499,000
	TOTAL MANAGERIAL REMUNERATION	115,000	38,000	152,000	80,000	114,000	499,000
	Overall Ceiling as per the Act	115,000	38,000	152,000	80,000	114,000	499,000



## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

(INR Rs.)

SR.NO.	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL		
		CS	CFO	TOTAL
	Gross salary	1,65,000	855,572	1,020,572
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	(i) As % of profit	Nil	Nil	Nil
	(i) Other	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	1,65,000	855,572	1,020,572

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY / PUNISHMENT/ COMPOUNDING FEES IMPOSED	AUTHORITY [RD / NCLT/ COURT]	APPEAL MADE, IF ANY (GIVE DETAILS)
<b>A. COMPANY</b>					
• Penalty	Nil	Nil	Nil	Nil	Nil
• Punishment	Nil	Nil	Nil	Nil	Nil
• Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
• Penalty	Nil	Nil	Nil	Nil	Nil
• Punishment	Nil	Nil	Nil	Nil	Nil
• Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
• Penalty	Nil	Nil	Nil	Nil	Nil
• Punishment	Nil	Nil	Nil	Nil	Nil
• Compounding	Nil	Nil	Nil	Nil	Nil

ANNEXURE 4 TO BOARD'S REPORT

Information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as provided under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

**1. ENERGY CONSERVATION :**

- a. The steps taken or impact on conservation of energy :
  - I. Reducing power consumption by installing LED lighting in the factory area.
  - II. Prevention of air leaks while using compressed air in the plant.
  
- b. The steps taken by company for utilising alternate source of energy :
  - I. Steps taken as alternate source of energy to utilise LPG as alternate source of LDO.
  
- c. The Capital investment on energy conservation equipment :
  - i. The Company has continued need based investments on the energy conservation equipments during financial year 2019-2020.
- d. At present 2Nos. (10 HP + 10HP) pump running for H.T Furnace cooling.  
Company during the year modified pipe line and eliminated 1 no. 10 HP pump.
- e. At present Ind.F'ce L/m +NP have separate cooling tower, Company have made common cooling tower and use one cooling tower for both ind.F'ce (saving 2.2Kw fan motor power + RO Water)
- f. In Boiler, oil (HSD) Firing burner converted into GAS (LPG) firing burner.

**2. TECHNOLOGY ABSORPTION :**

- a) Research & Development: Vacuum Furnace installed for development of castings for AEROSPACE, Medical implants and Railway. Efforts have made for,
  - Development of 3D Print technology for making castings.
  - Development of casting of single piece of 320 Kg.
  - Certificate obtained of NADCAP for Defense and Aerospace castings.
  
- b) The Company has in place well developed programme of :
  - I. Continuous Improvement Plan (CIP)
  - II. Product Development
  - III. Process Development
  - IV. Materials Development

By order of the Board of Directors,  
For **INVESTMENT PRECISION & CASTINGS LIMITED**

**MR.PIYUSH I. TAMBOLI**  
Chairman & Managing Director  
DIN -001460333

**ANNEXURE 5 TO BORAD'S REPORT**  
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

[Pursuant to Clause (o) of Sub- section (3) of Section 134 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:  
 The Board of Directors (here in referred as the "Board") of the Company has adopted a CSR policy which lays down the guidelines and mechanism for undertaking various programs for the development of the Society. The Policy also indicates the activities to be undertaken by the Company within the broad framework of Schedule VII to the Act, as in force and as amended from time to time which includes promotion of education, providing preventive health care & sanitation, creating livelihoods for community, supporting the community in times of natural calamities, providing monetary support to the deserving students etc.

The CSR policy is available on the Company's website at [www.ipcl.in](http://www.ipcl.in)

2. **The Composition of the CSR Committee:**

- **CHAIRMAN** : Mr. Girish C. Shah (Independent Director)
- **MEMBERS** :
  - Mr. Piyush I. Tamboli (Chairman & Managing Director)
  - Mrs. Vishakha P. Tamboli (Non-Executive/Non-Independent Director)
  - Mr. Vimal R. Ambani (Independent Director)

3. **Prescribed CSR Expenditure:**

2% of the average net profit of the company for last three financial years.

The Company is required to spend Rs.18.45 Lacs for the F.Y. 2019 -2020 towards CSR activities, the company had unspent amount of Rs. 15.14 Lacs for the F.Y. 2018 -19, resulting in total CSR expenditure of Rs. 33.59 Lacs

4. **Details of CSR spent during the financial year:**

(a) Total amount to be spent for the financial year: Rs.33.59 Lacs

(b) Amount spent: Rs. 33.59 Lacs

(c) Amount unspent, if any: NIL

(d) Manner in which the amount spent during the financial year ,as below :-

During the year, the Company has executed MOU with Shree Tamboli Foundation, Bhavnagar, to undergo various activities as defined under the Companies Act, 2013, Shree Tamboli Foundation undergoes various charitable activities as define in the schedule of the CSR, section 135, of the Companies Act, 2013.

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

BY order of board of directors

For, **INVESTMENT & PRECISION CASTINGS LIMITED**

**MR.PIYUSH I. TAMBOLI**

Chairman & Managing Director

DIN -001460333

**ANNEXURE 6 TO BOARD'S REPORT**  
**REMUNERATION DETAILS**

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Ratio of each Director to the median remuneration of the employee
Mr. Piyush I Tamboli	1:30.86
Mr. B. Pratapkumar	1:12.57

2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2018-19:

Name of the Director, Chief Financial Officer and the Company Secretary	% increase in the remuneration in the financial year
Mr. Piyush I Tamboli	-
Mr. B. Pratapkumar	-
Mr. Girish V Shah	-
Ms. Hetal B. Kapadiya	-

3. The percentage increase in the median remuneration of employees in the financial year: 8 to 10 %
4. The number of permanent employees on the rolls of Company: 195 as on 31<sup>st</sup> March'2020
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Increase in salary of KMP is decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

6. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:** It is confirmed that the remuneration is as per the Remuneration Policy of the Company.

By order of the Board of Directors,  
For **INVESTMENT PRECISION & CASTINGS LIMITED**

**MR.PIYUSH I. TAMBOLI**  
Chairman & Managing Director  
DIN -001460333

## CORPORATE GOVERNANCE

Corporate Governance is a set of principles, processes and systems which govern a company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders. The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met accordingly. The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfil its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders value. The Company has adopted many ethical and transparent governance practices even before they were mandated by law. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance.

### A. BOARD OF DIRECTORS:

The Board of Directors comprises Seven Directors out of which four are Non-Executive Directors and one Woman Director as on the date of the accompanying Notice, July 20,2020. The Company has an Executive and Promoter Director as the Chairman. Out of the total strength of seven directors, more than fifty percent directors are independent directors. The company has complied with amended clause of Listing Regulations concerning strength of independent directors on the Board as on the date of the accompanying Notice, July 20,2020. The day-to-day operations of the Company are being overseen by Mr. Piyush I. Tamboli, Chairman and Managing Director. None of the Directors on the Company's Board is a member of more than ten Committees and Chairman of more than five Committees across all the companies in which he is a Director. The composition of the Board, details of remuneration paid, attendance at the Board Meetings (BM) held during the financial year under review and at the last Annual General Meeting (AGM), number of Directorships memberships/chairmanships in public companies (including the Company) are annexed herewith.

Information on appointment of Directors as required under Listing Regulations is given below:

SR. NO.	NAME	DATE OF BIRTH	DATE OF APPOINTMENT	EXPERTISE IN SPECIFIC FUNCTIONAL AREAS	NO. OF OTHER DIRECTORSHIP
1	Mr. Hemant Shah	25.12.1961	03.09.2020	Marketing, Production, Finance, Accounts and Manpower Management.	4

During the year under review, Four Board Meetings were held on dates 29.04.2019, 12.08.2019, 12.11.2019, 17.01.2020

**B. AUDIT COMMITTEE:**

At present, the composition of the Audit Committee is as under;

- Chairman : Mr. Akshay R. Shah (Independent Director)
- Members :
  - Mr. Girish C. Shah (Independent Director)
  - Mr. Piyush I. Tamboli (Chairman & Managing Director)
  - Mr. Vimal R. Ambani (Independent Director)

During the year under review, the Audit Committee met four times on dates 29.04.2019, 12.08.2019, 12.11.2019, 17.01.2020

**C. NOMINATION & REMUNERATION COMMITTEE:**

I. Presently, the composition of the Remuneration Committee is as under:

- Chairman : Mr. Akshay R. Shah (Independent Director)
- Members :
  - Mr. Vimal R. Ambani (Independent Director)
  - Mr. Piyush I. Tamboli (Chairman & Managing Director)
  - Mrs. Vishakha P. Tamboli (Non-Executive, Non-Independent Director)

II. Scope of the Remuneration Committee:

The Remuneration Committee recommends/reviews remuneration of Whole Time Directors.

During the year under review, the Remuneration Committee met on date 20.03.2020.

**D. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

At present, the composition of the Stakeholders Relationship Committee is as under:

- Chairman : Mr. Girish C. Shah (Independent Director)
- Members :
  - Mr. Akshay R. Shah (Independent Director)
  - Mr. Girish C. Shah (Independent Director)
  - Mr. Piyush I. Tamboli (Chairman & Managing Director)
  - Mr. Vimal R. Ambani (Independent Director)

During the year under review, the Investor's Grievance Committee met four times on dates 29.04.2019, 12.08.2019, 12.11.2019, 17.01.2020

The status on the total number of Complaints received during the year was as follows:

Complaints pending at the beginning of the year	:	-
Complaints received during the year	:	-
Complaints redressed and replied during the year	:	-
Complaints pending at the end of the year.	:	-

#### **E. SEPARATE MEETING OF INDEPENDENT DIRECTORS OF THE COMPANY:**

As per the provisions of Clause VII of the Schedule IV of the Companies Act, 2013 and the applicable Clause(s) of the Listing Regulations as amended, the Independent Directors of the Company met on 17.01.2020. The independent directors in the meeting require inter-alia;

- I. Review the performance of non-independent directors and the Board as a whole;
- II. Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- III. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### **F. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

Presently, the composition of the CSR Committee is as under:

- Chairman : Mr. Girish C. Shah (Independent Director)
- Members :
  - Mr. Piyush I. Tamboli (Chairman & Managing Director)
  - Mrs. Vishakha P. Tamboli (Non-Executive, Non-Independent Director)
  - Mr. Vimal R. Ambani (Independent Director)

During the year under review, the Committee met on 29.04.2019.

#### **G. SEXUAL HARASSMENT COMMITTEE:**

Presently, the composition of the committee is as under:

- Chairman : Mrs. Vishakha P. Tamboli (Non-Executive ,Non-Independent Director)
- Members :
  - Mr. Girish C. Shah (Member & Alternate Chairman, Independent Director)
  - Mr. Akshay R. Shah (Independent Director)

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



During the year under review, the Committee met on 29.04.2019.

- H. As per the provision of Section 205 A read with Section 205 C of the Companies Act 1956, the Company has transferred unpaid dividends to the Investor Education and Protection Fund (IEPF).

**I. MEANS OF COMMUNICATION:**

Quarterly and Half Yearly Results	Published in The Indian Express, Mumbai and Financial Express, Ahmedabad
Any Website where displayed	www.ipcl.in
Whether it displays official news releases and presentations made to institutional investors or to the analysts.	No
Whether Management Discussion & Analysis is a part of the Annual Report	Yes

**DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS:**

Annual General Meeting for Financial Year	2018-2019	2017-2018	2016-2017
Date	26.09.2019	9.8.2018	11.7.2017
Time	4.30 P. M.	4.30 P. M.	4.30 P. M.
Venue	Hotel Sarovar Portico, Bhavnagar		

**J. DISCLOSURES:**

During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with its promoters, directors, management and subsidiaries that had a potential conflict with the interest of the Company. The Company has complied with various rules and regulations prescribed by stock exchanges, SEBI or any other statutory authority relating to the capital markets during the last three years. No penalties or structures have been imposed by them on the Company.

**K. GENERAL SHAREHOLDER INFORMATION:**

- Annual General Meeting : Date : 29<sup>th</sup> September, 2020  
Time : 4.30 P.M.  
Venue : Meeting will be held through video conference mode, hence deemed place of meeting will be Registered Office of the Company.
- Registered Office : Nari Road, Bhavnagar, Gujarat – 364006

- Telephone Nos. : +91-0278-2523300 to 04
- E-mail : direct1@ipcl.in, Investor@ipcl.in
- The Company has paid annual listing fees to The Bombay Stock Exchange Limited (BSE) in respect of the financial year 2019-2020.
- Market Price Data:  
High, Low during each month in last financial year:

<b>MONTHS</b>	<b>BSE HIGH</b>	<b>BSE LOW</b>
<b>April 19</b>	<b>293.55</b>	<b>256.05</b>
<b>May 19</b>	<b>260.00</b>	<b>233.01</b>
<b>June 19</b>	<b>258.75</b>	<b>195.05</b>
<b>July 19</b>	<b>191.35</b>	<b>158.15</b>
<b>Aug. 19</b>	<b>154.00</b>	<b>138.00</b>
<b>Sept. 19</b>	<b>212.65</b>	<b>142.02</b>
<b>Oct. 19</b>	<b>192.02</b>	<b>165.65</b>
<b>Nov. 19</b>	<b>194.06</b>	<b>156.05</b>
<b>Dec. 19</b>	<b>164.4</b>	<b>139.45</b>
<b>Jan. 20</b>	<b>220.15</b>	<b>155.09</b>
<b>Feb. 20</b>	<b>214.09</b>	<b>190.01</b>
<b>Mar. 20</b>	<b>210.75</b>	<b>139.09</b>

- Register and Transfer Agent : MCS SHARE TRANSFER AGENT LIMITED  
201, Shatdal Complex, Opp. Bata Show Room, Ashram Road,  
Ahmadabad, Gujarat 380 009.  
TELEPHONES: 079 26580461 to 63;  
E-mail: mcsstaahmd@gmail.com mcsahmd@gmail.com

**L. DISTRIBUTION OF SHAREHOLDING AS AT END OF 31ST MARCH 2020:**

CATEGORY	NO. OF SHARES HELD	PERCENTAGE (%) OF SHAREHOLDING
Promoters	2,503,257	50.07 %
Nationalised Banks	--	--
Financial Institutions	--	--
Non Resident Indian	151,157	3.02 %
Government Companies and State Corporations	9,265	0.19 %
Others	2,336,321	46.73 %
<b>TOTAL</b>	<b>50,00,000</b>	<b>100.00 %</b>

**M. DISTRIBUTION SCHEDULE AS ON 31<sup>ST</sup> MARCH, 2020:**

NUMBER OF SHARES HELD	NO. OF HOLDERS		SHARES HELD	
	NO.	%	NO.	%
Upto 500	3,137	82.57	355,293	7.11
501 to 1000	293	7.71	236,572	4.73
1001 to 2000	180	4.73	265,199	5.30
2001 to 3000	61	1.60	150,234	3.00
3001 to 4000	41	1.07	144,035	2.88
4001 to 5000	25	0.65	113,130	2.26
5001 to 10000	39	1.03	283,905	5.68
10001 and above	23	0.63	3,451,632	69.03
<b>TOTAL</b>	<b>4,083</b>	<b>100.00</b>	<b>50,00,000</b>	<b>100.00</b>

Plant Locations: At the Registered Office, Nari Road, Bhavnagar, Gujarat 364 006.

Address for correspondence:

Stakeholders are requested to correspond with the Company at the following address investor@ipcl.in

Disclosures with respect to Demat Suspense Account /Unclaimed Suspense Account:

Pursuant to regulation 39 and provisions of Schedule VI of the Listing Regulations, during the financial year 2019-2020, unclaimed shares were transferred to "unclaimed suspense account". The information of unclaimed shares is hereby given:

PARTICULARS	NUMBER OF SHAREHOLDERS	NUMBER OF EQUITY SHARES
Aggregate number of shareholders and the outstanding shares at the beginning of the year	37	9,265
Number of shareholders who approached the Company during the year	-	-
Number of shareholders to whom shares were released during the year	-	-
Number of shares transferred to IEPF Authority during the year	-	-
Aggregate number of shareholders and the outstanding shares at the end of the year	37	9,265

#### **TRANSFER OF SHARES AND UNPAID/UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

Pursuant to the provisions of Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (IEPF Rules), the unpaid/unclaimed dividends lying unpaid/ unclaimed for the period of the seven (7) years from the date of transfer to the unpaid/unclaimed dividend Account of the Company are liable to be transferred to the Investor Education Protection Fund (IEPF) established by the Central Government, after completion of seven (7) years.

During the F.Y. 2019-20 the Company has transferred the unpaid/unclaimed dividend amounting to Rs.60,127 lying in the unpaid/unclaimed dividend account of F.Y. 2011-12 for the period of seven years, to the IEPF.

Further pursuant to the aforesaid provisions the shares in respect of which dividend has not been paid/claimed for the consecutive period of seven (7) years or more are also required to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of shares.

The shareholders who have a claim on above transferred unpaid/unclaimed dividend and/or shares may claim the same from IEPF Authority by submitting an online application in the prescribed IEPF Form-5, available on the weblink: [www.iepf.gov.in](http://www.iepf.gov.in) and sending the physical copy of the same duly signed, alongwith the requisite documents enumerated in the form IEPF Form-5, to the Company.

No claims shall lie against the Company in respect of the dividend/shares so transferred.

Following is the information relating to various unclaimed /unpaid dividends and the dates by which they can be claimed by the shareholders:

FINANCIAL YEAR	DATE OF DECLARATION	AMOUNT OF UNPAID/ UNCLAIMED DIVIDEND 31.3.2020	LAST DATE FOR CLAIMING THE UNPAID/UNCLAIMED DIVIDEND
2012-2013	07.08.2013	28,070	06.8.2020
2013-2014	07.08.2014	28,654	06.8.2021
2014-2015	11.08.2015	36,200	10.8.2022
2015-2016	26.07.2016	52,928	25.7.2023
2016-2017	11.07.2017	88,138	10.7.2024
2017-2018	09.08.2018	1,67,730	08.8.2025
2018-2019	26.09.2019	92,628	25.10.2026

For **INVESTMENT & PRECISION CASTINGS LTD,**

Place : Bhavnagar  
Dated : July 20,2020

**MR.PIYUSH I. TAMBOLI**  
CHAIRMAN & MANAGING DIRECTOR  
DIN 00146033

## ANNEXURE TO CORPORATE GOVERNANCE :

NAME OF THE DIRECTOR	CATEGORY	REMUNERATION PAID, RS. F.Y. 2019-2020					F.Y. 2019-20		AS ON 20.07.2020		
		SALARY & PERKS	SITTING FEES	COMMISSION	TOTAL	BM	LAST AGM	NO. OF DIRECTORSHIP *	COMMITTEE POSITIONS		
									ATTENDANCE AT	MEMBER**	CHAIRMAN
Mr. Akshay R. Shah	Non-Executive, Independent Director	-	115,000	-	115,000	3	Yes	6	4	2	
Mr. J. M. Mapgaonkar	Non-Executive, Independent Director	-	38,000	-	38,000	-	Yes	2	2	2	
Mr. Girish C. Shah	Non-Executive, Independent Director	-	152,000	-	152,000	4	Yes	3	3	0	
Mrs. V. P. Tamboli	Non-executive ,Non-Independent Director	-	80,000	-	80,000	4	Yes	2	1	1	
Mr. Vimal R. Ambani	Non-Executive, Independent Director	-	114,000	-	114,000	2	Yes	14	4	-	
Mr. B. Pratpakumar	Whole time Director	1,885,077	-	-	1,885,077	2	Yes	1	-	-	
Mr. P. I. Tambo li	Chairman and Managing Director Promoter	4,200,000	-	-	4,200,000	4	Yes	6	3	-	
Mr. Girish V. Shah	Chief Financial Officer	885,000	-	-	885,000	4	Yes	-	-	-	
Ms. Hetal Kapadiya	Company Secretary	165,000	-	-	165,000	4	Yes	-	-	-	
	<b>Total</b>	<b>7,135,077</b>	<b>499,000</b>	<b>-</b>	<b>7,634,077</b>						

\*including the Company

\*\* Member does not include Chairman

## MD, CFO & CEO CERTIFICATION

To,  
The Board of Directors,  
**INVESTMENT & PRECISION CASTINGS LTD**

- A. We have reviewed the attached financial statements and the cash flow statement for the year ended on 31<sup>st</sup> March 2020. To the best of our knowledge and belief, we certify that,
- I. These statements do not contain any materially un-true 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.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the company. We certify that no deficiencies in the design or operation of internal control were found.
- D. We have indicated to the auditors about;
- I. No significant changes in internal control during the year,
  - II. No significant changes in accounting policies during the year,
  - III. No instances of any fraud during the year under review.

For **INVESTMENT & PRECISION CASTINGS LTD,**

Place : Bhavnagar  
Dated : July 20, 2020

**MR.PIYUSH I. TAMBOLI**  
CHAIRMAN & MANAGING DIRECTOR  
DIN 00146033

## MANAGEMENT DISCUSSION & ANALYSIS

INVESTMENT & PRECISION CASTING LIMITED, is well-known name since its establishment from 1975, within India, and making its presence in Global market by continues developments, by continue to provide its clients his valuable services.

Along with its current line of business in automobiles ancillary products, company is also focusing on Aerospace, Defense and Medical products and equipments, for which company has continued to mark his presence within India and across Globe.

### **OPPORTUNITIES:**

Supply chains moving out of china is a major opportunity for growth in the future. Indigenization of goods & services will further provide I&PCL with opportunities to grow.

### **THREAT:**

The Covid-19 Pandemic has generated uncertainty unlike any witnessed in the past and a second-wave as well as long-term economic impact of the situation is yet not known.

### **RISK CONCERN:**

Covid-19 is a major concern which has been adversely affected the business across the world. Hopefully, we will be able to come out of this crisis within a year time as stated by noted economists and we are also hoping the same.

### **MITIGATION STRATEGIES:**

Due to Covid-19, present economic situation is very distressing across the world especially in India. Q4 has just started growing and now it will take at least one year especially the auto segments, to come out of it. However, IPCL has made concerted efforts to improve the business situation by working towards aerospace, medical and export segments. The Company has already invested in various equipment's required for manufacturing Aerospace and Defense castings. Hence, the company expects good business opportunity ahead from these sectors.



**INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of

**INVESTMENT & PRECISION CASTINGS LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by **Investment & Precision Castings Limited** ("the Company") for the year ended 31<sup>st</sup> March, 2020 as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46 (2) and para C and D of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations").

**Managements' Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**Auditors' Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI") and Standards on Auditing specified under section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31<sup>st</sup> March, 2020.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **P A R K & COMPANY**  
Chartered Accountants  
FRN: 116825W

Bhavnagar  
20<sup>th</sup> July, 2020

**ASHISH DAVE**  
Partner  
Membership No. 170275  
UDIN: 20170275AAAACC9116

## INDEPENDENT AUDITOR'S REPORT

To

The Members of

**INVESTMENT & PRECISION CASTINGS LIMITED**

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

### Opinion

We have audited the accompanying standalone financial statements of **Investment & Precision Castings Limited** ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and the other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2020, of its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) 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 Standalone 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

### Emphasis of matter

We draw your attention to Note 39 to the standalone financial statements which explains the uncertainties and the management's assessment of the financial impact due to lock-down and other restrictions and conditions related to the COVID-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve. Our opinion is not modified in respect of this matter.

### Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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

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

standalone financial statements and auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern,

disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatements of the standalone 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 the internal control.

- Obtain an understanding of internal financial controls 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 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 standalone 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 standalone financial statements, including the disclosure, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant

audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in clause 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e. On the basis of written representations received from the directors as on 31<sup>st</sup> March 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2020, from being appointed as a director in terms section 164(2) of the Act;
- f. With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure – B may be referred;
- g. In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;

- iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, **PARK & COMPANY**  
Chartered Accountant  
FRN : 116825W

**Mr. Ashish Dave**  
Partner

Membership No. 170275  
UDIN : 200170275AAAAABY9492

Bhavnagar  
20<sup>th</sup> July, 2020

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1. In respect of fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. The fixed assets were physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No material discrepancies were noticed on such verification.
  - c. The title deeds of immovable properties are held in the name of the Company.
2. The inventories were physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such physical verification carried out by the Company.
3. The Company has granted unsecured loans to the wholly-owned subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013. The terms and conditions of grant of such loans are not prima-facie prejudicial to the interest of the Company except that no interest is charged on these loans.
4. The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security, to the extent applicable.
5. The Company has not accepted any deposits within the meaning of the provisions of section

73 to 76 or any other relevant provisions of the Act and the rules framed thereunder with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

6. We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima-facie, the prescribed cost records have been maintained. We, have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. In respect of statutory and other dues:
  - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Cess, Goods & Service Tax and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable.
  - b. There are no statutory dues, which have not been deposited on account of dispute except for the followings:

Nature of Dues	Rs. in lacs	Financial Year	Forum where dispute is pending
Income Tax	3.12	2002-2003	Income Tax Appellate Tribunal
Value Added Tax	8.95	2002-2003	The Commissioner of Gujarat Commercial Tax

8. The Company has not defaulted in repayment of loans or borrowing to banks. The Company has

not obtained any borrowings from any financial institutions or government or by way of debentures.

9. Terms loans obtained by the Company have been applied for the purpose for which they were obtained. The Company has not raised any money, during the year, by way of public offer (including debt instruments).
10. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company or on the Company by its officers or employees was noticed or reported during the year.
11. Managerial remuneration paid or provided by the Company during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. Since the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. All transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.

14. The Company has not made any preferential allotment or private placement of equity shares or fully or partly convertible debentures during the year under the review.
15. The Company has not entered into any non-cash transactions during the year with directors or persons concerned with him.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For, **PARK & COMPANY**  
Chartered Accountant  
FRN : 116825W

**Mr. Ashish Dave**  
Partner  
Membership No. 170275  
UDIN : 200170275AAAABY9492

Bhavnagar  
20<sup>th</sup> July, 2020

## **ANNEXURE B – TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **Investment & Precision Castings Limited** ("the Company") as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that ,

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are



being made only in accordance with authorisations of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> 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 issued by the ICAI.

For, **PARK & COMPANY**  
Chartered Accountant  
FRN : 116825W

**Mr. Ashish Dave**  
Partner  
Membership No. 170275  
UDIN : 200170275AAAAABY9492

Bhavnagar  
20<sup>th</sup> July, 2020

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020

(INR in Lacs)

PARTICULARS	Note No.	31-Mar-2020	31-Mar-2019
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	8,036.95	7,817.60
Capital work-in -progress	2	263.78	580.25
Investment properties	3	47.17	48.78
Intangible asset	4	48.31	-
Right to use assets	5	49.45	-
Intangible asset under development		-	46.32
Financial assets		-	-
Investments	6	25.00	25.00
Loans	7	80.99	111.26
Other financial assets	8	206.01	203.38
Other non-current assets	9	992.59	491.01
<b>Total Non-Current Assets</b>		<b>9,750.25</b>	<b>9,323.60</b>
<b>Current Assets</b>			
Inventories	10	3,170.44	3,211.00
Financial assets			
Investments		-	-
Trade receivables	11	1,771.45	2,039.29
Cash and cash equivalents	12	20.56	18.29
Other bank balances	13	5.27	4.62
Loans	7	47.10	57.23
Other financial assets	8	44.71	58.22
Current tax assets (net)	14	794.47	756.48
Other current assets	9	580.13	899.25
<b>Total Current Assets</b>		<b>6,434.13</b>	<b>7,044.38</b>
<b>TOTAL ASSETS</b>		<b>16,184.38</b>	<b>16,367.98</b>

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020 (Contd.)**

(INR in Lacs)

PARTICULARS	Note No.	31-Mar-2020	31-Mar-2019
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Equity</u></b>			
Equity share capital	15	500.00	500.00
Other equity	16	6,806.01	7,000.74
		<b>7,306.01</b>	<b>7,500.74</b>
<b><u>Liabilities</u></b>			
<b><u>Non-current Liabilities</u></b>			
Financial Liabilities			
Borrowings	17	1,595.37	1,675.36
Other financial liabilities	18	-	-
Provisions	19	31.68	37.65
Deferred tax liabilities (net)	20	352.75	389.02
Other non-current liabilities	21	-	-
<b>Total Non-Current Liabilities</b>		<b>1,979.80</b>	<b>2,102.03</b>
<b><u>Current liabilities</u></b>			
Financial Liabilities			
Borrowings	17	3,895.66	3,616.95
Trade payables	22	-	-
Total outstanding dues of Micro and Small Enterprises		580.97	631.43
Total outstanding dues of creditors other than Micro and Small Enterprises		1,178.93	1,196.52
Other financial liabilities	18	386.17	514.70
Provision	19	52.76	57.58
Other current liabilities	21	141.70	83.31
Other current liabilities (Net)	14	662.38	664.72
<b>Total Current Liabilities</b>		<b>6,898.57</b>	<b>6,765.21</b>
<b>TOTAL LIABILITIES</b>		<b>16,184.38</b>	<b>16,367.98</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date attached

For **PARK & Company**

Chartered Accountants

**Ashish Dave**

Partner

**Hetal Kapadiya**

Company Secretary

Date : 20<sup>th</sup> July, 2020

For **INVESTMENT & PRECISION CASTINGS LIMITED**

For and on behalf of the Board of Directors

**Piyush Tamboli**

Chairman & Managing Director

DIN : 00146033

**Vishakha Tamboli**

Director

DIN : 06600319

## STATEMENT OF PROFIT &amp; LOSS for the year ended 31st March 2020

(INR in Lacs)

PARTICULARS	Note No.	31-Mar-2020	31-Mar-2019
<b>REVENUE :</b>			
Revenue from operations (net)	23	9,518.53	11,868.48
Other income	24	61.72	94.38
<b>Total Revenue</b>		<b>9,580.25</b>	<b>11,962.86</b>
<b>EXPENSES :</b>			
Raw materials consumed	25	838.35	1,114.32
Purchases of traded goods		-	-
Changes in inventories	26	69.05	(923.81)
Employee benefits expenses	27	730.10	789.23
Finance costs	28	648.84	511.04
Depreciation and amortization expenses	29	659.31	617.11
Other expenses	30	6,737.76	8,894.40
<b>Total Expenses</b>		<b>9,683.41</b>	<b>11,002.28</b>
<b>Profit before Exceptional Items and tax</b>		(103.17)	960.57
Exceptional Items		-	-
<b>Profit before tax</b>		(103.17)	960.57
Tax Expenses			
Current tax	14	-	200.00
Earlier years' tax		(2.35)	(150.34)
Deferred tax		(33.60)	(86.70)
<b>Profit for the year</b>		(67.23)	997.61
<b>Other Comprehensive income</b>			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		(9.62)	(2.42)
b. Tax impacts on above		2.67	0.67
Items that may be reclassified to profit or loss			
<b>Other comprehensive income for the year</b>		(6.95)	(1.75)
<b>Total Comprehensive Income for the year</b>		(74.18)	995.86
Basic and diluted earning per share	31	(1.34)	19.95
Face value per share		10.00	10.00

The accompanying notes are integral part of these financial statements.

As per our report of even date attached

For **PARK & Company**

Chartered Accountants

**Ashish Dave**

Partner

**Hetal Kapadiya**

Company Secretary

Date : 20<sup>th</sup> July, 2020

For **INVESTMENT & PRECISION CASTINGS LIMITED**

For and on behalf of the Board of Directors

**Piyush Tamboli**

Chairman & Managing Director

DIN : 00146033

**Vishakha Tamboli**

Director

DIN : 06600319

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020

Particulars	2019-2020		2018-2019	
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net profit for the year		(67.23)		997.61
<b>Adjustments for -</b>				
Depreciation	659.31		617.11	
Income tax expenses	(35.95)		(37.04)	
Reversal of impairment loss on trade receivables	(21.07)		-	
Loss/(gain) on disposal of property, plant & equipments	-		(19.12)	
Interest income	(27.02)		(33.79)	
Finance cost	550.09	1125.36	444.02	971.18
<b>Operating Profit Before Working Capital Changes</b>		<b>1,058.14</b>		1,968.79
<b>Movements in working capital:</b>				
Trade receivables	296.29		299.28	
(Increase)/decrease in other assets	(182.47)		(101.82)	
(Increase)/decrease in inventories	40.56		(1,176.06)	
Increase/(decrease) in provisions	22.83		(17.64)	
Trade and other payables	(138.42)		376.66	
<b>Cash generated from operations</b>		<b>38.79</b>		(619.58)
Income tax paid	(58.53)	(58.53)	(156.20)	(156.20)
<b>Net cash generated by operating activities</b>		<b>1,038.40</b>		1,193.01
<b>Cash flow from investing activities:</b>				
Payment for property, plant and equipments		(612.02)		(2,304.14)
Sale of fixed assets		-		30.02
Interest received		27.02		33.79
<b>Net cash (used in)/generated from investing activities</b>		<b>(585.00)</b>		<b>(2,240.33)</b>
<b>Cash flow from financing activities:</b>				
Proceeds from borrowings		278.70		1,566.30
Repayment of borrowings		(79.98)		-
Interest paid		(550.09)		(444.02)
Dividend paid		(99.77)		(123.91)
<b>Net cash used in financing activities</b>		<b>(451.15)</b>		998.37
Net increase in cash and cash equivalents		2.26		(48.95)
Cash and cash equivalents as at beginning of the year		18.29		67.24
<b>Cash and cash equivalents as at end of the year</b>		<b>20.54</b>		<b>18.29</b>

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) - Statement of Cash Flow.

As per our report of even date,

As per our report of even date attached

For **PARK & Company**

Chartered Accountants

**Ashish Dave**

Partner

**Hetal Kapadiya**

Company Secretary

Date : 20<sup>th</sup> July, 2020

For **INVESTMENT & PRECISION CASTINGS LIMITED**

For and on behalf of the Board of Directors

**Piyush Tamboli**

Chairman & Managing Director

DIN : 00146033

**Vishakha Tamboli**

Director

DIN : 06600319

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020.

## A. SHARE CAPITAL :

(INR in Lacs)

PARTICULARS	31st March 2020	31st March 2019
At the beginning of the year	500.00	500.00
Changes in equity share capital during the year	-	-
At the end of the year	500.00	500.00

## B. OTHER EQUITY :

(INR in Lacs)

Particulars	General reserve	Retained earnings	Securities Premium Account	Other Comprehensive Income	Total
				Remeasurements of net defined benefit plans	
<b>As at 1st April, 2018</b>	5,000.00	1,132.12	25.20	(1.74)	6,155.58
Profit for the year	-	997.61	-	-	997.61
Other comprehensive income for the year (net of tax)	-	-	-	(1.75)	(1.75)
Transfer from retained earnings to general reserve	877.05	(877.05)	-	-	(0.00)
Final dividend , declared and paid during the year	-	(125.00)	-	-	(125.00)
Dividend distribution tax	-	(25.70)	-	-	(25.70)
<b>As at 31st March, 2019</b>	<b>5,877.05</b>	<b>1,101.97</b>	<b>25.20</b>	<b>(3.49)</b>	<b>7,000.74</b>
Profit for the year	-	(67.23)	-	-	(67.23)
Other comprehensive income for the year (net of tax)	-	-	-	(6.95)	(6.95)
Transfer from retained earnings to general reserve	-	-	-	-	-
Final dividend , declared and paid during the year	-	(100.00)	-	-	(100.00)
Dividend distribution tax	-	(20.55)	-	-	(20.55)
<b>As at 31st March, 2020</b>	<b>5,877.05</b>	<b>914.20</b>	<b>25.20</b>	<b>(10.44)</b>	<b>6,806.01</b>

As per our report of even date attached

For **PARK & Company**

Chartered Accountants

**Ashish Dave**

Partner

**Hetal Kapadiya**

Company Secretary

Date : 20<sup>th</sup> July, 2020For **INVESTMENT & PRECISION CASTINGS LIMITED**

For and on behalf of the Board of Directors

**Piyush Tamboli**

Chairman &amp; Managing Director

DIN : 00146033

**Vishakha Tamboli**

Director

DIN : 06600319

## Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020

### COMPANY INFORMATION

**Investment & Precision Castings Limited** (the 'Company') is a public limited Company domiciled in India and incorporated on 3<sup>rd</sup> April 1975 under the provisions of the Companies Act applicable in India. The Company is engaged in the production of investment castings. The registered office of the Company is located at Nari Road, Bhavnagar – 364 006. The equity shares of the Company are listed on Bombay Stock Exchange (BSE).

The standalone Ind AS financial statements ('the financial statements') were authorized for issue in accordance with the resolution of the Board of Directors on 20<sup>th</sup> July, 2020.

#### **i. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES**

##### **I. Basis of preparation and measurement :**

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company adopts operating cycle based on the project period and accordingly, all project related assets and liabilities are classified into current and non-current. The Company considers 12 months as normal operating cycle.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest lacs except otherwise indicated.

#### **II. Significant accounting policies :**

##### **a. System of accounting**

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of Companies Act, 2013 ("Act"), except in case of significant uncertainties.

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. It is held primarily for the purpose of being traded:

- It is expected to be realized within 12 months after the reporting date;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
  - It is expected to be settled in the Company's normal operating cycle;
  - It is held primarily for the purpose of being traded;
  - It is due to be settled within 12 months after the reporting date;
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only.



**b. Key accounting estimates**

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and judgements are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the Company.

**c. Standards issued but not effective :**

The amendments are proposed to be effective for reporting periods beginning on or after 1<sup>st</sup> April, 2020.

**1. Ind AS 117 – Insurance Contracts:**

Ind AS 117 supersedes Ind AS 104 Insurance Contracts. It establishes the principles for the recognition,

measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flow with a provision for risk. Application of this standard is not expected to have any significant impact on the Company's financial statements.

**2. Amendments to existing standards:**

Ministry of corporate affairs has carried out amendments of the following accounting standards:

- Ind AS 103 – Business Combination
- Ind AS 1 – Presentation of financial statements
- Ind AS 8 – Accounting policies, changes in accounting estimates and errors
- Ind AS 40 – Investment property

The company is in the process of evaluating the impact of the new amendments issued but not yet effective.

**d. Property, plant and equipment**

- i. Property, plant and equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- ii. Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.

- iii. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.
- iv. Capital work-in-progress representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- v. On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1<sup>st</sup> April 2016 of its property, plant and equipment and use that carrying value as the deemed cost of the property, plant and equipment on the date of transition i.e. 1<sup>st</sup> April 2016 except for certain class of assets which are measured at fair value as deemed cost.
- vi. The Company depreciates property, plant and equipment on straight line value method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.
- vii. Intangible assets represent implementation cost for software and other application software acquired/developed for in-house use. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.
- viii. Items of stores and spares that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life.
- Otherwise, such items are classified as inventories.
- e. Investments properties**
- a. Property which is held for long-term rental or for capital appreciation or both is classified as Investment Property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- b. Investment properties currently comprise of building.
- c. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss in the period in which the property is derecognised.
- f. Investments and financial assets**
- i. Investments in Subsidiary**
- Investments in subsidiary is recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.
- The Company assesses at the end of each reporting period, if there is any indication that the said investments may be impaired. If so, the Company estimates the recoverable value of the investments and provides for impairment, if any, i.e. the deficit in the recoverable value over cost.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiary at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2016.

ii. **Other investments and financial asset :**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

Financial assets are subsequently classified measured at –

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for managing financial assets. Financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is derecognised.

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade

receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

g. **Inventories**

- i. Raw materials and stores and spares are valued at weighted average cost, including all charges in bringing the materials to the present location, or net realizable value, whichever is lower.
- ii. Finished goods and work-in-progress are valued at material cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.
- iii. Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Company.

h. **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprises of balance with banks and cash on hand and short term deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

i. **Trade receivables**

A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured net of any expected credit losses.

**j. Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received.

**k. Financial liabilities:**

- (i) Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.
- (ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- (iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

**l. Trade Payables :**

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

**m. Revenue Recognition :**

- i. Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.
- ii. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.
- iii. Domestic sales are accounted for on dispatch from point of sale corresponding to transfer of significant risks and rewards of ownership to the buyer. Export sales are recognised on the date of mate's receipt/shipped on board signifying transfer of risks and rewards of ownership to the buyer as per terms of sales and initially recorded at the relevant exchange rates prevailing on the date of transaction.
- iv. Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.
- v. Revenue in respect of other income is recognised on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

**n. Foreign currency transactions :**

- i. Items included in the financial statements are measured using the currency of primary

economic environment in which the company operates (“the functional currency”). The financial statements are presented in Indian Rupee (INR), which is the company’s functional and presentation currency.

- ii. Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.
- iii Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- iv. The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

**o. Employee benefit expenses**

- (i) Contributions to defined contribution schemes such as provident fund, employees’ state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.
- (ii) The Company provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Company’s obligation into current and non-

current is as per the actuarial valuation report.

- (iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Company. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the Statement of Profit and Loss.

**p. Borrowing costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

**q. Taxation :**

- i. Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- iii. Deferred tax is determined by applying the balance sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements’ carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and

liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the reporting date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each reporting date to reassess realisation. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

#### r. Provisions and contingent liabilities

The Company creates a provision when there is present obligation (legal or constructive) as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

#### s. Impairment of non financial assets

As at each reporting date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the

impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

#### t. Lease

The Company, as a lessee, recognises a right-of-use asset for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

#### u. Earnings Per Share

i. Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

ii. For the purpose of calculating diluted earning per share, the net profit or loss for the period

attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

v. **Segment reporting**

The Company publishes this financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

w. **Offsetting instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

x **Events after the reporting period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020

## Note 2 : PROPERTY, PLANT AND EQUIPEMENT

(INR in Lacs)

PARTICULARS	LAND		BUILDINGS	PLANT & EQUIPMENT	OFFICE EQUIPMENT	FURNITURE & FIXTURES	VEHICLES	TOTAL
	Owned	Leased						
<b>GROSS CARRYING VALUE</b>								
<b>As at 31st March, 2018</b>	530.77	55.64	2,975.37	7,455.83	197.73	136.24	153.53	11,505.11
Additions	-	-	668.71	1,506.70	13.15	3.20	2.70	2,194.46
Disposals/transfer	(10.90)	-	(50.77)	-	-	-	-	(61.67)
<b>As at 31st March, 2019</b>	519.87	55.64	3,593.31	8,962.53	210.87	139.44	156.23	13,637.90
Additions	-	-	389.89	425.56	36.37	23.66	42.37	917.85
Disposals/transfer	-	(55.64)	-	-	-	-	-	(55.64)
<b>As at 31st March, 2020</b>	519.87	-	3,983.20	9,388.09	247.24	163.10	198.60	14,500.11
<b>ACCUMALATED DEPRECIATION</b>								
<b>As at 31st March, 2018</b>	-	5.06	673.97	4,219.22	146.76	71.30	88.87	5,205.17
Depreciation charged	-	0.56	106.19	466.35	15.17	10.61	17.41	616.29
Disposals/transfer	-	-	(1.18)	-	-	-	-	(1.18)
<b>As at 31st March, 2019</b>	-	5.62	778.99	4,685.58	161.93	81.91	106.27	5,820.29
Depreciation charged	-	-	128.81	470.55	21.01	12.59	15.53	648.49
Disposals/transfer	-	(5.62)	-	-	-	-	-	(5.62)
<b>As at 31st March,2020</b>	-	-	907.79	5,156.13	182.94	94.50	121.80	6,463.16
<b>NET CARRYING VALUE</b>								
<b>As at 31st March, 2019</b>	519.87	50.02	2,814.33	4,276.95	48.94	57.53	49.96	7,817.60
<b>As at 31st March, 2020</b>	519.87	-	3,075.41	4,231.96	64.30	68.60	76.80	8,036.95



Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## Note 3 : INVESTMENT PROPERTIES

(INR in Lacs)

Particulars	Building	Total
<b><u>Gross carrying value</u></b>		
<b>As at 31st March, 2018</b>	-	-
Additions /transfer	50.77	50.77
Disposals	-	-
<b>As at 31st March, 2019</b>	50.77	50.77
Additions /transfer	0.00	0.00
Disposals	-	-
<b>As at 31st March,2020</b>	50.77	50.77
<b><u>Accumalated depreciation</u></b>		
<b>As at 31st March, 2018</b>	-	-
Depreciation charged/transfer	1.99	1.99
Disposals	-	-
<b>As at 31st March, 2019</b>	1.99	1.99
Depreciation charged/transfer	1.61	1.61
Disposals	0.00	0.00
<b>As at 31st March, 2020</b>	3.60	3.60
<b><u>Net Carrying Amount</u></b>		
<b>As at 31st March, 2019</b>	48.78	48.78
<b>As at 31st March,2020</b>	47.17	47.17

## i) Amount recognised in profit or loss for investment properties

(INR in Lacs)

Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
<b>Rental income</b>		
Direct operating expenses from property that generated rental income	0.60	0.15
Direct operating expenses from property that did not generate rental income	0.00	0.00
<b>Profit from investment properties before depreciation</b>	0.60	0.15
Depreciation	1.61	0.81
<b>Profit from investment properties</b>	<b>(1.01)</b>	<b>(0.66)</b>
<b>ii) Contractual obligations</b>		
There are no contractual obligations to purchase, construct or develop investment property.		
<b>iii) Fair Value</b>		
The carrying value of the investment properties at the end of the year have been deemed to be the fair value determined on the basis of the judgement of the management.		

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## iv) Operating Lease

The Company has entered into operating lease on its residential building. This lease has terms of 36 months. The lease include a clause to enable upward revision of the rental charge on an annual. Future minimum rental receivable under non-cancellable operating lease as at 31st March, are as follows:

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
Within one year	0.60	0.60
After one year but not more than five years	0.40	1.60
More than five years	-	-
<b>Total</b>	<b>1.00</b>	<b>2.20</b>

## NOTE 4 : INTANGIBLE ASSETS

(INR in Lacs)

	Computer Software	Total
<b>Gross carrying value</b>		
As at 31st March, 2019	-	-
Additions	56.95	56.95
As at 31st March, 2020	<b>56.95</b>	<b>56.95</b>
<b>Accumulated depreciation</b>		
As at 31st March, 2019	-	-
Depreciation charged	8.64	8.64
As at 31st March, 2020	<b>8.64</b>	<b>8.64</b>
<b>Net carrying value</b>		
As at 31st March, 2019	-	-
As at 31st March, 2020	<b>48.31</b>	<b>48.31</b>

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 5 : RIGHT TO USE ASSETS

(INR in Lacs)

Particulars	Land	Total
<b>Gross carrying value</b>		
<b>As at 31st March, 2019</b>	-	-
Additions/transfer	55.63	55.63
Disposals	-	-
<b>As at 31st March, 2020</b>	<b>55.63</b>	<b>55.63</b>
<b>Accumulated depreciation</b>		
<b>As at 31st March, 2019</b>	-	-
Depreciation charged/transfer	6.18	6.18
Disposals	-	-
<b>As at 31st March, 2020</b>	<b>6.18</b>	<b>6.18</b>
<b>Net carrying value</b>		
<b>As at 31st March, 2020</b>	<b>49.45</b>	<b>49.45</b>

## NOTE 6 : INVESTMENTS

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
<b>Investments valued at deemed cost, fully paid up</b>				
<b>Investment in a wholly owned subsidiary</b>				
250,000 equity shares shares of I&PCL Vacuum Cast Limited of Rs. 10 each	25.00	25.00	-	-
<b>Total investments</b>	<b>25.00</b>	<b>25.00</b>	<b>-</b>	<b>-</b>
Aggregate amount of quoted investments	-	-	-	-
Market value of quoted investments	-	-	-	-
Aggregate amount of unquoted investments	<b>25.00</b>	<b>25.00</b>	-	-

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 7 : LOANS (UNSECURED)

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
<b>Loans :</b>				
to subsidiary company	37.12	32.34	-	-
to employee	15.67	28.87	20.43	14.70
to others	28.20	50.05	26.67	42.53
<b>Total loans</b>	<b>80.99</b>	<b>111.26</b>	<b>47.10</b>	<b>57.23</b>

Particulars of loan and advances in the nature of loans as required by regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(INR in Lacs)

Name of the entity	Outstanding balances		Maximum balance outstanding during the year	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
<b>Subsidiaries:</b>				
I&PCL Vacuum Cast Limited	37.12	32.34	37.12	32.34
	<b>37.12</b>	<b>32.34</b>		

The said loan has been utilized for the purpose of acquisition of assets for which it was granted.

## NOTE 8 : OTHER FINANCIAL ASSETS

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Term deposits with maturity of more than 12 months	5.77	3.25	-	-
Claims receivables	-	-	33.37	44.91
Security deposits	200.24	200.13	-	-
Interest receivables	-	-	11.34	13.31
<b>Total other financial assets</b>	<b>206.01</b>	<b>203.38</b>	<b>44.71</b>	<b>58.22</b>

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 9 : OTHER ASSETS

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Capital advances	892.59	391.01	-	-
Prepaid expenses	-	-	54.73	70.59
Trade advances to suppliers	-	-	420.63	731.63
Input credit receivables	-	-	45.15	-
Other advance	-	-	59.62	97.03
Security Deposit	100.00	100.00		
<b>Total other assets</b>	<b>992.59</b>	<b>491.01</b>	<b>580.13</b>	<b>899.25</b>
Security deposits includes deposits towards factory shed to a company in which some of the directors are interested	100.00	100.00	-	-
Capital advance includes advances towards purchase of property from a company in which some of the directors are interested	225.00	225.00	-	-

## NOTE 10 : INVENTORIES

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
Stores & spares	527.30	527.89
Raw materials	673.91	644.83
Finished goods	579.23	878.45
Work-in-progress	1,390.00	1,159.83
<b>Total inventories</b>	<b>3,170.44</b>	<b>3,211.00</b>

## NOTE 11 : TRADE RECEIVABLES

(Unsecured, considered good unless otherwise stated)

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
Trade receivables	1,771.45	2,039.29
Less: Provision for doubtful debts	-	-
<b>Total trade receivables</b>	<b>1,771.45</b>	<b>2,039.29</b>

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 12 : CASH &amp; CASH EQUIVALENTS

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
Balances with banks	17.19	14.73
Cash on hand	3.37	3.56
<b>Total cash and cash equivalents</b>	<b>20.56</b>	<b>18.29</b>

## NOTE 13 : OTHER BANK BALANCES

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
Deposits with maturity more than 3 months	-	-
Unclaimed dividend accounts *	5.27	4.62
<b>Total other bank balances</b>	<b>5.27</b>	<b>4.62</b>

\* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2020.

## NOTE 14 : INCOME TAXES

(INR in Lacs)

PARTICULARS	31st March 2020	31st March 2019
The following table provides the details of income tax assets and liabilities :		
Income tax assets	794.47	756.48
Current income tax liabilities	(662.38)	(664.72)
<b>Net balances</b>	<b>132.09</b>	<b>91.76</b>
<b>The gross movement in the current tax asset / (liability)</b>		
Net current income tax asset at the beginning	91.76	10.92
Income tax paid (net of refunds)	37.98	130.50
Current income tax expense	2.35	(49.66)
<b>Net current income tax asset at the end</b>	<b>132.09</b>	<b>91.76</b>
A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income tax is as below:		
Profit before tax	(103.17)	960.57

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

Applicable income tax rate *	0.00%	20.59%
		197.75
* Rate under MAT for 2018 -19		
Effect of expenses not allowed for tax purpose	-	2.25
Effect of income not considered for tax purpose	-	-
	-	2.25
Income tax expense charged to the Statement of Profit and Loss	0.00	200.00

## NOTE 15 : EQUITY SHARE CAPITAL

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
<b>Authorised</b>		
10,400,000 equity shares of Rs. 10 each	1,040.00	1,040.00
10,000 preference shares of Rs. 100 each	10.00	10.00
	<b>1,050.00</b>	<b>1,050.00</b>
<b>Issued, Subscribed and Paid up</b>		
5,000,000 equity shares of ` 10 each	500.00	500.00
<b>Total equity share capital</b>	<b>500.00</b>	<b>500.00</b>

## Shares held by each shareholder holding more than five percent shares

Name of Shareholder	As at 31st March 2020		As at 31st March 2019	
	Nos.	% of holding	Nos.	% of holding
Meche Private Limited	809,728	16.19	809,728	16.19
Piyush I Tamboli	583,421	11.67	579,871	11.60
Piyush I Tamboli HUF	482,908	9.66	482,908	9.66
Rekha N Shah	500,000	10.00	500,000	10.00
Vishakha P Tamboli	323,200	6.46	313,200	6.26
Jainam P Tamboli	296,000	5.92	296,000	5.92

## Rights, preferences and restrictions attached to shares :

The company has one class of equity shares having a face value of Rs. 10 each ranking pari passu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 16 : OTHER EQUITY

Particulars	(INR in Lacs)	
	31st March 2020	31st March 2019
<b>General reserve</b>		
Balance at the beginning of the year	5,877.05	5,000.00
Add: transferred from retained earnings	0.00	877.05
Balance at the end of the year	5,877.05	5,877.05
<b>Retained earnings</b>		
Balance at the beginning of the year	1,101.98	1,132.12
Profit for the year	(67.23)	997.61
Appropriations		
Transfer to general reserve	-	(877.05)
Final dividend, declared and paid during the year	(100.00)	(125.00)
Dividend distribution tax	(20.55)	(25.70)
Balance at the end of the year	914.20	1,101.98
<b>Securities Premium Account</b>	25.20	25.20
<b>Other components of equity</b>		
Remeasurement of defined benefit plans (net of tax)	(10.44)	(3.49)
	<b>(10.44)</b>	<b>(3.49)</b>
<b>Total other equity</b>	<b>6,806.01</b>	<b>7,000.74</b>

**General reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under Companies Act, 2013 and the Company can optionally transfer any amount from the surplus of profit or loss to the General Reserve.

**Retained earnings:** Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

**Securities Premium Account:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

**Remeasurement of defined benefit plans:** The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earnings when the relevant obligations are derecognized.



Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 17 : BORROWINGS

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
<b>Secured</b>				
Term loans from banks	1,595.37	1,675.36	-	-
Working capital finance from banks	-	-	3,895.66	3,616.95
	<b>1,595.37</b>	<b>1,675.36</b>	<b>3,895.66</b>	<b>3,616.95</b>
<b>Unsecured</b>	-	-	-	-
	-	-	-	-
<b>Total borrowings</b>	<b>1,595.37</b>	<b>1,675.36</b>	<b>3,895.66</b>	<b>3,616.95</b>

Note: Term loan and working capital finance from bank of baroda are secured by equitable mortgage of land & building and hypothecation of plant & equipment, inventories, book debts and and further secured by personal guarantee of one of the directors.

## NOTE 18 : OTHER FINANCIAL LIABILITIES

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Current maturities of long-term debt	-	-	351.78	435.84
Payable towards services received	-	-	29.54	74.24
Unclaimed dividend	-	-	4.85	4.62
<b>Total other financial liabilities</b>	<b>-</b>	<b>-</b>	<b>386.17</b>	<b>514.70</b>

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 19 : PROVISIONS

(NR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Provision for leave encashment	31.68	37.65	3.48	4.51
Gratuity fund obligations (net)	-	-	28.95	21.07
Provision for bonus	-	-	20.33	32.00
<b>Total provisions</b>	<b>31.68</b>	<b>37.65</b>	<b>52.76</b>	<b>57.58</b>

## NOTE 20 : DEFERRED TAX LIABILITIES

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
<b>Deferred tax liabilities / (assets)</b>		
On account of timing differences in		
Depreciation on property, plant & equipment	587.28	519.95
Carry forward of business loss	(117.67)	-
Disallowances u/s 40(a) and 43B of the Income Tax Act	(116.86)	(130.93)
	<b>352.75</b>	<b>389.02</b>

## NOTE 21 : OTHER LIABILITIES

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Advances from customers	-	-	73.23	52.49
Statutory liabilities	-	-	64.59	29.82
Other liabilities	-	-	3.88	1.00
<b>Total other liabilities</b>	<b>-</b>	<b>-</b>	<b>141.70</b>	<b>83.31</b>

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 22 : TRADE PAYABLES

(INR in Lacs)

Particulars	Current	
	31st March 2020	31st March 2019
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 37)	580.97	631.43
Total outstanding dues of creditors other than Micro and Small Enterprises	1,178.93	1,196.52
<b>Total trade payables</b>	<b>1,759.90</b>	<b>1,827.95</b>

## NOTE 23 : REVENUE FROM OPERATIONS

(INR in Lacs)

Particulars	2019-2020	2018-2019
<u>Revenue from sale of products:</u>		
Export sales	198.74	207.71
Domestic sales	9,052.67	11,381.55
	<b>9,251.41</b>	<b>11,589.26</b>
<u>Other operating revenue</u>		
Energy credits from wind mills operations	265.19	277.08
Export incentives and credits	1.93	2.14
<b>Total revenue from operations</b>	<b>9,518.53</b>	<b>11,868.48</b>

## NOTE 24 : OTHER INCOME

(INR in Lacs)

Particulars	2019-2020	2018-2019
Interest receipts	27.02	33.79
Foreign currency fluctuation gain	8.34	-
Rent income on investment properties	0.60	0.15
Gain on disposal of property, plant & equipments	-	19.12
Sundry balances written back	21.07	29.87
Miscellaneous income	4.69	11.45
<b>Total other income</b>	<b>61.72</b>	<b>94.38</b>

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 25 : COST OF MATERIALS CONSUMED

(INR in Lacs)

Particulars	2019-2020	2018-2019
<b>Raw materials consumed</b>		
Opening stock	644.83	477.08
Add : Purchases	867.43	1,282.07
	<b>1,512.26</b>	<b>1,759.15</b>
Less: Closing stock	(673.91)	(644.83)
<b>Total cost of material consumed</b>	<b>838.35</b>	<b>1,114.32</b>

## NOTE 26 : CHANGES IN INVENTORIES

(INR in Lacs)

Particulars	2019-2020	2018-2019
<b>Closing Stock</b>		
Work-in-progress	1,390.00	1,159.83
Finished goods	579.23	878.45
	<b>1,969.23</b>	<b>2,038.28</b>
<b>Opening Stock</b>		
Work-in-progress	1,159.83	788.78
Finished goods	878.45	325.69
	<b>2,038.28</b>	<b>1,114.47</b>
<b>Total changes in inventories</b>	<b>69.05</b>	<b>(923.81)</b>

## NOTE 27 : EMPLOYEE BENEFIT EXPENSES

(INR in Lacs)

Particulars	2019-2020	2018-2019
Salaries, wages and bonus	669.20	716.00
Contribution to provident fund and other funds	47.18	58.38
Staff welfare expenses	13.72	14.85
<b>Total employee benefit expenses</b>	<b>730.10</b>	<b>789.23</b>

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 28 : FINANCE COST

(INR in Lacs)

Particulars	2019-2020	2018-2019
Interest and finance charge on financial liabilities carried at amortised cost:		
Banks	511.97	440.83
Others	38.12	3.19
	<b>550.09</b>	<b>444.02</b>
Other borrowing cost	98.75	67.02
<b>Total finance costs</b>	<b>648.84</b>	<b>511.04</b>

## NOTE 29 : DEPRECIATION AND AMORTIZATION EXPENSES

(INR in Lacs)

Particulars	2019-2020	2018-2019
Depreciation on tangible assets	650.67	617.11
Depreciation on intangible assets	8.64	0.00
<b>Total depreciation and amortisation expenses</b>	<b>659.31</b>	<b>617.11</b>

## Note 30 : Other Expenses

(INR in Lacs)

Particulars	2019-2020	2018-2019
<b><u>Manufacturing expenses</u></b>		
Power and Fuel	1,356.08	1,995.05
Machinery repairs and maintenance	93.22	86.46
Stores and spares	2,020.25	2,799.23
Fettling and other external processing charges	2,275.65	2,983.10
Other expenses	232.18	243.19
	<b>5,977.38</b>	<b>8,107.03</b>
<b><u>Selling and Distribution Expenses</u></b>		
Sales commission	15.83	17.43
Export freight and insurance	3.97	3.02
Other selling expenses	326.46	388.25
	<b>346.25</b>	<b>408.70</b>

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

<b><u>Administrative and other expenses</u></b>		
Rent	2.74	2.39
Travelling and conveyance expenses	98.05	101.40
Insurance premiums	17.59	6.02
Advertisement expenses	5.70	3.00
Repairs to buildings and others	27.12	38.60
Legal and professional fees	71.36	54.22
Corporate social responsibility expenses	33.59	-
Donations	0.51	15.50
Payment to auditors	5.03	4.72
Directors sitting fees	4.99	6.23
Bank discount, commission and other charges	4.11	7.13
Rates and taxes	6.13	5.81
Foreign currency fluctuation loss	-	0.47
Miscellaneous expenses	137.21	133.18
	<b>414.13</b>	<b>378.67</b>
<b>Total other expenses</b>	<b>6,737.76</b>	<b>8,894.40</b>

<u>Expenditure towards Corporate Social Responsibility (CSR) activities</u>		
<u>Amount required to be spent u/s 135(5) of the Companies Act 2013</u>	18.45	15.14
Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	33.59	-
	33.59	-

<u>Payments to auditors</u>		
Audit fees (including quarterly limited review)	4.60	4.30
Taxation matters	-	-
Other services	0.43	0.42
	5.03	4.72

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 31 : EARNING PER SHARE

Particulars	2019-2020	2018-2019
Profit for the year (Rs. in lacs)	(67.23)	997.61
Weighted average number of shares (Nos)	5,000,000	5,000,000
Earnings per share (Basic and Diluted)	(1.34)	19.95
Face value per share	10.00	10.00

## NOTE 32 : FAIR VALUE MEASUREMENT

## Financial instruments by category

(INR in Lacs)

Particulars	31st March 2020				31st March 2019			
	FVPL	FVOCI	Amortised cost	Fair Value	FVPL	FVOCI	Amortised cost	Fair Value
<b>Financial assets</b>								
Investments	-	-	25.00	25.00	-	-	25.00	25.00
Trade receivables	-	-	1,771.45	1,771.45	-	-	2,039.29	2,039.29
Loans : non- current	-	-	80.99	80.99	-	-	111.26	111.26
Loans : current	-	-	47.10	47.10	-	-	57.23	57.23
Other financial assets - non-current	-	-	206.01	206.01	-	-	203.38	203.38
Other financial assets : current	-	-	44.71	44.71	-	-	58.22	58.22
Cash and cash equivalents	-	-	20.56	20.56	-	-	18.29	18.29
Other bank balances	-	-	5.27	5.27	-	-	4.62	4.62
<b>Total financial assets</b>	-	-	<b>2,201.09</b>	<b>2,201.09</b>	-	-	<b>2,517.29</b>	<b>2,517.29</b>
<b>Financial liabilities</b>								
Borrowings								
Long term borrowings*	-	-	1,947.16	1,947.16	-	-	2,111.20	2,111.20
Short term borrowings	-	-	3,895.66	3,895.66	-	-	3,616.95	3,616.95
Trade payables	-	-	1,759.90	1,759.90	-	-	1,827.95	1,827.95
Other financial liabilities : non-current	-	-	-	-	-	-	-	-
Other financial liabilities : current	-	-	34.39	34.39	-	-	78.86	78.86
<b>Total financial liabilities</b>	-	-	<b>7,637.10</b>	<b>7,637.10</b>	-	-	<b>7,634.96</b>	<b>7,634.96</b>

\* including current maturities of long term debt

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)**NOTE 33: FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to credit risk, liquidity risk and market risk.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings/ Aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

**A. Credit Risk :**

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables, work in progress and other receivables.

In respect of trade receivables, the Company uses a provision matrix to compute the expected credit loss allowances for trade receivables in accordance with the expected credit loss (ECL) policy of the Company. The Company regularly reviews trade receivables and necessary provisions, wherever required, are made in the financial statements.

**B. Liquidity Risk :**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of significant financial liabilities are as follows:



Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

(INR in Lacs)

Particulars	Less than or equal to one year	more than one year	Total
<b>As on 31st March 2020</b>			
<b>Financial assets</b>			
Non-current investments	-	25.00	25.00
Loans	47.10	80.99	128.09
Trade receivables	1,771.45	-	1,771.45
Cash and cash equivalents	20.56	-	20.56
Other bank balances	5.27	-	5.27
Other financial assets	44.71	206.01	250.72
<b>Total financial assets</b>	<b>1,889.08</b>	<b>312.01</b>	<b>2,201.09</b>
<b>Financial liabilities</b>			
Long term borrowings	351.78	1,595.37	1,947.16
Short term borrowings	3,895.66	-	3,895.66
Trade payables	1,759.90	-	1,759.90
Other financial liabilities	34.39	-	34.39
<b>Total financial liabilities</b>	<b>6,041.73</b>	<b>1,595.37</b>	<b>7,637.10</b>
<b>As on 31st March 2019</b>			
<b>Financial Assets</b>			
Non-current investments	-	25.00	25.00
Loans	57.23	111.26	168.49
Trade receivables	2,039.29	-	2,039.29
Cash and cash equivalents	18.29	-	18.29
Other bank balances	4.62	-	4.62
Other financial assets	58.22	203.38	261.60
<b>Total financial assets</b>	<b>2,177.65</b>	<b>339.64</b>	<b>2,517.29</b>
<b>Financial Liabilities</b>			
Long term borrowings	435.84	1,675.36	2,111.20
Short term borrowings	3,616.95	-	3,616.95
Trade payables	1,827.95	-	1,827.95
Other financial liabilities	78.86	-	78.86
<b>Total financial liabilities</b>	<b>5,959.60</b>	<b>1,675.36</b>	<b>7,634.96</b>

## C. Market Risk :

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

## Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

The Company has several balances in foreign currency and consequently, the Company is exposed to foreign exchange risk. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

### A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

### B. Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(INR in Lacs)

Particulars	Increase/decrease in basis points	Effect of profit before tax
March 31, 2020	+100	58.43
	-100	(58.43)
March 31, 2019	+100	57.28
	-100	(57.28)

Company's exposure to foreign currency risk at the end of each reporting period is as under:

### C. Exposure in foreign currency – Unhedged :

Currency	31st March 2020	31st March 2019
USD	877	12,415
Euro	116,901	22,852

### A. Foreign currency sensitivity :

The Company is mainly exposed to changes in USD, GBP and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

(INR in Lacs)

Particulars	Currency	Change in rate	Effect of profit before tax
March 31, 2020	USD	+5%	0.03
	USD	-5%	(0.03)
March 31, 2019	USD	+5%	0.43
	USD	-5%	(0.43)
March 31, 2020	EURO	+5%	4.96
	EURO	-5%	(4.96)
March 31, 2019	EURO	+5%	0.89
	EURO	-5%	(0.89)

**NOTE 34: CAPITAL MANAGEMENT**

The Company's capital management objective is to maximise the total shareholders' returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the company.

The following table summarises the capital of the Company:

(INR in Lacs)

Particulars	As at	
	31st March 2020	31st March 2019
Total debt	5,842.82	5,728.15
Total equity	7,306.01	7,500.74
Total debt to equity ratio	0.80	0.76

**Dividends**

(INR in Lacs)

Dividends recognised in the financial statements	31st March 2020	31st March 2019
Final dividend for the year ended 31st March of Rs. 2.50 per equity share	100.00	(125.00)
<b>Dividends not recognised in the financial statements</b>		
The Board of Directors have recommended the payment of final dividend of Rs. 0.10 per share for the financial year 2019-20. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	5.00	-

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 35: CONTINGENT LIABILITIES

(INR in Lacs)

No.	Particulars	31st March 2020	31st March 2019
1	In respect of disputed income tax liabilities	7.55	7.55
2	In respect of value added tax liabilities	11.94	11.94

## NOTE 36: EMPLOYEE BENEFITS

Funded Scheme: Gratuity

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. The Company makes contributions to approved gratuity fund.

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
<b>Amount recognised in balance sheet</b>		
Present value of funded defined benefit obligation	194.19	194.71
Fair value of plan assets	165.24	173.64
Net funded obligation	(28.95)	(21.07)
<b>Expense recognised in the statement of profit and loss</b>		
Current service cost	10.28	10.80
Interest on net defined benefit asset	0.80	(0.10)
<b>Total expense charged to profit and loss Account</b>	<b>11.08</b>	<b>10.70</b>
<b>Amount recorded as other comprehensive income</b>		
Remeasurements during the period due to:		
Return on plan assets, excluding interest income	7.61	(0.08)
Actual (gain)/loses on obligation for the period	2.01	2.50
<b>Closing amount recognised in OCI outside profit &amp; loss account</b>	<b>9.62</b>	<b>2.42</b>

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

<b>Reconciliation of net liability/(asset)</b>		
<b>Opening net defined benefit liability/(asset)</b>	21.07	5.01
Expense charged to profit and loss account	11.08	10.70
Amount recognised outside profit and loss account	9.62	2.42
Benefits paid	(11.31)	4.45
Employer contributions	(1.51)	(1.51)
<b>Closing net defined benefit liability/(asset)</b>	28.95	21.07
<b>Movement in benefit obligation</b>		
<b>Opening of defined benefit obligation</b>	194.71	203.90
Current service cost	14.29	15.27
Interest on defined benefit obligation	10.28	10.80
Actuarial loss/(gain) arising from change in financial assumptions	7.62	(0.08)
Benefits paid	(32.71)	(35.18)
<b>Closing of defined benefit obligation</b>	194.19	194.71
<b>Movement in plan assets</b>		
<b>Opening fair value of plan assets</b>	173.64	198.89
<b>Actuarial gain/(loss) arising from change in financial assumptions</b>	(2.01)	(2.50)
<b>Interest income</b>	13.49	15.37
<b>Contributions by employer</b>	2.01	1.52
<b>Benefits paid</b>	(21.89)	(39.64)
<b>Closing of defined benefit obligation</b>	165.24	173.64
<b>Principal actuarial assumptions</b>		
<b>Discount Rate</b>	6.84%	7.73%
<b>Salary escalation rate p.a.</b>	6.84%	7.00%

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

Sensitivity analysis for significant assumption is as shown below:			
(INR in Lacs)			
No.	Sensitivity Level	31st March 2020	31st March 2019
1	Discount Rate - 1% Increase	(14.61)	(13.02)
2	Discount Rate - 1% Decrease	17.03	15.10
3	Salary - 1% Increase	16.35	14.46
4	Salary - 1% Decrease	(14.24)	(12.44)
5	Employee Turnover - 1% Increase	(0.11)	0.91
6	Employee Turnover - 1% Decrease	0.14	(1.03)

The following are the expected future benefit payments for the defined benefit plan:

(INR in Lacs)			
No.	Particulars	31st March 2020	31st March 2019
1	Within the next 12 months (next annual reporting period)	17.70	17.57
2	Between 2 and 5 years	77.90	67.63
3	Beyond 5 years	304.25	325.30

**NOTE 37 :**

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

(INR in Lacs)			
No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)		
1	Principal amount due to micro and small enterprise	580.97	631.43
2	Interest due on above	-	-

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

## NOTE 38 :

As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in IND AS are given below:

Sr No.	Particulars	Country of Incorporation
<b>A</b>	<b><u>Subsidiary</u></b>	
1	I&PCL Vacuum Cast Limited	India
	A wholly-owned subsidiary	
<b>B</b>	<b><u>Associates</u></b>	
1	Tamboli Foundry Supplies and Services Limited	India
2	Tamboli Foundation	India
<b>C</b>	<b><u>Key management personnel and relatives</u></b>	
1	Mr. R K Menon	Chairman Emeritus
2	Mr. Piyush I Tamboli	Chairman & Managing Director
3	Mrs. Vishakha P Tamboli	Director
4	Mr. Jainam P Tamboli	Manager
5	Mr. Akshay Shah	Independent Director
6	Mr. J M Mapgaonkar (Upto 26 <sup>th</sup> September,2019)	Independent Director
7	Mr. Girish C Shah	Independent Director
8	Mr. B. Pratapkumar	Whole Time Director
9	Mr. Girish V Shah (Upto 20 <sup>th</sup> July,2020)	Chief Financial Officer
10	Ms. Hetal Kapadia	Company Secretary

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

(INR in Lacs)		
Nature of transaction	Year ended 31st March 2020	Year ended 31st March 2019
<b><u>Subsidiary</u></b>		
Advance granted	0.35	1.11
Outstanding balances:		
Loans	55.45	55.11
Trade payables	15.53	15.53
<b><u>Associates</u></b>		
<b><u>Purchase of materials and services</u></b>		
Tamboli Foundry Supplies and Services Limited	74.01	87.36
<b><u>Reimbursement of expenses</u></b>		
Tamboli Foundry Supplies and Services Limited	5.25	10.45
<b><u>Donation:</u></b>		
Shree Tamboli Foundation	29.19	5.00
<b><u>Outstanding balances: - Tamboli Foundry Supplies and Services Limited</u></b>		
Trade receivables	3.81	3.81
Security deposits	100.00	100.00
Capital advance	225.00	225.00
Trade advances to suppliers	176.30	154.53
<b><u>Key management personnel</u></b>		
<b><u>Remuneration</u></b>		
Mr. Piyush I Tamboli	42.00	80.00
Mr. B. Pratapkumar	18.85	16.56
Mr. Girish V Shah	8.85	8.95
Ms. Hetal Kapadia	1.65	1.44
<b>Total</b>	<b>69.65</b>	<b>106.95</b>



Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2020 (Contd.)

<b><u>Guarantee Commission</u></b>		
Mr. Piyush I Tamboli	82.72	34.94
<b><u>Sitting fees</u></b>		
Mrs. Vishakha P Tamboli	0.80	1.10
Mr. Akshay Shah	1.15	1.82
Mr. J M Mappaonkar	0.38	1.44
Mr. Vimal Ambani	1.14	0.00
Mr. Girish C Shah	1.52	1.87
<b>Total</b>	<b>4.99</b>	<b>6.23</b>
<b><u>Professional Fees</u></b>		
Mr. R K Menon	30.00	30.00
<b><u>Staff training &amp; education expenses</u></b>		
Mr. Jainam P Tamboli	-	33.81
<b><u>Outstanding balances:</u></b>		
<b><u>Other liabilities</u></b>		
Mr. R K Menon	-	11.16

As per our report of even date attached

For **PARK & Company**

Chartered Accountants

**Ashish Dave**

Partner

**Hetal Kapadiya**

Company Secretary

Date : 20<sup>th</sup> July, 2020

For **INVESTMENT & PRECISION CASTINGS LIMITED**

For and on behalf of the Board of Directors

**Piyush Tamboli**

Chairman & Managing Director

DIN : 00146033

**Vishakha Tamboli**

Director

DIN : 06600319

## INDEPENDENT AUDITORS' REPORT – CONSOLIDATED FINANCIAL STATEMENT

To  
The Members of  
INVESTMENT & PRECISION CASTINGS LIMITED

### Report on the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Investment & Precision Castings Limited** (“the Holding Company”) and its wholly-owned subsidiary (the Holding Company and its subsidiary together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2020, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements of the subsidiary referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and the other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March 2020, of its consolidated loss, consolidated total comprehensive loss, consolidated changes in equity and

consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 Consolidated 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Emphasis of matters

We draw your attention to Note 41 to the consolidated financial statements which explains the uncertainties and the management’s assessment of the financial impact due to lock-down and other restrictions and conditions related to the COVID-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

### Key audit matters

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

We have determined that there are no key audit matters to communicate in our report.

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing financial reporting process of the Group.

### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatements of the consolidated 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 the internal control.
- Obtain an understanding of internal financial controls 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 ability of the Group to continue as 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial

statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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

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

#### Other Matters

- The consolidated Ind AS financial statements include financial statements of a wholly-owned subsidiary which reflect total assets of Rs. 57.76 lacs as at 31<sup>st</sup> March, 2020, total revenues ₹ Nil and net loss after tax (including other comprehensive income) of Rs. 5.17 lacs for the year as considered in the Consolidated Financial Statements. These financial statements are audited by other auditors whose report has been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to aforesaid subsidiary is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements above and our report on other Legal and Regulatory Requirements below is not modified in respect of the these matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of a subsidiary as noted in the "Other Matters" paragraph above, we report, to extent possible, 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 of the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors;
  - c) The consolidated balance sheet, the consolidated statement of profit and loss, including other comprehensive income, consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2020 and taken on record by the Board of Directors of the Holding Company and the report of statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group is disqualified as on 31<sup>st</sup> March 2020, from being appointed as a director in terms section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Holding Company and its subsidiary incorporated in India and operating effectiveness of such controls, our separate report in annexure – A may be referred.
- g) In our opinion and to the best of our information and according to the explanations given to us and according to the reports of the statutory auditors of the subsidiary company incorporated in India, remuneration paid by the Holding Company and its subsidiary company incorporated in India, to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
- ii) The Group did not have any material foreseeable losses on long-term contracts including derivatives contracts;
- iii) There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Holding company or its subsidiary incorporated in India.

For, **PARK & COMPANY**  
Chartered Accountant  
FRN : 116825W

**Mr. Ashish Dave**  
Partner  
Membership No. 170275  
UDIN : 20170275AAAACA3268

Bhavnagar  
20<sup>th</sup> July, 2020

## ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **Investment & Precision Castings Limited** ("the Holding Company") and its wholly-owned subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which are companies incorporated in India as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

## Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods

are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Holding Company and its subsidiary company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

## Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting in so far as it relates to subsidiary incorporated in India, is based solely on the corresponding reports of the statutory auditors of such company. Our opinion is not modified in respect of this matter.

For, **PARK & COMPANY**  
Chartered Accountant  
FRN : 116825W

**Mr. Ashish Dave**  
Partner  
Membership No. 170275  
UDIN : 20170275AAAACA3268

Bhavnagar  
20<sup>th</sup> July, 2020



## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH,2020

(INR in Lacs)

PARTICULARS	Note No.	31-Mar-2020	31-Mar-2019
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	8,036.95	7,817.60
Capital work-in -progress	2	302.82	619.12
Investment properties	3	47.17	48.78
Intangible asset	4	48.31	-
Right to use assets	5	49.45	-
Intangible asset under development		-	46.32
Financial assets			-
Investments	6	0.60	0.60
Loans	7	43.87	78.92
Other financial assets	8	206.01	203.38
Other non-current assets	9	995.00	493.32
		<b>9,730.18</b>	<b>9,308.04</b>
<b>Current Assets</b>			
Inventories	10	3,170.44	3,211.00
Financial assets			
Investments		-	-
Trade receivables	11	1,771.45	2,039.29
Cash and cash equivalents	12	20.75	18.68
Other bank balances	13	5.27	4.62
Loans	7	47.10	57.23
Other financial assets	8	44.71	58.22
Current tax assets (net)	14	794.47	756.48
Other current assets	9	580.13	899.24
		<b>6,434.32</b>	<b>7,044.76</b>
<b>TOTAL ASSESTS</b>		<b>16,164.50</b>	<b>16,352.80</b>

## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH,2020 (Contd.)

(INR in Lacs)

PARTICULARS	Note No.	31-Mar-2020	31-Mar-2019
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Equity</u></b>			
Equity share capital	15	500.00	500.00
Other equity	16	6,798.60	6,998.49
		<b>7,298.60</b>	<b>7,498.49</b>
<b><u>Liabilities</u></b>			
<b><u>Non-current liabilities</u></b>			
Financial Liabilities			
Borrowings	17	1,595.37	1,675.36
Other financial liabilities	18	-	-
Provisions	19	31.68	37.65
Deferred tax liabilities (net)	20	352.75	389.02
Other non-current liabilities	21	-	-
		1,979.80	2,102.03
<b><u>Current liabilities</u></b>			
Financial Liabilities			
Borrowings	17	3,895.66	3,616.95
Trade payables	22	-	-
Total outstanding dues of Micro and Small Enterprises		580.97	631.43
Total outstanding dues of creditors other than Micro and Small Enterprises		1,166.46	1,183.58
Other financial liabilities	18	386.17	514.70
Provision	19	52.76	57.59
Other current liabilities	21	141.70	83.31
Other current liabilities (Net)	14	662.38	664.72
		6,886.10	6,752.28
<b>TOTAL LIABILITIES</b>		<b>16,164.50</b>	<b>16,352.80</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date attached

For **PARK & Company**

Chartered Accountants

Ashish Dave

Partner

**Hetal Kapadiya**

Company Secretary

Date : 20<sup>th</sup> July, 2020

For **INVESTMENT & PRECISION CASTINGS LIMITED**

For and on behalf of the Board of Directors

**Piyush Tamboli**

Chairman & Managing Director

DIN : 00146033

**Vishakha Tamboli**

Director

DIN : 06600319

STATEMENT OF PROFIT & LOSS for the year ended 31<sup>st</sup> MARCH, 2020

(INR in Lacs)

PARTICULARS	Note No.	31-Mar-2020	31-Mar-2019
<b>REVENUE :</b>			
Revenue from operations (net)	23	9,518.53	11,868.48
Other income	24	57.29	90.50
<b>Total Revenue</b>		<b>9,580.25</b>	<b>11,962.86</b>
<b>EXPENSES :</b>			
Raw materials consumed	25	838.35	1,114.32
Purchases of traded goods		-	-
Changes in inventories	26	69.05	(923.81)
Employee benefits expenses	27	730.10	789.23
Finance costs	28	648.84	511.04
Depreciation and amortization expenses	29	659.31	617.10
Other expenses	30	6,738.51	8,895.11
<b>Total Expenses</b>		<b>9,684.16</b>	<b>11,003.00</b>
<b>Profit before Exceptional Items and tax</b>		<b>(108.34)</b>	<b>955.98</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>(108.34)</b>	<b>955.98</b>
<b>Tax Expenses</b>			
Current tax	14	-	200.00
Earlier years' tax		(2.35)	(150.34)
Deferred tax		(33.60)	(86.70)
<b>Profit for the year</b>		<b>(72.39)</b>	<b>993.02</b>
<b>Other Comprehensive income</b>			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		(9.62)	(2.42)
b. Tax impacts on above		2.67	0.67
Items that may be reclassified to profit or loss			
<b>Other comprehensive income for the year</b>		<b>(6.95)</b>	<b>(1.75)</b>
<b>Total Comprehensive Income for the year</b>		<b>(79.34)</b>	<b>991.27</b>
Basic and diluted earning per share	31	(1.45)	19.86
Face value per share		10.00	10.00

The accompanying notes are integral part of these financial statements.

As per our report of even date attached

For **PARK & Company**

Chartered Accountants

Ashish Dave

Partner

**Hetal Kapadiya**

Company Secretary

Date : 20<sup>th</sup> July, 2020

For **INVESTMENT & PRECISION CASTINGS LIMITED**

For and on behalf of the Board of Directors

**Piyush Tamboli**

Chairman & Managing Director

DIN : 00146033

**Vishakha Tamboli**

Director

DIN : 06600319

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020

(INR in Lacs)

PARTICULARS	2019-2020		2018-2019	
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net profit for the year		(72.39)		993.02
<b>Adjustments for -</b>				
Depreciation	659.31		617.11	
Income tax expenses	(35.95)		(37.04)	
Reversal of impairment loss on trade receivables	(21.07)		-	
Loss/(gain) on disposal of property, plant & equipments	-		(19.12)	
Interest income	(22.59)		(29.91)	
Finance cost	550.09	1,129.79	444.02	975.06
<b>Operating Profit Before Working Capital Changes</b>		<b>1,057.41</b>		1,968.08
<b>Movements in working capital:</b>				
Trade receivables	301.07		304.27	
(Increase)/decrease in other assets	(182.58)		(101.82)	
(Increase)/decrease in inventories	40.56		(1,176.06)	
Increase/(decrease) in provisions	22.84		(17.64)	
Trade and other payables	(137.95)		376.66	
<b>Cash generated from operations</b>		<b>43.94</b>		(614.59)
Income tax paid	(58.53)	(58.53)	(156.20)	(156.20)
<b>Net cash generated by operating activities</b>		<b>1,042.82</b>		1,197.29
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Payment for property, plant and equipments		(612.19)		(2,304.14)
Sale of fixed assets		-		30.02
Interest received		22.59		29.91
<b>Net cash (used in)/generated from investing activities</b>		<b>(589.60)</b>		<b>(2,244.21)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds from borrowings		278.70		1,566.30
Repayment of borrowings		(79.98)		-
Interest paid		(550.09)		(444.02)
Dividend paid		(99.77)		(123.91)
<b>Net cash used in financing activities</b>		<b>(451.15)</b>		998.37
Net increase in cash and cash equivalents		2.07		(48.55)
Cash and cash equivalents as at beginning of the year		18.69		67.24
<b>Cash and cash equivalents as at end of the year</b>		<b>20.76</b>		<b>18.69</b>

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) - Statement of Cash Flow.

As per our report of even date attached

For **PARK & Company**

Chartered Accountants

**Ashish Dave**

Partner

**Hetal Kapadiya**

Company Secretary

Date : 20<sup>th</sup> July, 2020

For **INVESTMENT & PRECISION CASTINGS LIMITED**

For and on behalf of the Board of Directors

**Piyush Tamboli**

Chairman & Managing Director

DIN : 00146033

**Vishakha Tamboli**

Director

DIN : 06600319

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020.

## A. SHARE CAPITAL :

(INR in Lacs)

PARTICULARS	31st March 2020	31st March 2019
At the beginning of the year	500.00	500.00
Changes in equity share capital during the year	-	-
At the end of the year	500.00	500.00

## B. OTHER EQUITY :

(INR in Lacs)

Particulars	General reserve	Retained earnings	Securities Premium Account	Other Comprehensive Income	Total
				Remeasurements of net defined benefit plans	
<b>As at 1st April, 2018</b>	5,000.00	1,132.12	25.20	(1.74)	6,155.58
Profit for the year	-	997.61	-	-	997.61
Other comprehensive income for the year (net of tax)	-	-	-	(1.75)	(1.75)
Transfer from retained earnings to general reserve	877.05	(877.05)	-	-	(0.00)
Final dividend , declared and paid during the year	-	(125.00)	-	-	(125.00)
Dividend distribution tax	-	(25.70)	-	-	(25.70)
<b>As at 31st March, 2019</b>	<b>5,877.05</b>	<b>1,101.97</b>	<b>25.20</b>	<b>(3.49)</b>	<b>7,000.74</b>
Profit for the year	-	(67.23)	-	-	(67.23)
Other comprehensive income for the year (net of tax)	-	-	-	(6.95)	(6.95)
Transfer from retained earnings to general reserve	-	-	-	-	-
Final dividend , declared and paid during the year	-	(100.00)	-	-	(100.00)
Dividend distribution tax	-	(20.55)	-	-	(20.55)
<b>As at 31st March, 2020</b>	<b>5,877.05</b>	<b>914.20</b>	<b>25.20</b>	<b>(10.44)</b>	<b>6,806.01</b>

As per our report of even date attached  
For **PARK & Company**  
Chartered Accountants

**Ashish Dave**

Partner

**Hetal Kapadiya**

Company Secretary

Date : 20<sup>th</sup> July, 2020

For **INVESTMENT & PRECISION CASTINGS LIMITED**  
For and on behalf of the Board of Directors

**Piyush Tamboli**

Chairman &amp; Managing Director

DIN : 00146033

**Vishakha Tamboli**

Director

DIN : 06600319

**Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020**

**COMPANY INFORMATION**

**Investment & Precision Castings Limited** (the 'Company') is a public limited Company domiciled in India and incorporated on 3<sup>rd</sup> April 1975 under the provisions of the Companies Act applicable in India. The Parent Company together with its subsidiaries (collectively referred as the "Group") is engaged in the production of investment castings. The registered office of the Company is located at Nari Road, Bhavnagar – 364 006. The equity shares of the Company are listed on Bombay Stock Exchange (BSE).

The consolidated financial statements ('the financial statements') were authorized for issue in accordance with the resolution of the Board of Directors of the Company on 20<sup>th</sup> July, 2020.

**1. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES**

**i. Basis of preparation and measurement:**

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Group adopts operating cycle based on the project period

and accordingly, all project related assets and liabilities are classified into current and non-current. The Group considers 12 months as normal operating cycle.

The Group's financial statements are reported in Indian Rupees, which is also the Group's functional currency, and all values are rounded to the nearest lacs except otherwise indicated.

**ii. Significant accounting policies:**

**a. System of accounting**

The financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of Companies Act, 2013 ("Act"), except in case of significant uncertainties.

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. It is held primarily for the purpose of being traded:

- It is expected to be realized within 12 months after the reporting date;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
  - It is expected to be settled in the Group's normal operating cycle;
  - It is held primarily for the purpose of being traded;

- It is due to be settled within 12 months after the reporting date;
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
  - Deferred tax assets and liabilities are classified as non-current only.

#### b. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and judgements are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the Group.

#### c. Standards issued but not effective :

The amendments are proposed to be effective for reporting periods beginning on or after 1<sup>st</sup> April, 2020.

##### 1. Ind AS 117 – Insurance Contracts :

Ind AS 117 supersedes Ind AS 104 Insurance Contracts. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flow with a provision for risk. Application of this standard is not expected to have any significant impact on the Group's financial statements.

##### 2. Amendments to existing standards :

Ministry of corporate affairs has carried out amendments of the following accounting standards:

- Ind AS 103 – Business Combination
- Ind AS 1 – Presentation of financial statements
- Ind AS 8 – Accounting policies, changes in accounting estimates and errors
- Ind AS 40 – Investment property

The group is in the process of evaluating the impact of the new amendments issued but not yet effective.



**iii. Basis for consolidation:**

The financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of the subsidiary used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

These consolidated financial statements include results of a wholly-owned subsidiary company, I&PCL Vacuum Cast Limited consolidated in accordance with Ind AS 110 "Consolidated Financial Statements" and have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Act.

The consolidated financial statements have been prepared on the following basis:

**Subsidiaries**

a. A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company.

- b. The Company combines the financial statements of the parent and its wholly-owned subsidiary company on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions among the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Company.
- c. A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

**iv. Property, plant and equipment**

- i. Property, plant and equipment are stated at historical cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- ii. Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.
- iii. The cost and related accumulated depreciation are eliminated from the

financial statements, either on disposal or when retired from active use and the

resultant gain or loss are recognised in the statement of profit and loss.

iv. Capital work-in-progress representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

v. On transition to Ind AS, the Group has opted to continue with the carrying values measured under the previous GAAP as at 1<sup>st</sup> April 2016 of its property, plant and equipment and use that carrying value as the deemed cost of the property, plant and equipment on the date of transition i.e. 1<sup>st</sup> April 2016 except for certain class of assets which are measured at fair value as deemed cost.

vi. The Group depreciates property, plant and equipment on straight line value method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.

vii. Intangible assets represent implementation cost for software and other application software acquired/developed for in-house use. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.

viii. Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over

their useful life. Otherwise, such items are classified as inventories.

#### **v. Investments properties**

a) Property which is held for long-term rental or for capital appreciation or both is classified as Investment Property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

b) Investment properties currently comprise of building.

c) Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss in the period in which the property is derecognised.

#### **vi. Investments and financial assets:**

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

Financial assets are subsequently classified measured at –

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition except if and in the period the Group changes its business model for managing financial assets.

Financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is derecognised.

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

**vii. Inventories:**

- (i) Raw materials and stores and spares are valued at weighted average cost, including all charges in bringing the materials to the present location, or net realizable value, whichever is lower.

- (ii) Finished goods and work-in-progress are valued at material cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.

- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Company.

**VIII. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprises of balance with banks and cash on hand and short-term deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

**IX. Trade receivables**

A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured net of any expected credit losses.

**X. Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received.

- **Financial liabilities:**

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

- Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

#### XI. Trade payables :

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

#### XII. Revenue Recognition :

- Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.
- Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts,

return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.

- Domestic sales are accounted for on dispatch from point of sale
- corresponding to transfer of significant risks and rewards of ownership to the buyer. Export sales are recognised on the date of mate's receipt/shipped on board signifying transfer of risks and rewards of ownership to the buyer as per terms of sales and initially recorded at the relevant exchange rates prevailing on the date of transaction.
- Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.
- Revenue in respect of other income is recognised on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

#### XIII. Foreign currency transactions :

Items included in the financial statements are measured using the currency of primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Indian Rupee (INR), which is the company's functional and presentation currency.

Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.

Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

#### **XIV. Employee benefit expenses :**

- i. Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Group has no further obligations beyond the monthly contributions.
- ii. The Company provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.
- iii. The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group. The liability towards such unutilised leave as at the end of each

balance sheet date is determined based on independent actuarial valuation and recognised in the Statement of Profit and Loss.

#### **XV. Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

#### **XVI. Taxation**

- Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- Deferred tax is determined by applying the balance sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or

tax rates that are substantively enacted at the reporting date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each reporting date to reassess realisation. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

**XVII. Provisions and contingent liabilities :**

The Group creates a provision when there is present obligation (legal or constructive) as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

**XVIII. Leases**

The Group, as a lessee, recognises a right-of-use asset for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of

the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

**XIX. Impairment of non-financial assets :**

As at each reporting date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

**XX. Earnings Per Share**

- Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity

shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

- For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

adjusting events after the reporting date are not accounted, but disclosed.

#### **XXI. Segment reporting**

Operating Segments are reported in manner which is consistent with the internal reporting system of the Company. The Chief Operating Decision Maker (CODM) is responsible for allocating the resources and reviews performance.

#### **XXII. Offsetting instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### **XXIII. Events after the reporting period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020

## NOTE 2 : PROPERTY, PLANT AND EQUIPEMENT

(INR in Lacs)

PARTICULARS	LAND		BUILDINGS	PLANT & EQUIPMENT	OFFICE EQUIPMENT	FURNITURE & FIXTURES	VEHICLES	TOTAL
	Owned	Leased						
<b><u>GROSS CARRYING VALUE</u></b>								
<b>As at 31st March, 2018</b>	530.77	55.64	2,975.37	7,455.83	197.73	136.24	153.53	11,505.11
Additions	-	-	668.71	1,506.70	13.15	3.20	2.70	2,194.46
Disposals/transfer	(10.90)	-	(50.77)	-	-	-	-	(61.67)
<b>As at 31st March, 2019</b>	519.87	55.64	3,593.31	8,962.53	210.87	139.44	156.23	13,637.90
Additions	-	-	389.89	425.56	36.37	23.66	42.37	917.85
Disposals/transfer	-	(55.64)	-	-	-	-	-	(55.64)
<b>As at 31st March, 2020</b>	519.87	-	3,983.20	9,388.09	247.24	163.10	198.60	14,500.11
<b><u>ACCUMALATED DEPRECIATION</u></b>								
<b>As at 31st March, 2018</b>	-	5.06	673.97	4,219.22	146.76	71.30	88.86	5,205.16
Depreciation charged	-	0.56	106.19	466.35	15.17	10.61	17.41	616.30
Disposals/transfer	-	-	(1.18)	-	-	-	-	(1.18)
<b>As at 31st March, 2019</b>	-	5.62	778.98	4,685.58	161.93	81.91	106.27	5,820.29
Depreciation charged	-	-	128.81	470.55	21.01	12.59	15.53	648.49
Disposals/transfer	-	(5.62)	-	-	-	-	-	(5.62)
<b>As at 31st March,2020</b>	-	-	907.79	5,156.13	182.94	94.50	121.80	6,463.16
<b><u>NET CARRYING VALUE</u></b>								
As at 31st March, 2019	519.87	50.02	2,814.33	4,276.95	48.94	57.53	49.96	7,817.60
As at 31st March,2020	519.87	-	3,075.41	4,231.96	64.30	68.60	76.80	8,036.95



Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020

## NOTE 3 : INVESTMENT PROPERTIES

(INR in Lacs)

Particulars	Building	Total
<b>Gross carrying value</b>		
As at 31st March, 2018	-	-
Additions /transfer	50.77	50.77
Disposals	-	-
As at 31st March, 2019	50.77	50.77
Additions /transfer	0.00	0.00
Disposals	-	-
As at 31st March,2020	50.77	50.77
<b>Accumalated depreciation</b>		
As at 31st March, 2018	-	-
Depreciation charged/transfer	1.99	1.99
Disposals	-	-
As at 31st March, 2019	1.99	1.99
Depreciation charged/transfer	1.61	1.61
Disposals	0.00	0.00
As at 31st March, 2020	3.60	3.60
<b>Net Carrying Amount</b>		
As at 31st March, 2019	48.78	48.78
As at 31st March,2020	47.17	47.17
<b>i) Amount recognised in profit or loss for investment properties</b>		
(INR in Lacs)		
Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
<b>Rental income</b>		
Direct operating expenses from property that generated rental income	0.60	0.15
Direct operating expenses from property that did not generate rental inc ome	0.00	0.00
<b>Profit from investment properties before depreciation</b>	0.60	0.15
Depreciation	1.61	0.81
<b>Profit from investment properties</b>	<b>(1.01)</b>	<b>(0.66)</b>
<b>ii) Contractual obligations</b>		
There are no contractual obligations to purchase, construct or develop investment property.		
<b>iii) Fair Value</b>		
The carrying value of the investment properties at the end of the year have been deemed to be the fair value determined on the basis of the judgement of the management.		

**iv) Operating Lease**

The Company has entered into operating lease on its residential building. This lease has terms of 36 months. The lease include a clause to enable upward revision of the rental charge on an annual. Future minimum rental receivable under non-cancellable operating lease as at 31st March, are as follows:

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
Within one year	0.60	0.60
After one year but not more than five years	0.40	1.60
More than five years	-	-
<b>Total</b>	<b>1.00</b>	<b>2.20</b>

**Note 4 : INTAGIBLE ASSETS**

(INR in Lacs)

	Computer Software	Total
<b>Gross carrying value</b>		
As at 31st March, 2019	-	-
Additions	56.95	56.95
As at 31st March, 2020	<b>56.95</b>	<b>56.95</b>
<b>Accumulated depreciation</b>		
As at 31st March, 2019	-	-
Depreciation charged	8.64	8.64
As at 31st March, 2020	<b>8.64</b>	<b>8.64</b>
<b>Net carrying value</b>		
As at 31st March, 2019	-	-
As at 31st March, 2020	<b>48.31</b>	<b>48.31</b>

**NOTE 5 : RIGHT TO USE ASSETS**

(INR in Lacs)

Particulars	Land	Total
<b>Gross carrying value</b>		
<b>As at 31st March, 2019</b>	-	-
Additions/transfer	55.63	55.63
Disposals	-	-
<b>As at 31st March, 2020</b>	<b>55.63</b>	<b>55.63</b>
<b>Accumulated depreciation</b>		
<b>As at 31st March, 2019</b>	-	-
Depreciation charged/transfer	6.18	6.18
Disposals	-	-
<b>As at 31st March, 2020</b>	<b>6.18</b>	<b>6.18</b>
<b>Net carrying value</b>		
<b>As at 31st March, 2020</b>	<b>49.45</b>	<b>49.45</b>

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020

## NOTE 6 : INVESTMENTS

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
<b>Investments valued at deemed cost, fully paid up</b>				
National Saving Certificate	0.60	0.60	0	0
<b>Total Investments</b>	<b>0.60</b>	<b>0.60</b>	<b>0</b>	<b>0</b>
Aggregate amount of unquoted investments	<b>0.60</b>	<b>0.60</b>	-	-

## NOTE 7 : LOANS (UNSECURED)

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
<b>Loans :</b>				
to employee	15.67	28.87	20.43	14.70
to others	28.20	50.05	26.67	42.53
<b>Total loans</b>	<b>43.87</b>	<b>78.92</b>	<b>47.10</b>	<b>57.23</b>

## NOTE 8 : OTHER FINANCIAL ASSETS

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Term deposits with maturity of more than 12 months	5.77	3.25	-	-
Claims receivables	-	-	33.37	44.91
Security deposits	200.24	200.13	-	-
Interest receivables	-	-	11.34	13.32
<b>Total other financial assets</b>	<b>206.01</b>	<b>203.38</b>	<b>44.71</b>	<b>58.22</b>

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020

## Note 9 : OTHER ASSETS

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Capital advances	894.54	392.96	-	-
Prepaid expenses	-	-	54.73	70.59
Trade advances to suppliers	-	-	420.63	731.63
Input credit receivables	-	-	45.15	-
Other advance	-	-	59.62	97.02
Security Deposit	100.46	100.36		
<b>Total other assets</b>	<b>995.00</b>	<b>493.32</b>	<b>580.13</b>	<b>899.24</b>
Security deposits includes deposits towards factory shed to a company in which some of the directors are interested	100.00	100.00	-	-
Capital advance includes advances towards purchase of property from a company in which some of the directors are interested	225.00	225.00	-	-

## NOTE 10 : INVENTORIES

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
Stores & spares	527.30	527.89
Raw materials	673.91	644.83
Finished goods	579.23	878.45
Work-in-progress	1,390.00	1,159.83
<b>Total inventories</b>	<b>3,170.44</b>	<b>3,211.00</b>

## NOTE 11 : TRADE RECEIVABLES

(Unsecured, considered good unless otherwise stated)

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
Trade receivables	1,771.45	2,039.29
Less: Provision for doubtful debts	-	-
<b>Total trade receivables</b>	<b>1,771.45</b>	<b>2,039.29</b>

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020

## NOTE 12 : CASH &amp; CASH EQUIVALENTS

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
Balances with banks	17.33	15.07
Cash on hand	3.42	3.61
<b>Total cash and cash equivalents</b>	<b>20.75</b>	<b>18.68</b>

## NOTE 13 : OTHER BANK BALANCES

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
Deposits with maturity more than 3 months	-	-
Unclaimed dividend accounts *	5.27	4.62
<b>Total other bank balances</b>	<b>5.27</b>	<b>4.62</b>

\* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2020.

## Note 14 : INCOME TAXES

(INR in Lacs)

PARTICULARS	31st March 2020	31st March 2019
The following table provides the details of income tax assets and liabilities :		
Income tax assets	794.47	756.48
Current income tax liabilities	(662.38)	(664.72)
<b>Net balances</b>	<b>132.09</b>	<b>91.76</b>
<b>The gross movement in the current tax asset / (liability)</b>		
Net current income tax asset at the beginning	91.76	10.92
Income tax paid (net of refunds)	37.98	130.50
Current income tax expense	2.35	(49.66)
<b>Net current income tax asset at the end</b>	<b>132.09</b>	<b>91.76</b>
A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income tax is as below:		
Profit before tax	(108.34)	955.98
Applicable income tax rate *	0.00%	20.59%
	0.00	196.81
* Rate under MAT for 2018-19		
Effect of expenses not allowed for tax purpose	-	2.25
Effect of income not considered for tax purpose	-	-
	-	2.25
Income tax expense charged to the Statement of Profit and Loss	0.00	199.06

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 15 : EQUITY SHARE CAPITAL

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
<b>Authorised</b>		
10,400,000 equity shares of Rs. 10 each	1,040.00	1,040.00
10,000 preference shares of Rs. 100 each	10.00	10.00
	<b>1,050.00</b>	<b>1,050.00</b>
<b>Issued, Subscribed and Paid up</b>		
5,000,000 equity shares of ` 10 each	500.00	500.00
<b>Total equity share capital</b>	<b>500.00</b>	<b>500.00</b>

## Shares held by each shareholder holding more than five percent shares

Name of Shareholder	As at 31st March 2020		As at 31st March 2019	
	Nos.	% of holding	Nos.	% of holding
Meche Private Limited	809,728	16.19	809,728	16.19
Piyush I Tamboli	583,421	11.67	579,871	11.60
Piyush I Tamboli HUF	482,908	9.66	482,908	9.66
Rekha N Shah	500,000	10.00	500,000	10.00
Vishakha P Tamboli	323,200	6.46	313,200	6.26
Jainam P Tamboli	296,000	5.92	296,000	5.92

**Rights, preferences and restrictions attached to shares :**

The company has one class of equity shares having a face value of Rs. 10 each ranking pari pasu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 16 : OTHER EQUITY

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
<b>General reserve</b>		
Balance at the beginning of the year	5,877.05	5,000.00
Add: transferred from retained earnings	0.00	877.05
Balance at the end of the year	5,877.05	5,877.05
<b>Retained earnings</b>		
Balance at the beginning of the year	1,101.98	1,132.12
Profit for the year	(67.23)	997.61
Appropriations		
Transfer to general reserve	-	(877.05)
Final dividend, declared and paid during the year	(100.00)	(125.00)
Dividend distribution tax	(20.55)	(25.70)
Balance at the end of the year	914.20	1,101.98
<b>Securities Premium Account</b>	25.20	25.20
<b>Other components of equity</b>		
Remeasurement of defined benefit plans (net of tax)	(10.44)	(3.49)
	<b>(10.44)</b>	<b>(3.49)</b>
<b>Total other equity</b>	<b>6,798.60</b>	<b>6,998.49</b>

**General reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under Companies Act, 2013 and the Company can optionally transfer any amount from the surplus of profit or loss to the General Reserve.

**Retained earnings:** Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

**Securities Premium Account:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

**Remeasurement of defined benefit plans:** The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earnings when the relevant obligations are derecognized.

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 17 : BORROWINGS

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
<b>Secured</b>				
Term loans from banks	1,595.37	1,675.36	-	-
Working capital finance from banks	-	-	3,895.66	3,616.95
<b>Total Secured</b>	<b>1,595.37</b>	<b>1,675.36</b>	<b>3,895.66</b>	<b>3,616.95</b>
<b>Unsecured</b>	-	-	-	-
<b>Total Unsecured</b>	-	-	-	-
<b>Total borrowings</b>	<b>1,595.37</b>	<b>1,675.36</b>	<b>3,895.66</b>	<b>3,616.95</b>

Note: Term loan and working capital finance from Bank of Baroda are secured by equitable mortgage of land & building and hypothecation of plant & equipment, inventories, book debts and further secured by personal guarantee of one of the directors.

## Note 18 : OTHER FINANCIAL LIABILITIES

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Current maturities of long-term debt	-	-	351.78	435.84
Payable towards services received	-	-	29.54	74.24
Unclaimed dividend	-	-	4.85	4.62
<b>Total other financial liabilities</b>	-	-	<b>386.17</b>	<b>514.70</b>

## Note 19 : PROVISIONS

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Provision for leave encashment	31.68	37.65	3.48	4.51
Gratuity fund obligations (net)	-	-	28.95	21.07
Provision for bonus	-	-	20.33	32.00
<b>Total provisions</b>	<b>31.68</b>	<b>37.65</b>	<b>52.76</b>	<b>57.59</b>



Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 20 : DEFERRED TAX LIABILITIES

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
<b>Deferred tax liabilities / (assets)</b>		
On account of timing differences in		
Depreciation on property, plant & equipment	587.28	519.95
Carry forward of business loss	(117.67)	-
Disallowances u/s 40(a) and 43B of the Income Tax Act	(116.86)	(130.93)
	<b>352.75</b>	<b>389.02</b>

## NOTE 21 : OTHER LIABILITIES

(INR in Lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Advances from customers	-	-	73.23	52.49
Statutory liabilities	-	-	64.59	29.82
Other liabilities	-	-	3.88	1.00
<b>Total other liabilities</b>	-	-	<b>141.70</b>	<b>83.31</b>

## Note 22 : TRADE PAYABLES

(INR in Lacs)

Particulars	Current	
	31st March 2020	31st March 2019
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 37)	580.97	631.43
Total outstanding dues of creditors other than Micro and Small Enterprises	1,166.46	1,183.58
<b>Total trade payables</b>	<b>1,747.43</b>	<b>1,815.01</b>

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 23 : REVENUE FROM OPERATIONS

(INR in Lacs)

Particulars	2019-2020	2018-2019
<u>Revenue from sale of products:</u>		
Export sales	198.74	207.71
Domestic sales	9,052.67	11,381.55
	<b>9,251.41</b>	<b>11,589.26</b>
<u>Other operating revenue</u>		
Energy credits from wind mills operations	265.19	277.08
Export incentives and credits	1.93	2.14
<b>Total revenue from operations</b>	<b>9,518.53</b>	<b>11,868.48</b>

## NOTE 24 : OTHER INCOME

(INR in Lacs)

Particulars	2019-2020	2018-2019
Interest receipts	22.59	29.91
Foreign currency fluctuation gain	8.34	-
Rent income on investment properties	0.60	0.15
Gain on disposal of property, plant & equipment	-	19.12
Sundry balances written back	21.07	29.87
Miscellaneous income	4.69	11.45
<b>Total other income</b>	<b>57.29</b>	<b>90.50</b>

## NOTE 25 : COST OF MATERIALS CONSUMED

(INR in Lacs)

Particulars	2019-2020	2018-2019
<b>Raw materials consumed</b>		
Opening stock	644.83	477.08
Add : Purchases	867.43	1,282.07
	<b>1,512.26</b>	<b>1,759.15</b>
Less: Closing stock	(673.91)	(644.83)
<b>Total cost of material consumed</b>	<b>838.35</b>	<b>1,114.32</b>

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 26 : CHANGES IN INVENTORIES

(INR in Lacs)

Particulars	2019-2020	2018-2019
<b>Closing Stock</b>		
Work-in-progress	1,390.00	1,159.83
Finished goods	579.23	878.45
	<b>1,969.23</b>	<b>2,038.28</b>
<b>Opening Stock</b>		
Work-in-progress	1,159.83	788.78
Finished goods	878.45	325.69
	<b>2,038.28</b>	<b>1,114.47</b>
<b>Total changes in inventories</b>	<b>69.05</b>	<b>(923.81)</b>

## NOTE 27 : EMPLOYEE BENEFIT EXPENSES

(INR in Lacs)

Particulars	2019-2020	2018-2019
Salaries, wages and bonus	669.20	716.00
Contribution to provident fund and other funds	47.18	58.38
Staff welfare expenses	13.72	14.85
<b>Total employee benefit expenses</b>	<b>730.10</b>	<b>789.23</b>

## NOTE 28 : FINANCE COSTS

(INR in Lacs)

Particulars	2019-2020	2018-2019
Interest and finance charge on financial liabilities carried at amortised cost:		
Banks	511.97	440.83
Others	38.12	3.19
	<b>550.09</b>	<b>444.02</b>
Other borrowing cost	98.75	67.02
<b>Total finance costs</b>	<b>648.84</b>	<b>511.04</b>

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 29 : DEPRECIATION AND AMORTIZATION EXPENSES

(INR in Lacs)

Particulars	2019-2020	2018-2019
Depreciation on tangible assets	650.67	617.11
Depreciation on intangible assets	8.64	0.00
<b>Total depreciation and amortisation expenses</b>	<b>659.31</b>	<b>617.11</b>

## Note 30 : OTHER EXPENSES

(INR in Lacs)

Particulars	2019-2020	2018-2019
<b><u>Manufacturing expenses</u></b>		
Power and Fuel	1,356.08	1,995.05
Machinery repairs and maintenance	93.22	86.46
Stores and spares	2,020.25	2,799.23
Fettling and other external processing charges	2,275.65	2,983.10
Other expenses	232.18	243.19
	<b>5,977.38</b>	<b>8,107.03</b>
<b><u>Selling and Distribution Expenses</u></b>		
Sales commission	15.83	17.43
Export freight and insurance	3.97	3.02
Other selling expenses	326.46	388.25
	<b>346.26</b>	<b>408.70</b>
<b><u>Administrative and other expenses</u></b>		
Rent	2.74	2.39
Travelling and conveyance expenses	98.05	101.40
Insurance premiums	17.59	6.02
Advertisement expenses	5.70	3.00
Repairs to buildings and others	27.12	38.60
Legal and professional fees	71.48	54.54
Corporate social responsibility expenses	33.59	-
Donations	0.51	15.50
Payment to auditors	5.38	5.16

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

Directors sitting fees	4.99	6.23
Bank discount, commission and other charges	4.11	7.13
Rates and taxes	6.13	5.81
Foreign currency fluctuation loss	-	0.47
Miscellaneous expenses	137.48	133.13
	<b>414.87</b>	<b>379.38</b>
<b>Total other expenses</b>	<b>6,738.51</b>	<b>8,895.11</b>

<u>Expenditure towards Corporate Social Responsibility (CSR) activities</u>		
<u>Amount required to be spent u/s 135(5) of the Companies Act 2013</u>	18.45	15.14
Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	33.59	-
	33.59	-

<u>Payments to auditors</u>		
Audit fees (including quarterly limited review)	4.95	4.65
Taxation matters	-	0.08
Other services	0.43	0.43
	5.38	5.16

**NOTE 31 : EARNING PER SHARE**

Particulars	2019-2020	2018-2019
Profit for the year (Rs. in lacs)	(72.39)	993.02
Weighted average number of shares (Nos)	5,000,000	5,000,000
Earnings per share (Basic and Diluted)	(1.45)	19.86
Face value per share	10.00	10.00

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## Note 32 : FAIR VALUE MEASUREMENT

## Financial instruments by category

(INR in Lacs)

Particulars	31st March 2020				31st March 2019			
	FVPL	FVOCI	Amortised cost	Fair Value	FVPL	FVOCI	Amortised cost	Fair Value
<b>Financial assets</b>								
Investments	-	-	0.60	0.60	-	-	0.60	0.60
Trade receivables	-	-	1,771.45	1,771.45	-	-	2,039.29	2,039.29
Loans : non- current	-	-	43.87	43.87	-	-	78.92	78.92
Loans : current	-	-	47.10	47.10	-	-	57.23	57.23
Other financial assets - non-current	-	-	206.01	206.01	-	-	203.38	203.38
Other financial assets : current	-	-	44.71	44.71	-	-	58.22	58.22
Cash and cash equivalents	-	-	20.75	20.75	-	-	18.68	18.68
Other bank balances	-	-	5.27	5.27	-	-	4.62	4.62
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>2,139.76</b>	<b>2,139.76</b>	<b>-</b>	<b>-</b>	<b>2,460.94</b>	<b>2,460.94</b>
<b>Financial liabilities</b>								
Borrowings								
Long term borrowings*	-	-	1,947.16	1,947.16	-	-	2,111.20	2,111.20
Short term borrowings	-	-	3,895.66	3,895.66	-	-	3,616.95	3,616.95
Trade payables	-	-	1,747.43	1,747.43	-	-	1,815.01	1,815.01
Other financial liabilities : non-current	-	-	-	-	-	-	-	-
Other financial liabilities : current	-	-	34.39	34.39	-	-	78.86	78.86
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>7,624.63</b>	<b>7,624.63</b>	<b>-</b>	<b>-</b>	<b>7,622.02</b>	<b>7,622.02</b>
* including current maturities of long term debt								

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 33 : FINANCIAL RISK MANAGEMENT

The Company's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings/ Aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

## A. Credit Risk :

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables, work in progress and other receivables.

In respect of trade receivables, the Company uses a provision matrix to compute the expected credit loss allowances for trade receivables in accordance with the expected credit loss (ECL) policy of the Company. The Company regularly reviews trade receivables and necessary provisions, wherever required, are made in the financial statements.

## B. Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of significant financial liabilities are as follows:

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

Particulars	Less than or equal to one year	more than one year	Total
<b>As on 31st March 2020</b>			
<b>Financial assets</b>			
Non-current investments	-	0.60	0.60
Loans	47.10	43.87	90.96
Trade receivables	1,771.45	-	1,771.45
Cash and cash equivalents	20.75	-	20.75
Other bank balances	5.27	-	5.27
Other financial assets	44.71	206.01	250.72
<b>Total financial assets</b>	<b>1,889.27</b>	<b>250.48</b>	<b>2,139.76</b>
<b>Financial liabilities</b>			
Long term borrowings	351.78	1,595.37	1,947.16
Short term borrowings	3,895.66	-	3,895.66
Trade payables	1,747.43	-	1,747.43
Other financial liabilities	34.39	-	34.39
<b>Total financial liabilities</b>	<b>6,029.26</b>	<b>1,595.37</b>	<b>7,624.63</b>
<b>As on 31st March 2019</b>			
<b>Financial Assets</b>			
Non-current investments	-	0.60	0.60
Loans	57.23	78.92	136.15
Trade receivables	2,039.29	-	2,039.29
Cash and cash equivalents	18.29	-	18.29
Other bank balances	4.62	-	4.62
Other financial assets	58.22	203.38	261.60
<b>Total financial assets</b>	<b>2,177.65</b>	<b>339.64</b>	<b>2,517.29</b>
<b>Financial Liabilities</b>			
Long term borrowings	435.84	1,675.36	2,111.20
Short term borrowings	3,616.95	-	3,616.95
Trade payables	1,815.01	-	1,815.01
Other financial liabilities	78.86	-	78.86
<b>Total financial liabilities</b>	<b>5,946.66</b>	<b>1,675.36</b>	<b>7,622.02</b>

## C. Market Risk :

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.



**Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)**

The Company has several balances in foreign currency and consequently, the Company is exposed to foreign exchange risk. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

**A. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

**B. Interest rate sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(INR in Lacs)

Particulars	Increase/decrease in basis points	Effect of profit before tax
<b>March 31, 2020</b>	+100	58.43
	-100	(58.43)
<b>March 31, 2019</b>	+100	57.28
	-100	(57.28)

Company's exposure to foreign currency risk at the end of each reporting period is as under:

**A. Exposure in foreign currency – Unhedged :**

Currency	31st March 2020	31st March 2019
USD	877	12,415
Euro	116,901	22,852

**B. Foreign currency sensitivity :**

The Company is mainly exposed to changes in USD, GBP and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

(INR in Lacs)

Particulars	Currency	Change in rate	Effect of profit before tax
March 31, 2019	USD	+5%	0.03
	USD	-5%	(0.03)
March 31, 2018	USD	+5%	0.43
	USD	-5%	(0.43)
March 31, 2019	EURO	+5%	4.96
	EURO	-5%	(4.96)
March 31, 2018	EURO	+5%	0.89
	EURO	-5%	(0.89)

## NOTE 34 : CAPITAL MANAGEMENT

The Company's capital management objective is to maximise the total shareholders' returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the company.

The following table summarises the capital of the Company:

(INR in Lacs)

Particulars	As at	
	31st March 2020	31st March 2019
Total debt	5,842.82	5,728.15
Total equity	7,306.01	7,500.74
Total debt to equity ratio	0.80	0.76

## Dividends

(INR in Lacs)

Dividends recognised in the financial statements	31st March 2020	31st March 2019
Final dividend for the year ended 31st March of Rs. 2.50 per equity share	100.00	(125.00)
<b>Dividends not recognised in the financial statements</b>		
The Board of Directors have recommended the payment of final dividend of Rs. 0.10 per share for the financial year 2019-20. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	5.00	-

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 35 : CONTINGENT LIABILITIES

(INR in Lacs)

No.	Particulars	31st March 2020	31st March 2019
1	In respect of disputed income tax liabilities	7.55	7.55
2	In respect of value added tax liabilities	11.94	11.94

## NOTE 36 : EMPLOYEE BENEFITS

Funded Scheme

Gratuity

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. The Company makes contributions to approved gratuity fund.

(INR in Lacs)

Particulars	31st March 2020	31st March 2019
<b>Amount recognised in balance sheet</b>		
Present value of funded defined benefit obligation	194.19	194.71
Fair value of plan assets	165.24	173.64
Net funded obligation	(28.95)	(21.07)
<b>Expense recognised in the statement of profit and loss</b>		
Current service cost	10.28	10.80
Interest on net defined benefit asset	0.80	(0.10)
<b>Total expense charged to profit and loss Account</b>	<b>11.08</b>	<b>10.70</b>
<b>Amount recorded as other comprehensive income</b>		
Remeasurements during the period due to:		
Return on plan assets, excluding interest income	7.61	(0.08)
Actual (gain)/loses on obligation for the period	2.01	2.50
<b>Closing amount recognised in OCI outside profit &amp; loss account</b>	<b>9.62</b>	<b>2.42</b>
<b>Reconciliation of net liability/(asset)</b>		
<b>Opening net defined benefit liability/(asset)</b>	<b>21.07</b>	<b>5.01</b>

Expense charged to profit and loss account	11.08	10.70
Amount recognised outside profit and loss account	9.62	2.42
Benefits paid	(11.31)	4.45
Employer contributions	(1.51)	(1.51)
<b>Closing net defined benefit liability/(asset)</b>	<b>28.95</b>	<b>21.07</b>
<b>Movement in benefit obligation</b>		
<b>Opening of defined benefit obligation</b>	<b>194.71</b>	<b>203.90</b>
Current service cost	14.29	15.27
Interest on defined benefit obligation	10.28	10.80
Actuarial loss/(gain) arising from change in financial assumptions	7.62	(0.08)
Benefits paid	(32.71)	(35.18)
<b>Closing of defined benefit obligation</b>	<b>194.19</b>	<b>194.71</b>
<b>Movement in plan assets</b>		
<b>Opening fair value of plan assets</b>	<b>173.64</b>	<b>198.89</b>
<b>Actuarial gain/(loss) arising from change in financial assumptions</b>	<b>(2.01)</b>	<b>(2.50)</b>
<b>Interest income</b>	<b>13.49</b>	<b>15.37</b>
<b>Contributions by employer</b>	<b>2.01</b>	<b>1.52</b>
<b>Benefits paid</b>	<b>(21.89)</b>	<b>(39.64)</b>
<b>Closing of defined benefit obligation</b>	<b>165.24</b>	<b>173.64</b>
<b>Principal actuarial assumptions</b>		
<b>Discount Rate</b>	<b>6.84%</b>	<b>7.73%</b>
<b>Salary escalation rate p.a.</b>	<b>6.84%</b>	<b>7.00%</b>

Sensitivity analysis for significant assumption is as shown below:			
(INR in Lacs)			
No.	Sensitivity Level	31st March 2020	31st March 2019
1	Discount Rate - 1% Increase	(14.61)	(13.02)
2	Discount Rate - 1% Decrease	17.03	15.10
3	Salary - 1% Increase	16.35	14.46
4	Salary - 1% Decrease	(14.24)	(12.44)
5	Employee Turnover - 1% Increase	(0.11)	0.91
6	Employee Turnover - 1% Decrease	0.14	(1.03)

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

The following are the expected future benefit payments for the defined benefit plan:			
			(INR in Lacs)
No.	Particulars	31st March 2020	31st March 2019
1	Within the next 12 months (next annual reporting period)	17.70	17.57
2	Between 2 and 5 years	77.90	67.63
3	Beyond 5 years	304.25	325.30

**Note 37 :**

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

(INR in Lacs)			
No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)		
1	Principal amount due to micro and small enterprise	580.97	631.43
2	Interest due on above	-	-

**Note 38 :**

As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in IND AS are given below:

Sr No.	Particulars	Country of Incorporation
<b>A</b>	<b><u>Subsidiary</u></b>	
1	I&PCL Vacuum Cast Limited A wholly-owned subsidiary	India
<b>B</b>	<b><u>Associates</u></b>	
1	Tamboli Foundry Supplies and Services Limited	India
2	Tamboli Foundation	India
<b>C</b>	<b><u>Key management personnel and relatives</u></b>	

1	Mr. R K Menon	Chairman Emeritus
2	Mr. Piyush I Tamboli	Chairman & Managing Director
3	Mrs. Vishakha P Tamboli	Director
4	Mr. Jainam P Tamboli	Manager
5	Mr. Akshay Shah	Independent Director
6	Mr. J M Mapgaonkar	Independent Director
7	Mr. Girish C Shah	Independent Director
8	Mr. B. Pratapkumar	Whole Time Director
9	Mr. Girish V Shah (up to 20th July 2020)	Chief Financial Officer
10	Ms. Hetal Kapadia	Company Secretary

(INR in Lacs)		
Nature of transaction	Year ended 31st March 2020	Year ended 31st March 2019
<b><u>Associates</u></b>		
<b><u>Purchase of materials and services</u></b>		
Tamboli Fo undry Supplies and Services Limited	74.01	87.36
<b><u>Reimbursement of expenses</u></b>		
Tamboli Foundry Supplies and Services Limited	5.25	10.45
<b><u>Donation:</u></b>		
Shree Tamboli Foundation	29.19	5.00
<b><u>Outstanding balances: - Tamboli Foundry Supplies and Services Limited</u></b>		
Trade receivables	3.81	3.81
Security deposits	100.00	100.00
Capital advance	225.00	225.00
Trade advances to suppliers	181.99	154.33
<b><u>Key management personnel</u></b>		
<b><u>Remuneration</u></b>		
Mr. Piyush I Tamboli	42.00	80.00
Mr. B. Pratapkumar	18.85	16.56
Mr. Girish V Shah	8.85	8.95

Ms. Hetal Kapadia	1.65	1.44
<b>Total</b>	<b>69.65</b>	<b>106.95</b>

<b><u>Guarantee Commission</u></b>		
Mr. Piyush I Tamboli	82.72	34.94
<b><u>Sitting fees</u></b>		
Mrs. Vishakha P Tamboli	0.80	1.10
Mr. Akshay Shah	1.15	1.82
Mr. J M Mapgaonkar	0.38	1.44
Mr. Vimal Ambani	1.14	0.00
Mr. Girish C Shah	1.52	1.87
<b>Total</b>	<b>4.99</b>	<b>6.23</b>
<b><u>Professional Fees</u></b>		
Mr. R K Menon	30.00	30.00
<b><u>Staff training &amp; education expenses</u></b>		
Mr. Jainam P Tamboli	-	33.81
<b><u>Outstanding balances:</u></b>		
<b><u>Other liabilities</u></b>		
Mr. R K Menon	-	11.16

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 39 : SEGMENT REPORTING

The Group is organised into business units based on its products and services and has identified two reportable segments as follows:

- a. Investment Castings
- b. Wind Mill

The management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Group's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

## Segment Revenues, Results and Other Information

(INR in Lacs)

Particulars	Investment Castings		Wind Mill		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>REVENUE</b>						
External revenue	9,310.63	11,681.90	265.19	277.08	9,575.82	11,958.98
Inter segment revenue	-	-	-	-	-	-
<b>Total</b>	<b>9,310.63</b>	<b>11,681.90</b>	<b>265.19</b>	<b>277.08</b>	<b>9,575.82</b>	<b>11,958.98</b>
Less: Elimination- Inter Segment revenue	-	-	-	-	-	-
<b>Total revenue</b>	<b>9,310.63</b>	<b>11,681.90</b>	<b>265.19</b>	<b>277.08</b>	<b>9,575.82</b>	<b>11,958.98</b>
<b>SEGMENT RESULTS</b>						
Profit before interest and tax	375.22	1,276.15	165.28	190.87	540.50	1,467.02
Less: Unallocable expenditure/(income) net	-	-	-	-	-	-
of unallocable income/expenditure	-	-	-	-	-	-
<b>Operating Profit</b>	<b>375.22</b>	<b>1,276.15</b>	<b>165.28</b>	<b>190.87</b>	<b>540.50</b>	<b>1,467.02</b>
Less: Interest Expenses	648.84	511.04	-	-	648.84	511.04
<b>Profit before tax</b>	<b>(273.62)</b>	<b>765.11</b>	<b>165.28</b>	<b>190.87</b>	<b>(108.34)</b>	<b>955.98</b>
Less: Tax expenses	(35.95)	(37.04)	-	-	(35.95)	(37.04)
<b>Net Profit after tax</b>	<b>(237.67)</b>	<b>802.15</b>	<b>165.28</b>	<b>190.87</b>	<b>(72.39)</b>	<b>993.02</b>



Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## Segment Assets and Liabilities

(INR in Lacs)

Particulars	Investment Castings		Power Generation		Total	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
	<b>Segment Assets</b>	<b>15,884.40</b>	16,028.88	<b>280.10</b>	323.92	16,164.50
<b>Unallocated Corporate Assets</b>	-	-	-	-	-	-
<b>Total Assets</b>	<b>15,884.40</b>	16,028.88	<b>280.10</b>	323.92	<b>16,164.50</b>	16,352.80
<b>Segment Liabilities</b>	<b>8,865.90</b>	8,854.32	-	-	<b>8,865.90</b>	8,854.32
<b>Unallocated Corporate Liabilities</b>	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>8,865.90</b>	8,854.32	-	-	<b>8,865.90</b>	8,854.32

## Revenue From External Customers

(INR in Lacs)

	2019-20	2018-19
India	9,319.78	11,660.78
Outside India	198.74	207.71
<b>Total revenue as per statement of profit &amp; loss</b>	<b>9,518.53</b>	<b>11,868.48</b>

Notes to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2020 (Contd.)

## NOTE 40 : DISCLOSURE IN TERMS OF SCHEDULE III OF THE COMPANIES ACT, 2013

(INR in Lacs)

Particulars	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As a % of consolidated net assets	Rs.	As a % of consolidated profit or loss	Rs.	As a % of consolidated other comprehensive income	Rs.	As a % of consolidated total comprehensive income	Rs.
<b>1. Parent</b>								
Investment & Precision Castings Limited	100.10	7,306.01	92.86	(67.22)	100.00	(6.95)	93.48	(74.17)
<b>2. Subsidiary</b>								
I&PCL Vacuum Cast Limited	0.24	17.59	7.14	(5.17)	-	-	6.52	(5.17)
Add/(Less): Inter-companny eliminations	(0.34)	(25.00)	-	-	-	-	-	-
<b>Total.</b>	<b>100.00</b>	<b>7,298.60</b>	<b>100.00</b>	<b>(72.39)</b>	<b>100.00</b>	<b>(6.95)</b>	<b>100.00</b>	<b>(79.34)</b>



# EVENTS



**ROTARY SPORTS LEAGUE - 2020**



**SINCE : 1975**

## **INVESTMENT & PRECISION CASTINGS LTD**

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