PTC INDUSTRIES LIMITED
Advanced Manufacturing & Technology Centre
NH 25A, Sarai Shahjadi, Lucknow 227 101
Uttar Pradesh, India

Date: September 8, 2022

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai – 400 001

Dear Sir / Madam

Sub: Submission of Annual Report 2021-22

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for financial year 2021-22 containing, inter-alia, Notice convening 59th Annual General Meeting of the Company scheduled to be held on Friday, September 30, 2022 at 03:00 pm through Video Conferencing/ Other Audio-Visual Means.

We request you to kindly take the same on record.

Thanking you.

Yours faithfully,
For **PTC INDUSTRIES LIMITED**

SMITA AGARWAL

Digitally signed by SMITA AGARWAL
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Date: 2022.09.08 17:28:44 +05'30'

Smita Agarawal
Director and CFO
DIN: 00276903

PTC INDUSTRIES

ASPIRE • INNOVATE • ACHIEVE

Annual Report 2021-22

Towards parity

THE CORE

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

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

Our vision

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

Our mission

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

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

PTC continues to,

Aspire,

to be a full service supplier for our customers, thereby becoming an integral part of their value chain.

Innovate,

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

Achieve,

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

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

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

Satish Agarwal was a man with a vision.

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

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

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

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

Towards parity

THE CORE

A deep reflection on our identity, and our true Dharma has led us to the idea of building Parity. To fulfil our overarching purpose of achieving Parity, we have begun our journey towards building equality in respect of capability, technology, skill, workmanship, talent, knowledge, quality, productivity, efficiency and sustainability in the country to allow us to become a nation that is at par with the world.

Whether it is in the sphere of creation of capabilities in metal and metal component manufacturing within the country, whether it is in being able to set the highest benchmarks of quality, or whether it is in the development of skills and competencies that can compared with the best across the globe – the message at PTC has been clear. Our Dharma guides us every day to work towards achieving Parity with the rest of the world.

Our first step on this path has been to establish the central, most enduring and foundational part of the company - The Core. This is the solid and stable structure that will support our purpose and provide the strength and reinforcement we need as we embark on this journey. It could also be the engine that powers and propels the company towards the pinnacles it wants to reach. Building our Core gives us a strategic advantage, and defines the resources and capabilities that we have in order to achieve our purpose.

Building The Core

These resources and capabilities have been created or acquired through all the untiring efforts and work that have been put in over the last few years. This meant first analysing, evaluating and identifying technology, capability and skill gaps in the country and gaining access to opportunities and resources to bridge these. Over the years, we built sustainable relationships with technology partners, equipment suppliers and domain experts to narrow the disparity that existed in the access to these technologies, capabilities and skills and managed to successfully acquire, develop and absorb them.

The acquisition, development, absorption and perfecting of multiple advanced Core manufacturing technologies like Replicast® and RapidCast™, Titanium and Super Alloy Castings, Hot Isostatic Pressing, Vacuum Pouring, Powderforge™ and many others has already been completed. These core technologies have been denied to our country since its independence, and without building a strong foundation for these, creating an indigenous manufacturing capability in critical areas would not be possible. PTC has also obtained all major certifications and key approvals that are essential for being at par in terms of quality, integrity and efficiency including the AS 9100 and EN 9100 approvals for manufacture of castings for Aerospace applications in our wholly owned subsidiary, Aerolloy Technologies.

Tremendous focus has been placed during this period on diversification, on exploring new markets, and building new relationships. The broadening of business horizons and pursuit of new opportunities has allowed us to take one more step towards unlocking our own potential, identifying our strengths and formulating a strategy to take us closer to the different kinds of markets and sectors that we wished to capture.

Bringing all these different elements of the Core together and putting them in place successfully has created a solid foundation of best-in-class technologies, most advanced capabilities, the highest and most qualified skill sets, world class infrastructure and the most diverse and promising markets that will channel our efforts and growth to yield the most success in terms of profitability and value creation for the country as well as for all our stakeholders in the times to come.

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Chairman & Managing Director's Letter

> **The idea of Self-Reliance, Aatmanirbharta and indigenisation form the focal part of the narrative for Mahatma Gandhi's idea of *Swadeshi*. In today's world with changing geopolitical equations and realignment of global supply chains, this idea has become even more significant and pressing.**

Dear Shareholders,

This year, our country completed 75 years of its Independence, and I share a profound sense of happiness and pride with every Indian as we celebrate this momentous occasion. On behalf of the entire PTC family, I wish you happiness and pray that together as a nation, we move forward with a new resolve and new strength towards our *Amrit Kaal.*

The freedom that we enjoy today has been the fruit of the many struggles and sacrifices of countless souls. We shall remain indebted to them forever, and as we pay homage to them; Mahatma Gandhi's vision of *Swaraj* (independence) holds more relevance for us than ever before. He believed that true independence for our nation could only be achieved by embracing *Swadeshi* (self-reliance) in every sense. Inherent in Gandhiji's concept of freedom was the notion of our obligation towards each other and our country. Thus, the idea of *Dharma* (our duty) is inextricably linked to *Swaraj*, and without carrying out one, the other cannot be attained. Therefore, 75 years after we attained independence, walking on the path of *Swadeshi* and building an Aatmanirbhar Bharat is the *Dharma* of every Indian.

The idea of Self-Reliance, Aatmanirbharta and indigenisation form the focal part of the narrative for Mahatma Gandhi's idea of *Swadeshi*. In today's world with changing geopolitical equations and realignment of global supply chains, this idea has become even more significant and pressing.

At PTC, our core principle and strategy have always been to combine our actions, and those of our stakeholders, for the good of all and for the single-minded purpose of obtaining Aatmanirbharata in the country. All our actions or karma are performed with the mindset that this is our duty – our *Dharma* and we believe that the attainment of such purpose shall yield profound and long-lasting benefits to all our stakeholders and the country. This belief links us unquestioningly to our concept of *PARITY*, and our commitment to building equality in respect of capability, technology, skill, workmanship, talent, knowledge, quality, productivity, efficiency and sustainability. This vision has put us on a strong growth trajectory, one that will bring our country on an equal footing with the world in the sphere of metal and metal components manufacturing in India while creating substantial value for all our stakeholders.

Financial Performance

Let us begin by reviewing our performance during the financial year 2021-22.

- Our Total Income grew by 9.9 percent year-on-year and stood at ₹ 185.2 crores in FY22 as against ₹ 168.5 crores reported in FY21. The Company's diversified revenue streams and resilient customer base allowed us to make a gradual recovery from the pandemic and supported the growth of revenue during the fiscal year.

- The company's EBITDA grew by a healthy 20.6 percent year on year from ₹ 40.1 crores reported in FY21 to ₹ 48.4 crores in FY22. The EBITDA margin for the current year has remained at a healthy 27.0 percent as against 24.6 percent in FY21, again an improvement of 240bps. This growth in EBITDA was supported by new lines of businesses and implementation of cost control measures during the year.

- Our profit after tax witnessed a robust growth of 194 percent reported at ₹ 12.8 crores in FY22 as compared to ₹ 4.4 crores in FY21. Our identification of specialised and critical markets and focus on areas where our capabilities and infrastructure command higher margins have helped us to begin unlocking the value of strengths and efforts.

Industry & Economic Outlook

During the year, the world economies started experiencing a gradual recovery from the extraordinary challenges faced amid the Covid-19 pandemic. The proactive measures taken by the authorities to contain the virus and successful vaccination drives fuelled the economies towards normalcy. The hardships faced during this period have helped us to build resilience and strength in the face of adversity. During FY 2021-22, the Indian economy emerged as a robust and rapidly growing economy in the world. According to IMF, the Indian economy is expected to grow by 8.2% in 2022 and 6.9% in 2023, making it the fastest growing economy globally.

As per a recent study, the Aerospace and Defence industry is expected to prioritise innovation in 2022 to develop new technologies and solutions, establish new markets, and extend development prospects. Rapid development and commercialization of new technologies and processes can lead to increased efficiency and cost savings. It is heartening to note that trends in commercial air travel and client order activity are substantially better than pre-COVID projections as the world enters 2022, which is a healthy indication for the business. The global availability of COVID vaccinations is helping to normalise air travel and businesses world over have continued to invest in the new technologies that will be required in the future. According to current macroeconomic trends, it is expected that demand for aircrafts will rise beyond pre-COVID levels. Furthermore, given that air travel levels are already significantly higher than the lows seen in 2020,

aftermarket sales should also surge as air traffic grows.

There are more grounds for optimism as defence markets are expected to stay stable as countries continue to build up their armours and military programmes are considered a strategic priority. The Indian Union Budget 2022-23 saw a rise in the government's spending allocation for the defence sector, and projected defence capital expenditure has also increased for 2022-23. The government's focus on reduction of imports in the Defence sector to become self-reliant or Aatmanirbhar has opened doors for Indian manufacturers.

Achieving *Parity* – Building the Core

With *Parity* as our Dharma, we have been on a mission towards building a framework that will support this journey and empower us to be on equal footing with the world. **The first step towards this was to establish a strong foundation, uniting and energising us towards our purpose, vision, strategic priorities and values, which we call 'The Core'.** Building the Core meant assessing and evaluating gaps in the country in terms of capability, technology, infrastructure, etc. and placing the required elements in place to power the Company's growth engine.

In the last few years, we have worked tirelessly on acquiring knowledge, building skills, establishing process and systems and enhancing capabilities of the organisation to embark on this journey. Simultaneously, the Company continued the acquisition, development, absorption and honing of multiple advanced technologies like Replicast® and RapidCast™ for large investment castings, Titanium and Super Alloy Castings, Hot Isostatic Pressing and PowderForge™ and other such Core manufacturing technologies which the country was bereft of since independence. Key certifications and approvals were obtained during this period including AS 9100 and EN 9100 for manufacture of castings for Aerospace applications for our wholly owned subsidiary, Aerolloy Technologies.

During this period, we also took significant steps to increase and diversify our revenue streams through new markets and sectors that give us significant long-term opportunity. We have focused on building our presence in growing markets, new geographic segments and implementing a strong business development network. With our Core in place, we are ready to embark on the next steps which will bring us closer to our objective and also unlock the tremendous value that the country and the Company hold in this space.

New Capabilities and Growth

This year was a landmark one for PTC and we were privileged to welcome our **Honourable Defence Minister, Shri Rajnath Singh** who inaugurated Aerolloy's Titanium Casting Plant in November 2021. This is the first operationalised plant in the UP Defence Industrial Corridor and shall

The largest single-site Titanium recycling facility in the world will now be set up in India. This will make PTC one of the few players in the world with the manufacturing capability and technology for remelting and recycling Titanium scrap as well as producing aviation-grade Titanium alloy ingots with a sizeable market share of more than 15% of global output.

manufacture parts for Aircraft Engines, Helicopter Engines, Structural parts for aircrafts, Drones and UAV, Submarines, Ultra-Light Artillery Guns, Space Launch Vehicles and Strategy Systems which were being imported into the country till now.

I wish to express my deep gratitude to the Honourable Raksha Mantri for his presence and gracious words, and his tremendous support and encouragement as we embark on our mission to become the leading manufacturer of metal components and sub-systems in Titanium, Super Nickel Alloys and other Exotic Materials.

The Defence Minister also laid the foundation stone for our integrated Metal Manufacturing Facility which will produce critical and strategic raw materials in Titanium and other Exotic Alloys for defence and aerospace applications. I am happy to share that we have successfully completed the acquisition of the Electron Beam Cold Hearth Remelting (EBCHR) Furnace and Vacuum Arc Remelting (VAR) furnace for manufacturing Titanium ingots, and the largest single-site Titanium recycling facility in the world will now be set up in India. This will make PTC one of the few players in the world with the manufacturing capability and technology

for remelting and recycling Titanium scrap as well as producing aviation-grade Titanium alloy ingots with a sizeable market share of more than 15% of global output. Currently, only USA and France possess this capability in the western world, and this acquisition will put India among a select group of countries who have this ability.

According to independent research, the technique being used for recycling Titanium shall prevent 26.4 tonnes of CO2 from being produced for every tonne of Titanium produced. This is conscious step towards achieving our sustainability goals and building a green supply chain for large OEMs across the world. With changing market dynamics and geopolitical uncertainties such as the Russia-Ukraine conflict, the supply chain for titanium has been disrupted, encouraging large customers to rethink their procurement strategies and start exploring the emerging markets like India. Furthermore, due to disruptions in the global supply chain, the availability of Titanium sponge and material may become even more difficult and expensive.

As a result, having a facility to manufacture titanium alloy ingots with up to 80% readily available and cost-effective Titanium scrap is a highly profitable proposition for PTC. This acquisition and investment in Titanium material production will transform PTC in terms of technology, capability, revenue growth, and sustainable long-term profitability.

Other developments

This year, we also exhibited at the prestigious Farnborough International Air Show in the United Kingdom. This was our first international show, one which yielded a lot of progress and positive outcomes for the times ahead.

The positive momentum that we have generated, along with the core strength that we are building, gives us a sense of confidence and optimism about the future. This time presents one of the greatest economic and technological opportunities for India as well as for PTC.

In keeping with our commitment towards building strong and capable teams, we intensified our efforts towards attracting, retaining and recruiting talented people and supporting their development and career growth. We continuously strive to foster a sense of belonging, where every member feels motivated to do their best work and gets ample opportunities for learning and progress. This is essential to building a world class team and fostering a high-performance culture.

Conclusion

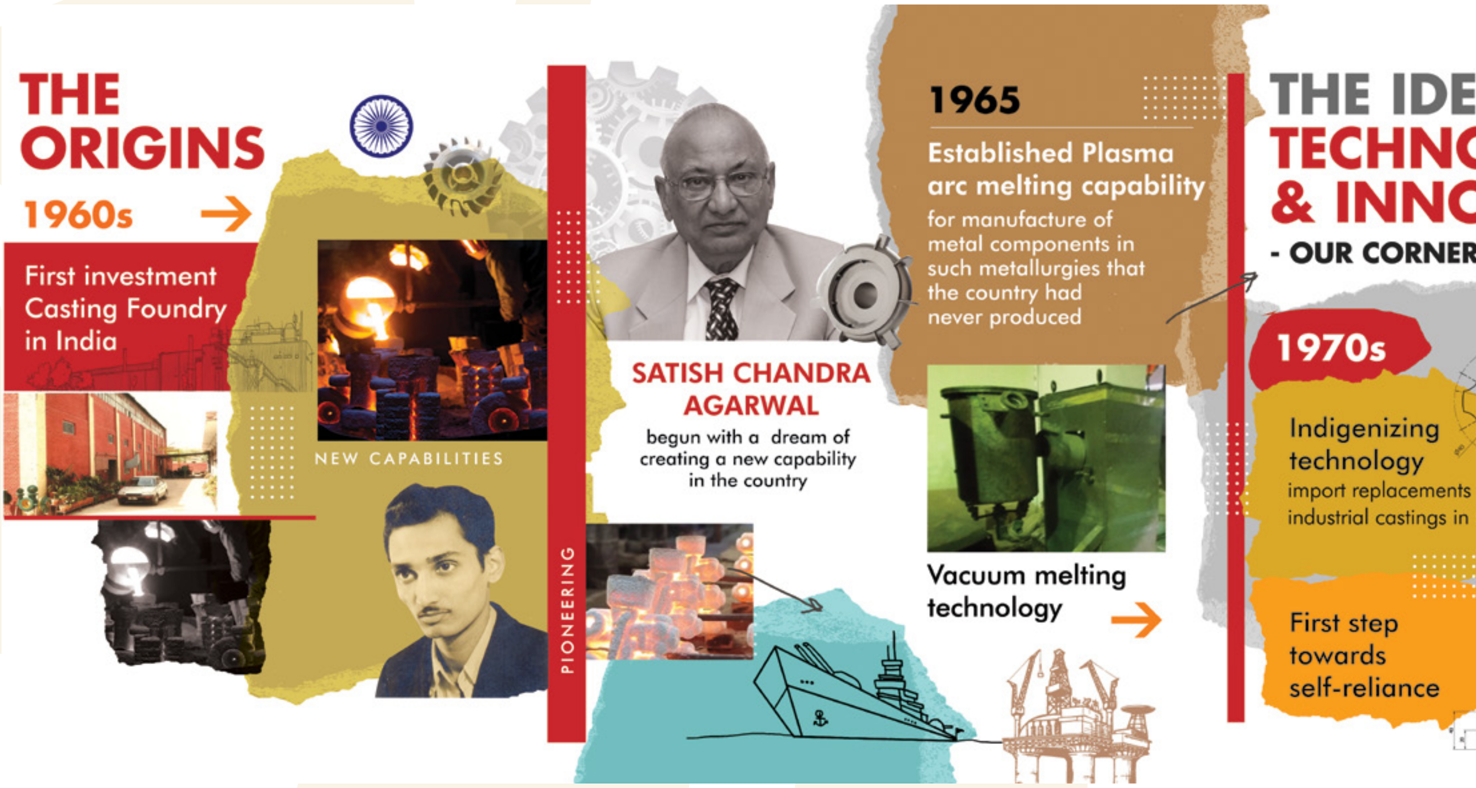
I would like to extend my sincere gratitude and appreciation to every member of the Board of Directors, our customers, suppliers, associates, bankers, financial institutions and every member of the PTC family for their unflinching commitment, and to all our shareholders for their continuous support and unwavering trust in us. This is the 60th year of our Company's formation, and I cannot help but look back with joy and pride on our journey so far, and express an overwhelming sense of gratitude to all the people who have been a part of this extraordinary company.

This is an exciting time at PTC as we continue to create stakeholder value and nurture long-term growth with a strong sense of purpose and determination in our march towards *Parity*. The positive momentum that we have generated, along with the core strength that we are building, gives us a sense of confidence and optimism about the future. This time presents one of the greatest economic and technological opportunities for India as well as for PTC. I echo the words of our Honourable Prime Minister, as I say –

यही समय है, सही समय है,
भारत का अनमोल समय है।

Sachin Agarwal
Chairman & Managing Director

PTC - A journey towards Parity



A
OLOGY
OVATION
STONES

SELF-SUFFICIENCY

1973

Expanding range of products and applications

for India

ATMANIRBHAR

DIFFICULT TO CAST, EXOTIC ALLOYS

energy

INDIGENOUS SUPPLY

IMPORT SUBSTITUTION

GOING GLOBAL

1980s

At par with the world

PTC became capable of replacing import of industrial components

MAKING IN INDIA

Make in India
Make for the world

Venture into exports

EXPORTING TO THE WORLD

1981

Foray into research

Set up of in-house research labs

1986

Winning accolades

Recognition by Department of Science & Technology

TECHNOLOGY

RESEARCH

1988

Bringing technology

Technical collaborations for enhancing capabilities further

2006

Award winning technologies-Rapidcast

Awarded the National Award for R&D by Government of India

First ever Robotic-Shell Coating system developed and installed

2007 Introducting automation

GREEN MANUFACTURING

2008

Going green

First step into clean energy with set up of own wind turbine

Increasing applications of technology

PTC - A journey towards Parity

SUSTAINABLE

2014

One of 16 Hidden Gems

Identified as fast growing company with constant innovation

ACCOLADES

TIME India Special Innovator of the Year

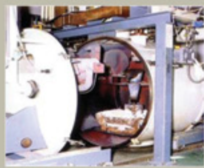
CII Industrial Innovation Awards

Rolls Royce Cost Leadership Award

Uttar Pradesh Gomti Gaurav Award

2015

Titanium Casting Capability FIRST time ever in India



Exotic & Higher Alloy Powders

Additive Manufacturing

Marching into Defence & Aerospace Manufacturing

rom the world

ies

ON AN EQUAL FOOTING WITH THE WORLD

Experimentation of development through automation and robotics

MAKE IN INDIA

AATMANIRBHARATA

SELF RELIANCE

A path to excellence, enrichment, prosperity

ACHIEVING PARITY

Profound and long lasting benefits for the nation

दृष्टानां दृष्टप्रयोजनानां दृष्टाभावे प्रयोगो ऽभ्युदयाय ॥ १०

dṛṣṭānāṃ dṛṣṭaprayojanānāṃ dṛṣṭābhāve prayogah 'bhyudayāya ||

The path to prosperity is by the way of 'Prayogah', experimentation and technological development - Vaisheshika Sut

RDS

Company Highlights

Inauguration of Aerolloy Technologies Limited

First operationalised Defence Manufacturing Facility

Opening of the first operationalised plant in the UP Defence Industrial Corridor, Lucknow. PTC's wholly owned subsidiary, Aerolloy Technologies which shall manufacture parts for Aircraft Engines, Helicopter Engines, Structural parts for aircrafts, Drones and UAV, Submarines, Ultra-Light Artillery Guns, Space Launch Vehicles and Strategy Systems etc. which were being imported in the country till now.

The new plant was inaugurated by Honourable Raksha Mantri, Shri Rajnath Singh on 13th November 2021 in the presence of Honourable Minister for Industrial Development, Government of UP, Shri Satish Mahana. Speaking on this occasion, the Honourable Raksha Mantri congratulated the Company for this landmark achievement and said that he felt proud to see how PTC was playing an important role in the manufacture of defence components and materials in the country.

Honourable Raksha Mantri also laid the foundation stone for an integrated Metal Manufacturing Facility for producing key Raw Materials in Titanium and other Exotic Alloys for aerospace applications. This plant will significantly reduce the country's dependence on imports for all platforms which require Titanium and Nickel Super Alloys and help in building a strong and Aatmanirbhar Bharat.

Several dignitaries from India and abroad from companies like Lockheed Martin, BAE Systems, Safran, Honeywell, Bharat Dynamics Limited, Brahmos and various other DPSUs and DRDO programs were also present at this inauguration.

Honourable Prime Minister, Shri Narendra Modi with CMD, PTC Shri Sachin Agarwal at the PTC Industries stand at the third Ground Breaking Ceremony in Lucknow with Honourable Raksha Mantri, Shri Rajnath Singh and Honourable Chief Minister, UP, Shri Yogi Adityanath.

Meeting with the Indian Ambassador to France, His Excellency Mr. Jawed Ashraf at the Indian Embassy in France along with Mr. Pierre Dickeli, CEO, Safran India, Mr. Jean-Michel Missirian, SVP Sales & Marketing, Safran Aircraft Engines and Mr. Herve Maniere, Head of Department, Business Development, Safran Aircraft Engines.

Interaction with Dr. G Satheesh Reddy, Chairman, Defence Research and Development Organisation (DRDO) and Secretary, Department of Defence, R&D on his visit to the new Titanium Casting Facility at Aerolloy Technologies Limited.

PTC and Aerolloy participated in the Farnborough International Air Show in United Kingdom during the year. This was the first international exhibition in which the company exhibited its capabilities for the manufacture of components, sub-systems and critical and strategic materials for Aerospace and Defence applications.

PTC won the Company of the Year (Castings) award at the Dare2Dream Awards 2021 for its contribution to manufacturing, fostering entrepreneurship and generating substantial employment.

PTC Industries welcomed the Ambassador of the Kingdom of Thailand, H.E. Ms. Pattarat Hongtong to our Advanced Manufacturing & Technology Centre in Lucknow.

Aerolloy Technologies received the Aerospace Quality Approval EN9100 : 2018 by TUV-NORD for the manufacture of Precision Investment Castings, including Titanium alloys.

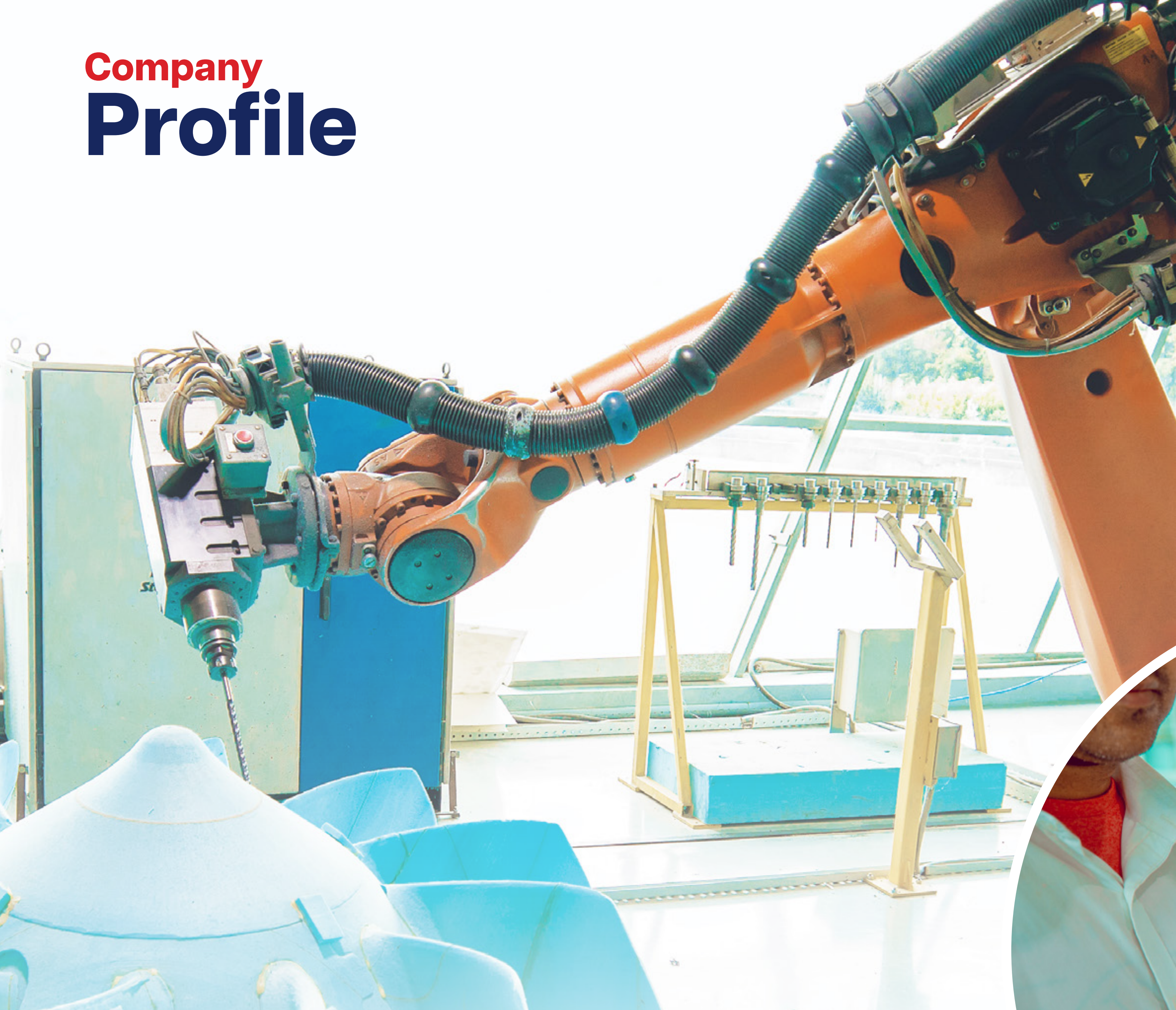
PTC received the Clearance Certificate for critical OLFs from Chief Executive (Air Worthiness and Certification) Shri APVS Prasad. These shall be made from expensive Titanium alloys for Defence applications using unique in-house Investment Casting & HIP capabilities available with very few companies worldwide.

The spin off from this important technology has resulted in development and certification of various critical and strategic components required for Defence Applications, parts of indigenised aero-engines and highly complicated components and many more critical components of indigenous equipment for various air, sea and land platforms. This will be a major boost towards import substitution and building and AatmanirbharBharat.

On the occasion of Mrs. Saroj Agarwal's 82nd birth anniversary, PTC organised an eye camp at the Deen Bandhu Eye Hospital, Ayodhya where 101 free eye operations were conducted in her memory.

PTC continued its actions against COVID-19 by ensuring vaccination for all. At the beginning of the year over 300 members and their families were vaccinated. Later, a further 590 people were successfully vaccinated, both employees and others with the support of the

Company Profile



Quality, innovation and advanced technologies define PTC Industries Limited, one of the world's leading suppliers of high precision metal components for critical and super critical operations across a wide range of segments including Aerospace, Defence and Industrial. The Company's commitment to unmatched quality has helped it to emerge as a preferred partner to its customers across the world. PTC's journey started in 1963 as its founders were driven with an aim to manufacture high quality castings which were at par with the best in the world for their chosen areas of applications.

For the last few years, PTC has been on a quest to achieve Parity in the sphere of manufacturing of strategic and critical materials and their components within India and this has been embodied as our guiding principle or 'Dharma'. This guiding principle towards achieving PARITY is a march to bring the country on an equal footing with others. For PTC, Parity denotes equivalence in technology, opportunity, defence, sustainability, wealth creation and a prosperous livelihood for all.

Lineage

Incorporated in 1963, Precision Tools & Castings Private Limited (now PTC Industries Limited) embarked on its journey with the goal of emerging as a technologically advanced and innovative foundry. With a dream to make India self-reliant, PTC commenced manufacturing parts using the new Lost Wax (Investment Casting) technology, the first in India, for Valves, Pumps and Impeller Castings. The company pioneered in investing in cutting-edge equipment like a Plasma Arc Furnace and Induction Furnace.

The Company has always believed that research and innovation are keys to sustain growth over long term. In 1981, PTC's research and development efforts gained cognizance and its In-house R&D Laboratory was recognized by the Department of Science & Technology (DST), Government of India.

PTC collaborated with Aciéries et Fonderies de l'Est (AFE) of France for technological know-how for manufacture of critical Castings by Sand Moulding process. To further its expansion plans, the Company forged partnership with a US based company for setting its footprint in the US markets.

The Company's efforts were recognized across various platforms. The 'Dhatu Nayak' award by the All India Induction Furnaces' Association, were presented to Mr. Sateesh Agarwal. PTC was awarded the Best Exporter Shield from EEPC (Northern Region) for many years and also received the Certificate of Excellence in 1992 for Iron & Steel based products.

In 2000, the ISO 9001-2000 certification by BVQI and AD-2000 Merkblat certification by TUVNORD were awarded to the company. It also received a certification from BVQI for the Pressure Equipment Directive.

In a bid to strengthen its operations, the Company acquired a sand-moulding foundry in Bhiwadi, Rajasthan in 1990. This was largely done to support its

growing export demand in the US for castings with marine applications. Subsequently, The Company acquired a machine shop 1991 in Lucknow for to add value to it its existing products. The Ahmedabad Plant was set up in 2001 with facilities for Investment Castings and later a CNC Machine Shop fully equipped with Turning Centres, Turn Mill Centres, Vertical & Horizontal Machining Centres was also added.

The Company envisioned the Advanced Manufacturing & Technology Centre (AMTC) – the most advanced metal component manufacturing facility in the world in 2013. This facility would house more than 20 unique technologies with the most sophisticated equipment in the world. The Company planned investments in robotics, automation and best practices in every process. The plant, now operational, has fortified PTC's position as a distinctive manufacturer of engineered metal components and products for the most critical applications where precision and quality are the most crucial criteria.

In February 2020, the Company formed a 100% fully owned subsidiary named Aerolloy Technologies Limited (ATL) to create a unique capability in the country for manufacture of metal and components for Aerospace and Defence applications both for domestic use and exports.

ATL's new Aerospace and Defence facility was inaugurated by Shri Rajnath Singh, Honourable Defence Minister, Government of India on 13th Nov 2021 in the presence of Honourable Minister for Industrial Development, Government of UP, Shri Satish Mahana. This plant is the first of its kind in the private sector for manufacture of components for aero engines and other super critical metal components for applications in Aerospace and Defence. This plant will supply parts for both domestic and export markets to large OEMs.

Further, ATL was allotted 20 Hectares (50 Acres) of land next to Brahmos facility, by UPEIDA in Lucknow node of the UP Defence Industrial Corridor. In a momentous step forward towards Aatmanirbharta or Self-Reliance for the nation, the Company also successfully completed the acquisition of the Electron Beam Cold Hearth Remelting (EBCHR) furnace with a capacity of 5,000 tonnes per annum.

This acquisition will now pave the way for manufacturing of Strategic and Critical materials for Defence, Aerospace, Medical and Industrial applications indigenously.

With the installation of this EBCHR furnace, the world's largest single site Titanium recycling facility shall now be set up in India, and make PTC one of the very few companies in the world with the manufacturing capacity and technology for remelting and recycling Titanium scrap within the country and producing aviation-grade Titanium alloy ingots indigenously.

Awards and recognitions

PTC's efforts at absorption and development of new technologies, and their indigenisation to deliver maximum value to the customer were recognized by the Indian Government. PTC was awarded the prestigious National Award for R&D Efforts in the Industry by the Department of Science and Industrial Research, Government of India in 2006 for successful indigenization and commercialization of the Replicast® technology. The Company has a technical collaboration with the UK-based Castings Technology International (CTI), a research and technology organization with capabilities in castings design, materials development and selection, specifications, manufacturing technologies, quality control, testing and performance.

Forbes India, in 2014, identified PTC Industries as one of the sixteen 'Hidden Gems' of Indian industries.

In 2017, PTC became the only foundry in India to receive the Special Jury Award at the 2017 Time India Awards by TIME India magazine for exhibiting overall competitiveness and pursuing innovation, and standing out for its remarkable export orientation, pioneering adoption of Industry 4.0 and focus on sustainable manufacturing.

PTC has been bestowed with the Total Cost Leadership Award by Rolls Royce – Marine, one its most esteemed customers and also won the prestigious CII Industrial Innovation Awards 2018 becoming the most innovative manufacturing company in the medium segment in the country.

In addition to these, PTC has received numerous awards and recognitions both nationally and internationally from the State Government, its customers and many agencies and industry confederations.

Quality first

The success of our customers is dependent on the quality of our products. The Company multi-pronged approach towards quality includes quality of work environment, technology and services offered. The Company conducts thorough quality check through in-depth testing and inspection based on customer requirements and international standards.

The series of inspection tests includes Destructive and Non-Destructive tests that comprising Tensile Testing, Impact Testing, Wet Analysis, Ultrasonic Flaw Detection, Magna Flux Crack Detection, Pressure Testing, and others.

The Company's approvals include:

ISO 9001 from TUV

PED (Pressure Equipment directive) TUV W0 MERKBLATT from TUV

Marine Classification Approvals from:

- DNV
- Bureau Veritas
- Lloyds
- American Bureau of Shipping
- Approval from Nuclear Power Corporation of India

PTC has received the Clearance Certificate for critical On-Line Fittings (OLFs) for Defence applications, made out of expensive Titanium alloys and using a unique In-House Capability comprising of Investment Casting + HIP (Hot Isostatic Pressing) processing techniques, available only with very few companies worldwide.

PTC has also successfully completed the Cyber Essentials certification for BAE Systems - UK and now complies with IASME standards for cyber security.

Aerolloy Technologies Limited, the wholly owned subsidiary of PTC has also received the certificate for Management system as per EN 9100:2018, an International Certification for manufacture of Titanium and Nickel Super Alloy Castings for Aerospace applications as per AS 9100 and EN 9100 form TUV NORD CERT GmbH.

TÜV NORD

CERTIFICATE

Management system as per
EN 9100:2018
(technically equivalent to AS9100D and JIS Q 9100:2016 and in conformity with the requirements of ISO 9001:2015)

The Certification Body TÜV NORD CERT GmbH hereby confirms as a result of the audit, assessment and certification decision according to EN 9104-001:2013 and ISO/IEC 17021-1:2015, that the organization

Aerolloy Technologies LTD.
NH-25A Sarai Sahjadi
Lucknow, UP 224101
India

AEROLLOY TECHNOLOGIES

operates a management system in accordance with the requirements of EN 9100:2018 and will be assessed for conformity within the 3 year term of validity of the certificate.

applies a management system in line with the above standard for the following scope

Manufacture of As-Cast and Machined investment casting in air and vacuum melt for Steel and Titanium alloys

Certificate Registration No. 44 117 210365
Audit Report No. 3529 0747

Issue date 2021-10-06
Expiry date 2024-10-05
Initial certification 2021-10-06

Certification Body
at TÜV NORD CERT GmbH

Essen, 2021-10-06

TÜV NORD CERT GmbH Langemarckstrasse 20 45141 Essen www.tuev-nord-cert.com

DAkkS Deutsche Akkreditierungsstelle

BDLI German Aerospace Industries Association

TÜV NORD CERT GmbH is accredited by DAkkS within the ICOP-scheme.

Human capital

PTC understands that its key differentiator is derived from the collective strength of its human capital. The Company takes multiple initiatives to strengthen its people capital. This includes sharpening of skills at regular intervals through well-defined learning and development initiatives and host of peer engagement programs.

A healthy and safe environment is a pre-requisite for a company's people capital to thrive. It offers various health schemes, camps and voluntary movements to its employees' and their families. The company has laid down foundations for a quality-centric work culture by involving its employees and ensuring a good work environment.

PTC encourages open collaboration, engagement and involvement. The Company believes providing equal opportunity and ensures a fair and diverse work environment. Diversity and Inclusion are important aspects of sustainable business growth and we call this the 'winning balance'.

The Company regularly imparts training to improve skills of its people. The Company has created an environment that fosters learning and development. The Company has been activey expanding its tea, tpp meet its growing demand.

In order to create a sense of ownership and provide the workers and staff, with wealth creation opportunities through the growth of the Company, PTC has also granted ESOP options under its scheme "Abhilasha - PTC Employees Stock Option Scheme 2019 "('PTC-ESOS 2019'). The objective of this Scheme is to share the benefit of the organizational growth and alignment of employee goals to the growth of the organization.

PTC believes that every employee is an important member of the Company, and with their commitment to build a glorious future for the Company they can also create value for all its stakeholders. Since, every employee plays a critical role in creating this value, they should each get an opportunity to share this value too.

The Company enjoys outstanding relations with its workers and staff. It has excellent co-operation and support from the entire hierarchy of well-trained and experienced personnel.

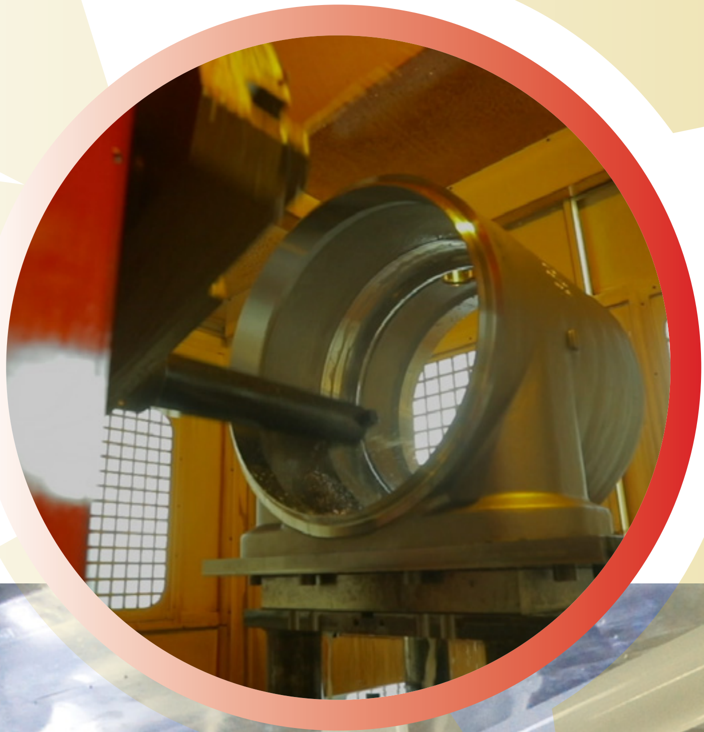
Unmatched infrastructure

The Company has invested in well-integrated manufacturing units. It has manufacturing facilities in Uttar Pradesh and Gujarat comprising 2 foundries, 2 CNC machine shops and a DSIR approved Research & Development lab. Through its subsidiary Aerolloy Technologies Limited, PTC has also established a fully functional Titanium Casting facility which is also the first operationalised plant in the UP Defence Industrial Corridor, Lucknow.

In addition, an expansion is underway at the recently acquired 50 acres of land by ATL located in the Lucknow node of the Uttar Pradesh Defence Industrial Corridor next to the Brahmos facility. This new facility shall fulfil the Company's strategic objective of setting up a Titanium raw material manufacturing facility within the country.

Facilities at the foundries:

- Fully equipped with facilities for computerised methoding through solid modeling and casting simulation
- Invested in setting up a Design Unit, complete with high end designing software from SolidWorks® and Magma® along with qualified design engineers.
- Developed a large Robotic 7-Axis Machining Centre to machine patterns using Virtual Tooling for the its RapidCast™ technology
- Installed fully- automated Robot assisted Shell Coating systems in both the plants for shelling and moulding for consistency in quality, enhanced efficiency, shorter lead times and less wastage.



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

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

Creating future foundation for growth

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

The indigenous capability developed through technologies and facilities available in this plant is used for the manufacture high precision components with unmatched quality, consistency and reliability for super-critical applications.

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

PTC's CNC machining capability has also been expanded with the latest 5-Axis CNC machines and CMM equipment. The AMTC Plant has the capability to produce single piece castings of up to 6,000 kgs. The built-up area for the plant is 150,000 square feet. The manufacturing technologies employed here not just improve the quality and performance of products, but the entire manufacturing process has been re-engineered to make it more green and reduce or eliminate wastage at every stage of the manufacturing process.

With an aim to enhance overall organizational efficiency, automation and robot-assisted manufacturing has been employed, increasing the consistency and reliability of the process. The new technologies being introduced by PTC are one of the most environmentally neutral technologies available today.

Further, this plant also incorporates the best practices for sustainable manufacturing. Environmental conscientiousness forms the very essence of these technologies. Keen focus and validation was maintained right through their development to ensure that every step of the process has no adverse impact on the environment. PTC has been able to recycle and re-use a significant number of materials while generating minimum waste. It constructed one of the very few gold-rated green buildings in the country with a rooftop solar plant, rainwater harvesting, and effluent and waste treatment plants and investment in fume extraction and exhaust systems so that we can deliver the highest quality parts while honouring our responsibility towards the environment and future generations.

The Company has also become the first to introduce Titanium Casting technology and manufacturing capability in India. The unit is will help to substitute imports, crucial to the realisation of our nation's dream of 'Self Reliance' and 'Make in India'.

Winning over the world

With a strong product portfolio backed by unmatched quality, PTC has reinforced its position globally and emerged stronger than ever with strong customer relationships coupled with specialized manufacturing capabilities. The Company has been sharpening its focus around technology and innovation that is opening up newer opportunities for the organization.

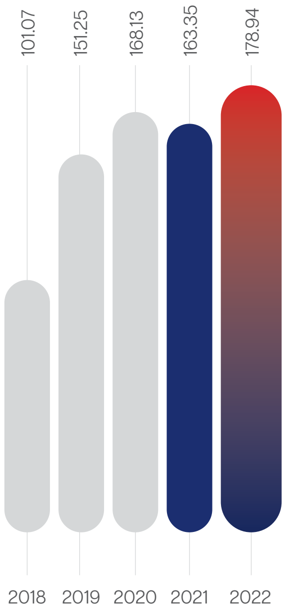
PTC manufactures products for various critical applications for a wide spectrum of industries including Aerospace, Defence, Oil & Gas, Liquefied Natural Gas (LNG), Ships & Marine, Valves and Flow-control, Power plants and turbines, Pulp & Paper machinery and Mining and Earth moving machinery. It offers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

PTC's foundries produce stainless steel and alloy steel castings covering wide range from few grams up to more than 6,000 kilograms per piece.

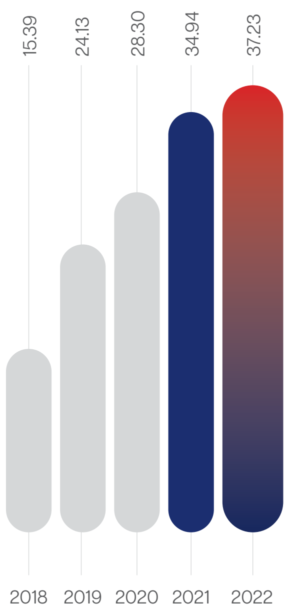
PTC has been exporting over three fourths of its products for more than 30 years to countries all over Europe, North America as well as other countries in Asia and South America. Some of PTC's pride-enhancing customers global leaders such as Kongsberg (previously Rolls Royce), Flowserve, Metso, Emerson, Siemens, Alstom etc. PTC has also made contributions towards nation building by developing various critical parts for power generation equipment for BHEL, earth-moving products for BEML and also for India's space program by developing critical parts for Vikram Sarabhai Space Centre (VSSC) and Brahmos Aerospace Private Limited.

Financial Highlights

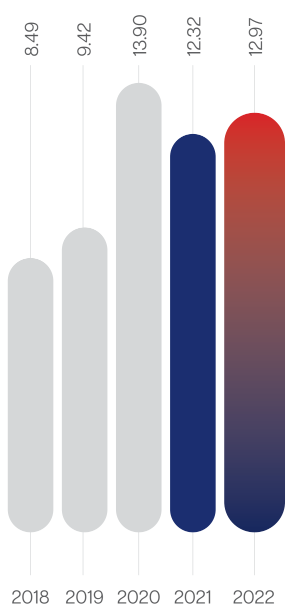
Revenue
(₹ in crore)



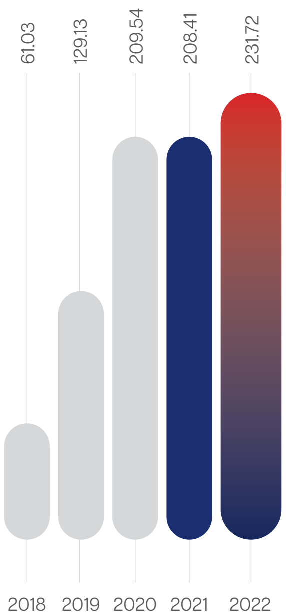
EBITD
(%)



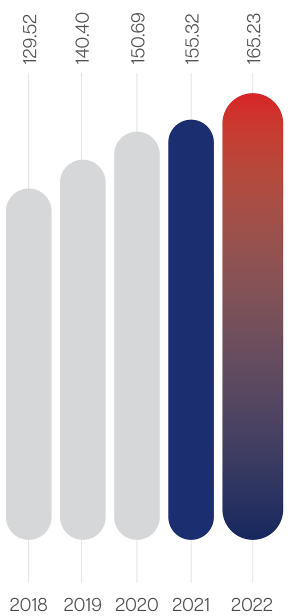
Profit Before Tax
(₹ in crore)



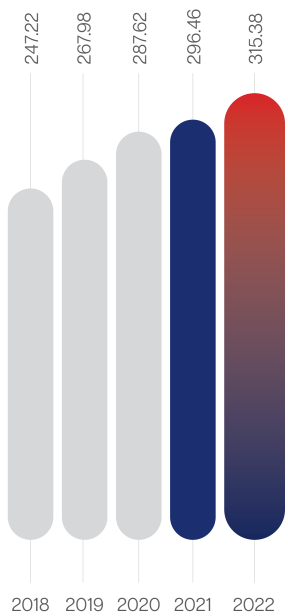
Property, Plant & Equipment
(₹ in crore)



Net Worth
(₹ in crore)



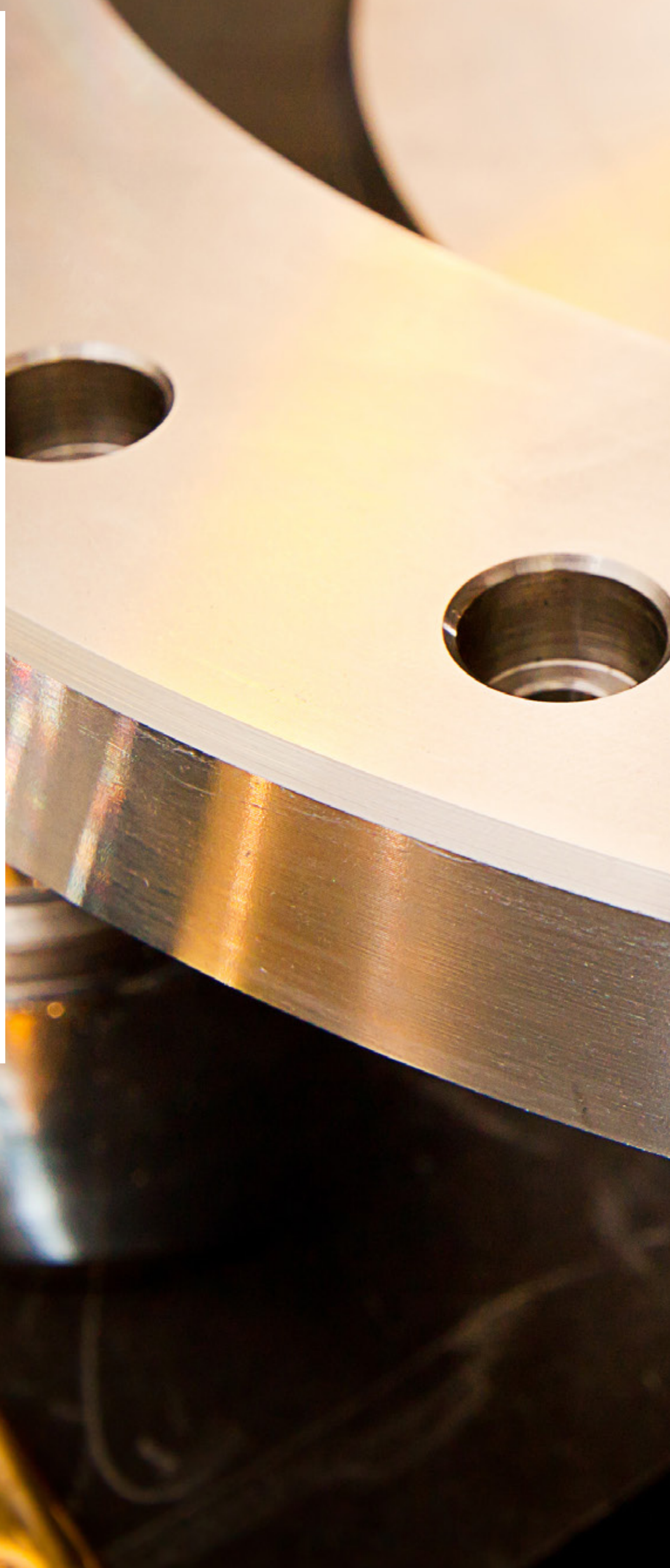
Book Value of Shares
(₹ per share)



Geographical Sales

% of Total Revenue

Company Information



Chief Financial Officer
Smita Agarwal

Company Secretary
Pragati Gupta Agarwal

Bankers
State Bank of India
Punjab National Bank
HDFC Bank
Yes Bank
ICICI Bank

Auditors
Walker Chandiok & Co. LLP

L-41 Connaught Circus New
Delhi 11000 India

Registered Office
Advanced Manufacturing &
Technology Centre,
NH25A, Sarai Shahjadi,
Lucknow 227101
Uttar Pradesh, India
Tel: +91 522 711 1017
Fax: +91 522 711 1020
Website: www.ptcil.com
CIN: L27109UP1963PLC002931

AMTC Plant
NH 25A, Sarai Shahjadi
Lucknow 227101
Uttar Pradesh, India

Mehsana Plant
Rajpur, Taluka Kadi, District
Mehsana 382740
Gujarat, India

Windmill Power Division
Surajbari Region
Shikarpur Village
Kutch District Gujarat, India

Share Transfer Agent
Link Intime India Private limited
C-101, 247 Park, L. B. S. Marg,
Vikhroli (West), Mumbai 400 078
Maharashtra, India

Board of Directors

Sachin Agarwal
Chairman & Managing Director,
50 Years
MBA, M.Sc (Finance)
Joined- 18 June, 1998

Priya Ranjan Agarwal
Director, Marketing,
63 Years
B.E. (Mechanical)
Joined- 28 December, 1992

Alok Agarwal
Director, Quality & Technical,
60 Years
B.Tech, IIT Kanpur
Joined- 27 July, 1994

Smita Agarwal
Director and CFO,
46 Years
C.A. and DISA (ICAI)
Joined- 01 June, 2019

Ashok Kumar Shukla
Executive Director,
54 Years
B.Tech (Mechanical)
Joined- 1 October, 2017

Ajay Kashyap
Independent Director,
73 Years
B.Tech (Chem), M.Sc. (Chem)
Joined- 19 April, 2007

Krishna Das Gupta
Independent Director,
79 Years
M.Com, LLB, M.Phil,
Masters Diploma in Public Administration.
Joined- 31 July, 2008

Rakesh C Katiyar
Independent Director,
66 Years
M.Com, PhD, FICWA, D Lit.
Joined- 19 April, 2007

Brij Lal Gupta
Independent Director,
70 Years
B.Sc., CAIB
Joined- 6 December, 2014

Vishal Mehrotra
Independent Director,
50 Years
LL.B
Joined- 10 August, 2019

Directors' Report

DEAR MEMBERS,

Your Directors are pleased to present the 59th Annual Report of the Company along with financial statements for the year ended 31st March 2022.

1. RESULTS OF OUR OPERATIONS

Table gives the financial performance of the Company for the financial year 2021-22 as compared to the previous financial year.

FINANCIAL HIGHLIGHTS

(₹ in lakhs except per share data)

Sr. No.	Particulars	Standalone		Consolidated	
		2021-22	**2020-21**	**2021-22**	**2020-21**
	Income				
	(a) Revenue from operations	17893.51	16334.99	17895.48	16334.99
	(b) Other income	690.53	519.61	627.99	519.61
1	**Total income**	**18584.04**	**16854.6**	**18523.47**	**16854.6**
	Expenses				
	(a) Cost of materials consumed	5564.71	3694.05	5066.82	3694.05
	(b) Changes in inventories of finished goods and work-in-progress	-553.77	409.05	-759.47	409.05
	(c) Employee benefits expense	2002.56	1996.71	2085.16	1996.71
	(d) Research and development expense	181.94	181.09	181.94	181.09
	(e) Finance costs	1505.52	1343.26	1516.58	1343.26
	(f) Depreciation and amortisation expense	1453.94	1438.35	1462.99	1438.35
	(g) Other expenses	6975.55	6559.63	7110.87	6562.84
2	**Total expenses**	**17130.44**	**15622.14**	**16664.89**	**15625.35**
3	Profit before tax	1453.60	1232.46	1858.58	1229.25
	Exceptional item	156.79		156.79	
4	Total tax expense	347.16	793.76	420.64	793.76
5	**Profit for the period**	**949.65**	**438.7**	**1281.15**	**435.49**
	Other comprehensive income	-1.64	24.28	-0.49	24.28
6	**Total comprehensive income for the period**	**948.01**	**462.98**	**1280.66**	**459.77**
	Paid-up equity share capital (₹ 10 per share)	523.91	523.91	523.91	523.91
	Earnings per share				
	Basic	18.13	8.37	24.45	8.31
	Diluted	18.11	8.37	24.44	8.31

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Based on consolidated financial statement the Company witnessed growth in revenue from operations by 9.55% to ₹ 178.95 crores with the operationalisation of the AMTC plant and scaling up of capacity. The Advanced Manufacturing & Technology Centre continues to utilize part of its capacity for trials, research and development of new products and technologies for the future.

Profit before finance cost, depreciation and amortisation, exceptional items and tax, as a percentage of revenue from operations, has increased to 27.03% from 24.55% in the previous year, although in absolute terms it has decline by 10.11%.

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

DIVIDEND

The Company has already commercialized major capacity of its manufacturing capability at the Advanced Manufacturing & Technology Centre (AMTC) in Lucknow, Uttar Pradesh. A substantial investment has been made in new technologies and capabilities for this new facility, effects of which are visible in the Company's financial performance. However, the Company has also formed a new subsidiary Aerolloy Technologies Limited for entering into the aerospace components market for which further outlay of funds is envisioned. Hence, the directors do not consider it prudent to recommend any dividend for the year ended on March 31, 2022. The Company has also not transferred any amount to the General Reserve during the year. The amount of ₹ 12.81 crores is proposed to be retained in the Profit and Loss Account for the year ended on March 31, 2022.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As per the requirement of section 186(4) of Companies Act, 2013, particulars of loans given, investments made, guarantees given or securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements on **page number 159** The Company is in compliance with the limits as prescribed under Section 186 of Companies Act, 2013 read with rule 11 of the Companies (Meeting of Board and its Powers) Rules, 2014.

RELATED PARTY TRANSACTIONS

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

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

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

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

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

Please refer **page number 52** for changes in the share capital of the Company in view of the issue and allotment of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 Lakh on a rights basis to the eligible equity shareholders of our company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of our company on the record date, that is, on July 22, 2022.

GLOBAL PANDEMIC – COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. The world is in the midst of COVID-19 pandemic and it is yet unclear how long its impact shall continue and affect all economic activities. The governments across the world have been deploying drastic measures, such as lockdowns, to contain this pandemic. This being an unprecedented crisis humankind is facing, the full assessment of the impact on the business will be possible only with the passage of time.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 read with Schedule V Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report on **page 72.**

2. BUSINESS

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

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

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

SUBSIDIARY

The Company has formed a 100% owned subsidiary Company named Aerolloy Technologies Limited, incorporated on February 17, 2020, having CIN No. U27200UP2020PLC127120. The Company has no other subsidiary, associate or joint venture. The Company has made investment of ₹ 1349.50 Lakh in its wholly owned subsidiary Aerolloy Technologies Limited by subscription of 1,34,950 equity shares of ₹ 10/- each during the year under report, taking aggregate investment to ₹ 2186.96 Lakh in its wholly owned subsidiary. Your Company's Policy for determination of a material subsidiary, as adopted by your Board, in conformity with Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, can be accessed on your Company's corporate website at www.ptcil.com. The Company does not have any material subsidiary. The Minutes of Board Meetings of the subsidiary companies and details of significant transactions and arrangements entered into by them are placed before the Board of Directors of the Company. The annual financial statements of the subsidiary companies are reviewed by the Audit Committee of the Company. Performance review reports of wholly owned subsidiaries are also placed before the Board of Directors of the Company on a half-yearly basis.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the provisions of the act and listing regulations read with Ind AS-110-consolidated financial statement, Ind AS-28-investments in associates and joint ventures and Ind As-31-interests in joint ventures, the Company have prepared consolidated financial statements for the year 2021-22. The following may be read in conjunction with the Consolidated Financial Statements of the Company prepared in accordance with Indian Accounting Standard 110. Shareholders desirous of obtaining the Report and Accounts of your Company's subsidiaries may obtain the same upon request. Further, the Report and Accounts of the subsidiary companies is also available on your Company's website, www.ptcil.com, in a downloadable format.

RESEARCH AND DEVELOPMENT

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

The Company has successfully completed its Technology Development and Demonstration Programme (TDDP) for development and commercialization of the RapidCast™ technology for manufacture of stainless-steel castings of weight up to 6,000 kilograms which has become fully operational and allowed the Company to manufacture stainless steel castings weighing up to 6,000 kilograms, single-piece for a wide range of critical and super-critical products during the year.

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

The company's efforts into development of technologies related to 3D printing and additive manufacturing using metal powders have also started to yield results. The technologies and processes developed from these initiatives shall also have a significant impact on the metal component industry and the manufacture of critical metal components in the future. In the past few years, there has been an added impetus to relentlessly and constantly develop and indigenize latest cutting-edge technologies for manufacturing of strategic materials, components, and sub systems for various Defence and Aerospace applications which will be the growth engine for company in future.

QUALITY AND SAFETY

The Company's standards for quality, safety, training, development, health and environment have always been kept at the highest level of importance. The Company has been employing the use of artificial intelligence, data analytics and latest software to continuously upgrade and maintain its safety and quality parameters.

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

Aerolloy Technologies Limited, the wholly owned subsidiary company also received the certificate for Management system as per **EN 9100:2018**, an International Certification for manufacture of Titanium and Nickel Super Alloy Castings for Aerospace applications as per AS 9100 and EN 9100 form **TUV NORD** CERT GmbH.

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

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

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

AWARDS AND RECOGNITIONS

During the year, the new Aerospace and Defence facility setup by Aerolloy Technologies Limited, PTC's wholly owned subsidiary was inaugurated by Shri Rajnath Singh, Honourable Defence Minister, Government of India on 13th Nov 2021. This plant is the first of its kind in the private sector for manufacture of components for aero engines and other super critical metal components for applications in Aerospace and Defence. This plant will supply parts for both domestic and export markets to large OEMs.

Further, PTC's wholly owned subsidiary Aerolloy Technologies Limited has been allotted 20 Hectares (50 Acres) of land next to Brahmos facility, by UPEIDA in Lucknow node of the UP Defence Industrial Corridor. The Company intends to set up fully integrated material manufacturing capabilities of all exotic materials, including Titanium, Cobalt, and Nickle Superalloys, at this facility.

In a momentous step forward towards Aatmanirbharta or Self-Reliance for the nation, PTC Industries Limited successfully completed the acquisition of the Electron Beam Cold Hearth Remelting (EBCHR) furnace with a capacity of 5,000 tonnes per annum, through its wholly owned subsidiary "Aerolloy Technologies Limited (ATL). This acquisition will pave the way for manufacturing of Strategic and Critical materials for Defence, Aerospace, Medical and Industrial applications indigenously.

With the installation of this EBCHR furnace, the world's largest single site Titanium recycling facility shall now be set up in India, and make PTC one of the very few companies in the world with the manufacturing capacity and technology for remelting and recycling Titanium scrap within the country and producing aviation-grade Titanium alloy ingots indigenously.

PTC received the Clearance Certificate for critical On-Line Fittings (OLFs) for Defence applications, made out of expensive Titanium alloys and using a unique In-House Capability comprising of Investment Casting + HIP (Hot Isostatic Pressing) processing techniques, available only with very few companies worldwide. To date, these critical 'OLFs' are being imported but will now reduce imports as its production is commenced at the PTC facility. PTC is already a key supplier of Titanium castings and components to Brahmos for the past few years.

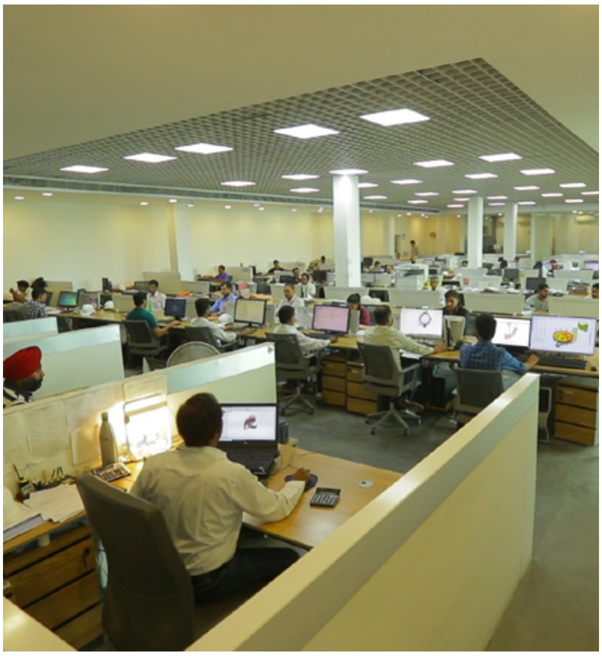
This year, PTC also successfully completed the Cyber Essentials certification for BAE Systems - UK and now complies with IASME standards for cyber security.

3. HUMAN RESOURCE MANAGEMENT

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

The efficiency of our workers has always been a key priority for the Company as it is moving towards larger capacities and greater capabilities. PTC focuses on business process optimization, efficiency improvement and cost reduction continuously. The Company conducts various manufacturing excellence and productivity improvement projects throughout the year with both internal and external experts. This year, our world class team launched a series of six-sigma projects under the guidance of experts working towards the implementation of Lean Manufacturing and 5S implementation. A number of new systems have been implemented at the shop floor and innovative manufacturing tools are being employed to improve the quality and efficiency of the output.

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



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

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

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

PARTICULARS OF EMPLOYEES

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

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

4. CORPORATE GOVERNANCE

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

NUMBER OF MEETINGS OF THE BOARD

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

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

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

INDUCTION AND CHANGES

In accordance with the provisions of Section 152 of the Act read with Article 158 and 159 of the Articles of Association of the Company, Mrs. Smita Agarwal will retire by rotation at the ensuing AGM and, being eligible, offer himself for reappointment. The Board has recommended her reappointment. The Company has also appointed Prashuka Jain (DIN- 06412915) as an Independent Women Director and agenda item is placed before the shareholders at ensuing AGM for their approval.

Further, the tenure of Managing Director & Whole Time Directors is coming to an end on September 30, 2022, accordingly the Board has recommended for their re-appointment and necessary agenda items for appointment of Mr. Sachin Agarwal as Chairman & Managing Director, Mr. Alok Agarwal as Director (Quality & Technical), Mr. Priya Ranjan Agarwal as Director (Marketing), Mr. Ashok Kumar Shukla as Whole Time Director and Smita Agarwal as Whole Time Director & CFO are placed at ensuing AGM for consideration of the shareholders of the Company.

Familiarisation Programme for Directors

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

Attributes, Qualifications and Independence of Directors and their Appointment

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

Details of the Company's Policy on remuneration of Directors, Key Managerial Personnel and other employees is provided in the Report on Corporate Governance forming part of the Report and Accounts.

DECLARATION BY INDEPENDENT DIRECTORS

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

BOARD EVALUATION

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

KEY MANAGERIAL PERSONNEL

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

COMMITTEES OF THE BOARD

Currently, the Board has 7 (Seven) committees. A detailed note on the Board and its committees is provided in the Corporate Governance Report section of this Annual Report. The composition of the committees and compliances, as per applicable provisions of the Act and Rules, are as follows:

Audit committee	Dr. Rakesh Chandra Katiyar, Chairperson, Mr. Brij Lal Gupta, Member Mr. Krishna Das Gupta, Member Ms. Smita Agarwal, Member	• All recommendations made by the committee during the year were accepted by the Board. • The Company has adopted the Higher Education Loan Policy for directors and employees to encourage employees to support higher education for their family members. • The Company also reviewed and enforced the Related Party Transaction Policy during the year.
Nomination and remuneration committee	Mr. Krishna Das Gupta, Chairperson, Mr. Brij Lal Gupta, Member Dr. Rakesh Chandra Katiyar, Member	• The Committee oversees and administers executive compensation. • The Committee recommends the criteria for evaluation of the performance of the Directors including the Independent Directors. • All recommendations made by the committee during the year were accepted by the Board.
Stakeholders' relationship committee	Dr. Rakesh Chandra Katiyar, Chairperson, Mr. Ajay Kashyap, Member Mr. Sachin Agarwal, Member Mr. Krishna Das Gupta, Member	• The Committee reviews and ensures redressal of investor grievances, ratifies share transfers, duplicate issue of certificates and transmissions. • The committee noted that no grievances of the investors have been reported during the year.
Project monitoring and environment committee	Mr. Sachin Agarwal, Chairperson Mr. Krishna Das Gupta, Member Mr. Alok Agarwal, Member Mr. Ajay Kashyap, Member	• It oversees and monitors the progress of large capital expenditures and projects being implemented by the Company • It monitors and oversees all the requirements which are required for the smooth establishment of the Company's new Plant, Advanced Manufacturing and Technology Centre. • It also assesses the impact of the operations of the Company on the environment and initiates steps for the identification of potential issues and provision of support in setting a direction for improvements.
Banking committee	Mr. Sachin Agarwal, Chairperson, Mr. Alok Agarwal, Member Mr. Brij Lal Gupta, Member	• Approval of sanction letters and/or borrowings at a time or by cumulative sum not exceeding ₹ 35,00,00,000 (Rupees thirty-five crores) subject to fact that the Chairman of the Committee will place such approval at the subsequent meeting of the Board. • Passing of resolution(s) for opening, closing and operation of bank accounts with present bankers of the Company viz., State Bank of India, Punjab National Bank, HDFC bank, Yes Bank or any of the banks in future. • To authorise additions/deletions to the signatories pertaining to banking transactions. • To approve investment of surplus fund for an amount not exceeding ₹ 10,00,00,000 (Rupees Ten crores) as per the policy approved by the Board. • To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivatives products. • Any approval and/or execution for day-to-day banking matters of the Company. • To attend to any other responsibility as may be entrusted by the Board to perform any activity within terms of reference.

Name of the committee	Composition of the committee	Highlights of duties, responsibilities and activities
Risk management committee	Dr. Rakesh Chandra Katiyar, Chairperson, Mr. Priya Ranjan Agarwal, Member Mr. Brij Lal Gupta, Member	• It makes recommendations to the Board to manage the risk of the Company and appraises the Board regarding any noticeable and relevant risks which can have an adverse effect on the affairs of the Company. • The Risk Management Policy of the Company can be accessed at www.ptcil.com.
Listing committee	Mr. Sachin Agarwal, Chairperson, Mr. Alok Agarwal, Member Ms. Smita Agarwal, Member, Mr. Anuj Nigam, Company Secretary	• To oversee and monitor all tasks in relation to the listing of equity shares of the Company at stock exchanges.

DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) in preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with the requirements set out under Schedule III of the Act have been followed and that there are no material departures from the same;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2022 and of the profit of the Company for year ended on that date;

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

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

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

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

ADOPTION OF IND-AS

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

LISTING

The Company has its equity shares listed on BSE Limited. The Company has paid listing fees for the year 2022-23. The Company has also established connectivity with both depositories, NSDL and CDSL.

5. AUDITORS

STATUTORY AUDITORS

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

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

SECRETARIAL AUDITOR

M/s Amit Gupta & Associates, Practicing Company Secretaries were appointed as secretarial auditors of the Company for the year 2021-22 as required under Section 204 of the Companies Act, 2013 and Rules made thereunder. The secretarial audit report for FY 2021-22, in Form MR3, forms part of the Annual Report at Annexure –V and carries no qualifications, reservations, adverse remarks or disclaimers and hence no explanations are required.

The Board has appointed M/s. Amit Gupta & Associates, Practicing Company Secretaries, as the secretarial auditor of the Company for the financial year 2022-23.

COST AUDIT

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

SIGNIFICANT AND MATERIAL ORDERS

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

AUDIT COMMITTEE AND VIGIL MECHANISM

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

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

ANNUAL RETURN

The Annual Return of your Company is available on its corporate website at www.ptcil.com.

INTERNAL FINANCIAL CONTROLS

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

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

CREDIT RATING

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

Instrument	Rating Agency	Rating*	Outlook	Rating Action
Long Term Bank Facilities	Informerics Ratings	IVR BBB+	Stable	Reaffirmed
Short Term Bank Facilities	Informerics Ratings	IVR A2		Reaffirmed
Short Term non-fund-based Bank Facility	Informerics Ratings	IVR A2		

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

RISK MANAGEMENT

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

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

- Reviewing and approving the Company's Risk Management Policy so that it is consistent with the Company's objectives; and

- Ensuring that all the risks that the Company faces such as strategic, operational, financial, compliance and other risks are identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

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

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

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

SECRETARIAL STANDARDS

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

GOING CONCERN STATUS

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

KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year ended 31st March, 2022 along with details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in key financial ratios, and the detailed explanations, are provided in the Annexure forming part of this report.

CHANGES IN SHARE CAPITAL

There was no change in paid up share capital of the Company during the year under report. The Authorised Share Capital of the Company increased to ₹ 20,00,00,000/- (Rupees Twenty Crores) comprising of 2,00,00,000 (Two Crores) equity shares of ₹ 10/- each on November 22, 2021.

In line with the approval of the shareholders for issue of shares on rights basis at 58th annual general meeting of the Company held on November 22, 2021, the Company has issued and completed allotment on August 23, 2022 of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("rights equity shares") of our company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 Lakh on a rights basis to the eligible equity shareholders of our company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of our company on the record date, that is, on July 22, 2022.

EMPLOYEE STOCK OPTION SCHEME

With a view to attract, retain, incentivize and motivate employees of the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Company took approval of the shareholders of the Company in their 56th Annual General Meeting held on September 28, 2019 to create, issue, offer, grant and allot to or for the benefit of such person(s), who are the permanent Employees or Directors of the Company as may be permissible under the SEBI Regulations (hereinafter referred to as 'Employees') and as maybe decided by the Board under the scheme titled 'PTC Employee Stock Option Scheme 2019' (hereinafter referred to as 'PTC-ESOS 2019'), not exceeding 157,170 stock options convertible into 157,170 equity shares of the face value of ₹ 10 each fully paid-up, in such manner, during such period, in one or more tranches and on such terms and conditions including the price as the Board may decide in accordance with the SEBI Regulations or other provisions of the law as maybe prevailing at the relevant time.

The members of the company have also approved on November 22, 2021 to create, issue, offer, grant and allot 'PTC-ESOS2019' to or for the benefit of such person(s), who are the permanent Employees or Directors of a group company including subsidiary or its associate company, in India or outside India,

The Compensation Committee (Nomination & Remuneration Committee) at its meeting held on September 15, 2021 had approved grant of 10965 Stock Options (convertible into 10965 Equity shares of the Company, upon exercise) to 454 Eligible Employees in terms of the 'PTC-ESOS2019'. Further the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on June 11, 2022 had approved grant of 2255 (convertible into 2255 Equity shares of the Company, upon exercise) to 64 eligible employees in terms of the 'PTC-ESOS2019'. Recently, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on August 30, 2022 had approved grant of 12500 (convertible into 12500 Equity shares of the Company, upon exercise) to one eligible employee in terms of the 'PTC-ESOS2019'.

Further, in terms of PTC-ESOS 2019, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on August 30, 2022 approved the adjustment in the Options, pursuant to the issue of up to 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("rights equity shares") of our company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 Lakh on a rights basis to the eligible equity shareholders of our company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of our company on the record date, that is, on July 22, 2022, in the following manner:

Details	Existing	Adjusted pursuant to the Rights Issue
Total Pool	1,57,170	3,92,925 (2,35,755 additional)
Exercise Price	990/- per share	402/- per share

The Company is filing necessary application for seeking in-principle approval for listing of 2,35,755 shares, arising due to Rights Issue adjustment.

In terms of the provisions of Regulation 13 of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, the company has obtained a certificate from the secretarial auditors of the company that the scheme has been implemented in accordance with these regulations and in accordance with the resolution of the company in the general meeting and the same is placed at Annexure -IV ___.

6. CORPORATE SOCIAL RESPONSIBILITY

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

The Board has approved the Corporate Social Responsibility Policy which is available on the company's website www.ptcil.com.

The Company has formed a trust, viz. PTC Foundation, in the year 2014-2015 for the purpose of undertaking CSR activities exclusively. PTC Foundation shall work along with the Board and the CSR committee in order to identify and implement CSR initiatives of the Company. Key CSR initiatives of the Company focus on providing primary and secondary education, supporting technical learning institutes, empowering women, improving health and sanitation facilities and promoting Indian art and culture. The Company has spent ₹ 23.76 Lakhs for its CSR activities during the financial 2021-22. Details of initiatives taken by the Company during the year are covered in the Corporate Social Responsibility Report attached as Annexure IV to this Directors' Report as per the requirement of Rule 9 of The Companies (Accounts) Rule, 2014.

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

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

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

The Company's has always had a very strict policy on the sexual harassment issues and has zero tolerance in this matter. Ensuring a safe environment for its women employees is a major priority for the Company and its management. As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has formed an Internal Committee to address complaints pertaining to sexual harassment in the workplace. The Company policy mandates prevention of sexual harassment and to ensure a free and fair enquiry process with clear timelines for resolution. To build awareness, the Company has been conducting training programmes on a periodic basis. In your Company's legacy of more than 59 years, no instance of sexual harassment has ever been reported by any employee. During the year 2021-22 also, the Company has not received any complaints of sexual harassment.

9. GENERAL

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

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme including Employees' Stock Options Plan.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year, as no such proceedings initiated or pending.
- The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, as there was no instance of onetime settlement with any Bank or Financial Institution.

FORWARD-LOOKING STATEMENTS

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

ACKNOWLEDGEMENTS

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

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

On behalf of the Board of Directors

Place: Lucknow	**Sachin Agarwal**	**Alok Agarwal**
Date: September 05, 2022	Chairman & Managing Director	Director - Quality & Technical

Annexure to Directors’ Report to the Members

Annexure I

FORM NO. AOC. 2

Particulars of contracts/arrangements entered with related parties

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

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

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

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

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

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

On behalf of the Board of Directors

Place: Lucknow	**Sachin Agarwal**	**Alok Agarwal**
Date: September 05, 2022	Chairman & Managing Director	Director - Quality & Technical

Annexure II

Particulars of Employees

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

(Amount in lakhs)

Name(s) of Whole time Directors	Designation	Remuneration in year 2021-22 (In ₹)	Remuneration in year 2020-21 (In ₹)	% increase in remuneration	Ratio of remuneration to median remuneration of employees	Ratio of the remuneration to Net Profit (2021-22)
Sachin Agarwal	Chairman & Managing Director	120.18	128.60	(6.56)	58.09	9.38
Alok Agarwal	Director (Quality & Technical)	33.25	35.47	(6.26)	16.07	2.60
Priya Ranjan Agarwal	Director (Marketing)	45.22	49.98	(9.52)	47.29	3.53
Ashok Kumar Shukla	Director	91.28	70.01	30.38	44.12	7.13
Smita Agarwal	Woman Director	34.05	31.51	8.06	16.46	2.66

(Amount in lakhs)

Name of Non-Executive Director (Independent Director*)	Remuneration in year 2021-22 (In ₹)	Remuneration in year 2020-21 (In ₹)	% increase in remuneration
Krishna Das Gupta	0.68	0.64	6.25
Ajay Kashyap	0.34	0.27	25.93
Dr. Rakesh Chandra Katiyar	0.68	0.61	11.48
Vishal Mehrotra	0.28	0.21	33.33
Brij Lal Gupta	0.95	0.82	15.85

Notes:

* Independent Directors are only eligible for sitting fees and other out of pocket expenses incurred for attending meetings of the Board or any committee thereof. The details provided are for sitting fees paid to Independent Directors during the year.

(Amount in lakhs)

Name of KMP	Remuneration in year 2021-22 (In ₹)	Remuneration in year 2020-21 (In ₹)	% increase in remuneration	Ratio of the remuneration to Net Profit (2021-22)
Sachin Agarwal	120.17	128.6	(6.56)	9.38
Smita Agarwal	34.05	31.51	8.06	2.66
Pragati Gupta Agrawal	1.84	0.25	-	0.14

i. The median remuneration of employees for the year is ₹ 2,06,874 (previous year ₹ 1,83,498). Increase in the median remuneration is 6.73% over the previous year.

ii. The Company has 512 permanent employees (previous year 563) on the rolls, as at the year ended on March 31, 2022.

iii. The Company's profit for the year stood at ₹ 9.50 crores at the year ended on March 31, 2022 as compared to ₹ 4.63 crores for the year ended on March 31, 2021. The percentage of increase in the net profit of the Company is 105.18%. The decrease in the remuneration of all KMPs has been 2.68 in year 2022 as compared to year 2021. Variation in remuneration has been based on the recommendation of Nomination and Remuneration Committee of the Company; the remunerations are at par with comparable industry average.

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

Sr. No.	Name	Remuneration (Gross) (In ₹ Lakhs)	Designation	Qualification	Date of Employment	Total Experience (Years)	Age in Years	Particulars of Last Employment and Designation	No. of Equity shares held	% of Shareholding
1	Mr. Sachin Agarwal	120.18	Chairman & Managing Director	MBA, M.Sc. (Finance)	June 18, 1998	24	50	-	28,55,491	21.80
2	James Michael Collins	109.97	Product & Process Development Manager	B.Eng.(hons) Material Science and Engineering	December 11, 2017	15	35	Foundry Process Engineer/ Consultant with Castings Technology International Ltd (UK)	-	
3	Mr. Ashok Kumar Shukla	91.28	Whole Time Director	B.Tech.	October 01, 2017	32	54	-	2,08,253	1.59
4	Priya Ranjan Agarwal	45.22	Director, Marketing	B.Eng. Mechanical	December 28, 1992	35	63	-	9,87,914	7.54
5	Ms. Smita Agarwal	34.05	Director and Chief Financial Officer	C.A., DISA (ICAI)	January 1, 2009	25	46	Pricwater house Coopers, Executive	3,35,276	2.56
6	Alok Agarwal	33.25	Director, Technical and Quality	B.Tech. (IIT Kanpur)	July 27, 1994	28	60	-	5,51,799	4.21
7	Mr. Rohit Agrawal	27.39	Senior Manager, Machine Shop	M.E. Mechanical	December 11, 2017	22	43	JNJ Machines Private Limited, Surat, Head - Operations	-	0.00
8	Rakesh Kumar Jha	20.95	Senior Manager (Operations)	Diploma (Foundry & Forge)	September 09, 2019	19	39	Gujarat Metal Cast Industries Ltd	-	-
9	Mr. Vipin Kumar Agrawal	20.12	General Manager, Export Import	B. Com.	February 1, 1986	32	68	Yoga Fasteners, Company Manager	12,797	0.09
10	Khilendra Kumar	19.60	Manager (PMF)	MTech	December 23, 2019	13	36	Kennametal India Ltd	-	-

Notes:

- Employment in company is contractual.
- Remuneration includes salary, commission, allowances and value of perquisites.

On behalf of the Board of Directors

Place: Lucknow
Date: September 05, 2022

Sachin Agarwal
Chairman & Managing Director

Alok Agarwal
Director - Quality & Technical

Annexure III

ANNUAL REPORT ON CSR ACTIVITIES

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

1. Brief outline on CSR Policy of the Company:

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

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

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

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

2. Web-link where CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.ptcil.com

3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2019-20		-
2	2020-21		-
3	2021-22		-
	TOTAL		-

5. Average net profit/ (Loss) of the last 3 year's company as per section 135(5):

2018-19	942.43
2019-20	1,389.82
2020-21	1,232.45
TOTAL	**3,564.70**
Average of three year's net profits	1188.23
Prescribed CSR expenditure (2% of the average net profit of three years)	23.76

6. (a) Two percent of average net profit/ (loss) of the company as per section 135(5): ₹ 23.76 lakhs

   (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil

   (c) Amount required to be set off for the financial year, if any: Nil

   (d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ 23.76 lakhs

7. The average net profits for immediately preceding three financial years, aggregates of ₹ 1,188.23 Lakhs. Hence, the Company was obligated to spend any amount on CSR activities in the financial year 2021-22 ₹ 23.76 lakhs.

8. (a) CSR amount unspent for the financial year:

S. No.	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 23.76 Lakh	N.A.	-	N.A.	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation- Direct (Yes /No).	Mode of Implementation – Through Implementing Agency	
				State	District.						Name	CSR Regist-ration number

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation – Direct (Yes/No).	Mode of Implementation – Through Implementing Agency	
				State	District.			Name	CSR Regist-ration number
1	Health and welfare	(i)	Yes	Uttar Pradesh	Lucknow	1.11	No	Kalyanam Karoti	NA
2	Skill Development project	(ii)	Yes	Uttar Pradesh	Lucknow	22.65			-

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 23.76 Lakh/-**

(g) Excess amount for set off, if any

S. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit/(loss) of the company as per section 135(5)	23.76 Lakhs
(ii)	CSR obligation of the company	23.76 Lakhs
(iii)	Total amount spent for the Financial Year	23.76 Lakhs
(iv)	Excess amount spent for the financial year [(iii)-(ii)]	-
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(vi)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	TOTAL	N/A	N/A	N/A	N/A	N/A	N/A

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not applicable**

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project -Completed / Ongoing.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details): Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

On behalf of the Board of Directors

Place: Lucknow
Date: September 05, 2022

Sachin Agarwal
Chairman & Managing Director

K. D. Gupta
Independent Director

Annexure IV

CERTIFICATE

[PURSUANT TO REGULATION 13 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASES EMPLOYEE BENEFITS AND SWEAT EQUITY REGULATIONS, 2021]

The Board of Directors,
PTC Industries Limited,
(CIN - L271090P1963PLC002931)
Advance Manufacturing and Technology Centre, NH-25 A, Sarai Shahjadi,
Lucknow-227101, Uttar Pradesh, India

Dear Sir(s)

Sub: Secretarial Auditor's Certificate for the Year ended March 31, 2022, in accordance with Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021.

We have examined the records and documents maintained by PTC Industries Limited ("the Company") and based on the information and explanations given to us and to the best of our knowledge and belied, We confirm that the following schemes of the Company for the year ended March 31, 2022 have been implemented in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021, as amended and in accordance with the respective resolutions of the Company passed in the general meeting.

S. No.	Scheme	Details of Shareholders meeting regarding approval/amendment of the Scheme
1.	PTC Employee Stock Option Scheme 2019	September 28, 2019 & November 22, 2021

This Certificate has been issued on the request of the management of the Company and is solely for the purposes as stated in Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021. This certificate should not be used for any other purposes.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Proprietor
Membership No.: F5478
C.P. No. 4682

Date: August 31, 2022
Place: Lucknow

Annexure V

FORM NO. MR.3

SECRETARIAL AUDIT REPORT
(For the financial year ended on March 31, 2022)

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

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

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

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

We hereby report that in our opinion

i. The company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also

ii. That the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, Regulations 2021 [w.e.f.13.08.2021];

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2021 [w.e.f. 09.08.2021] - (Not applicable to the Company during the review period);

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 [w.e.f. 10.06.2021] - Not applicable as the Company has not made any delisting during the year under report;

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - (Not applicable to the Company during the review period);

vi. The following other laws as may be applicable specifically to the company:

   (a) The Hazardous Wastes (Management and Handling) Rules 1989

(b) The Environment Protection Act, 1986

(c) The Water (Prevention and Control Pollution) Act, 1974

(d) The Air (Prevention and Control Pollution) Act, 1981

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India; and

(ii) Listing Agreements entered into by the Company with BSE Limited, Mumbai;

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

(i) Due to the impact of the second wave of Covid-19 on the employees and their families, there was ten days delay in approval of Audited Financial Results (both Standalone and Consolidated) for the quarter and financial year ended March 31, 2021 in terms of the provisions of the regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 read with Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/556 dated April 29, 2021. The Company filed an application on June 19, 2021 under Regulation 102 of the SEBI (LODR) Regulations, 2015 for relaxation of strict enforcement of Regulation 33 and considering the extraordinary circumstances being faced by the Company during this period, the exchange has accordingly waived the fine applicable vide its letter dated 25.10.2021.

We further report that:

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

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

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However, there is scope for further improvisation to strengthen the systems, process and reporting thereof.

We further report that during the audit period there were following material event having bearing on the affairs of the Company.

a) The Company has made investment of ₹ 1349.50 Lakh in its wholly owned subsidiary Aerolloy Technologies Limited by subscription of 1,34,950 equity shares of ₹ 10/- each during the year under report, taking aggregate investment to ₹ 2186.96 Lakh in its wholly owned subsidiary.

b) The Company has made issue and allotment on August 23, 2022 of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 Lakh on a rights basis to the eligible equity shareholders of our company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of our company on the record date, that is, on July 22, 2022.

c) In terms of the 'PTC-ESOS 2019', the Company has granted 10965 Stock Options to 454 eligible employees on September 15, 2021, 2255 Stock Options to 64 eligible employees and 12500 stock options to one eligible employee on August 30, 2022. Further, the pool of 1,57,170 stock options has been adjusted to 3,92,925 in view of the rights issue in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders and exercise price has also been adjusted to ₹ 402 per share as against ₹ 990/- per share.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Proprietor
Membership No.: F5478
C.P. No. 4682
UDIN- F005478D000881122

Date: August 31, 2022
Place: Lucknow

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

SECRETARIAL COMPLIANCE REPORT OF PTC INDUSTRIES LIMITED

for the financial year ended at 31st March, 2022

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

To,
PTC Industries Limited,
(CIN - L271090P1963PLC002931)
Advance Manufacturing and Technology Centre, NH-25 A, Sarai Shahjadi,
Lucknow-227101, Uttar Pradesh, India

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

a) all the documents and records made available to us and explanation provided by PTC Industries Limited ("the listed entity");

b) the filings/ submissions made by the listed entity to the stock exchanges;

c) website of the listed entity;

d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

for the year ended at 31st March, 2022 ("Review Period") in respect of compliance with the provisions of:

a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - (**Not applicable to the Company during the review period**);

e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, Regulations 2021 [w.e.f.13.08.2021];

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2021 [w.e.f. 09.08.2021] - (**Not applicable to the Company during the review period**);

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 [w.e.f. 10.06.2021] - **Not applicable as the Company has not made any delisting during the year under report;**

h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies and dealing with client - **Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**

j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

and circulars/ guidelines issued thereunder;

and based on the above examination, and considering the relaxation granted by Ministry of Corporate Affairs of India and Securities and Exchange Board of India due to Covid-19 pandemic, we hereby report that, during the Review Period:

a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder except in respect of the matter specified below.

Sr. No.	Compliance Requirement (Regulations/Circulars/Guidelines including specific clauses)	Deviations	Observation Details
1.	Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 read with Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/556 dated April 29, 2021	Due to the impact of the second wave of Covid-19 on the employees and their families, the Company filed an application on June 19, 2021 under Regulation 102 of the SEBI (LODR) Regulations, 2015 for relaxation of strict enforcement of Regulation 33 & extension of time for filing Audited Financial Results (both Standalone and Consolidated) for the quarter and financial year ended March 31, 2021. The exchange considered the extraordinary circumstances being faced by the Company during this period and thereafter waived the fine applicable vide its letter dated 25.10.2021. Accordingly, these results were delayed by ten days.	Considering extraordinary circumstances BSE has waived the fine vide letter dated 25.10.2021.

b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

Sr. No.	Action taken by	Details of violations	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
	BSE Limited	Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 read with Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/ 556 dated April 29, 2021 – regarding delay of ten days in filing of Audited Financial Results (both Standalone and Consolidated) for the quarter and financial year ended March 31, 2021	Considering extraordinary circumstances BSE has waived the fine vide letter dated 25.10.2021.	As explained in previous Column.

d) The listed entity has taken the following actions to comply with the observations made in previous reports: N/A (as there was no observation in previous reports)

e) No appointment/ re-appointment/ resignation of statutory auditor of the Company had occurred and accordingly no compliance under circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 was required to be made by the Company.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Proprietor
Membership No.: F5478
C.P. No. 4682
UDIN - F005478D000419815

Date: May 28, 2022
Place: Lucknow

To,
The Members,
PTC Industries Limited,
(CIN - L271090P1963PLC002931)
Advance Manufacturing and Technology Centre, NH-25 A, Sarai Shahjadi,
Lucknow-227101, Uttar Pradesh, India

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

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 processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. 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 management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Compliance Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Proprietor
Membership No.: F5478
C.P. No. 4682
UDIN - F005478D000419815

Date: May 28, 2022
Place: Lucknow

Annexure VI

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

A. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken

- Pool system in force for transportation to reduce fuel consumption and air pollution.
- Convenient forklifts have been used, which are battery operated and energy saving with fumes free system installed.
- Efficient CNC machines with 8 axes have been installed to reduced maximum energy, time and main power.
- A large size Robotic System has been installed to improve coating efficiency of big shells.
- Recycling of indirect waste materials like used ceramic to reduce solid waste generation and increase efficient utilization of resources.
- Heat treatment furnaces have been converted to electrical furnaces in order to enhance productivity and energy conversation.
- Energy saving is increased by optimum utilization of induction furnaces. Systematic maintenance of furnaces is carried out to ensure optimum performance on a sustainable basis.
- Transparent fibre glass sheets have been fixed at various places on the roof of the shop floors to allow natural light to save on electrical lighting load.
- Mercury Vapor Lamps 250W and Metal Halide 150W have replaced by more energy saving LED Lights in shop floors.
- 700 kW Rooftop Solar Plant has been commissioned in the AMTC plant for generation of energy by sunlight as a renewable source of energy.
- Battery operated forklift and hydraulic pallet have been procured to reduce diesel consumption.
- Energy efficient 200 KVA UPS has been installed to control maximum load.
- Energy saving LED Lights have been installed in shop floors and offices for new requirements / replacement.
- Waste heat recovery systems have been installed in the new AMTC plant to utilize residual heat from the casting process.
- Comprehensive recycling and reuse systems have been implemented for reuse of direct and indirect materials to reduce solid waste generation and make production more environments friendly.
- Use of large size glass window panels in all areas of the new plant and office space at the AMTC Plant provide ample daylight and save on electrical lighting load.
- Power active filters to be integrated in overall plant to save energy losses and improve power quality.
- Additional Automatic Power Factor Panel (APFC) Install at Vendor Shade for reduces energy losses.
- The Energy Logger instrument procured for observation of Energy trend to save energy.
- High Rating Induction Motor Non VFD Control reduces energy losses through additional Capacitor bank connect.
- New Induction Motor purchase IE3 Standard with high efficiency is being installed..
- Each Arc Gouging machine planned reduce Energy losses through Capacitor and Reactor Bank
- On grid Solar Power Plant (750 Kwp) with synchronize Our DG (1500 kVA). Produce Solar Energy during Power Failure condition as well as Fuel Saving (DG Loading Percentage reduce). Plant Machine Performance also improves during Power failure.

(b) Additional investments and proposal, if any being implemented for reduction of energy consumption.	- Geo-thermal heating and cooling systems to be set up to transfer heat from the ground and reduce energy cost for heating and cooling of shells and castings respectively. - Comprehensive recycling and reuse systems are being implemented for reuse of direct and indirect materials to reduce solid waste generation and make production more environments friendly. - Additional active filter device has been installed with sophisticated machines. - High frequency grinder to be planned to replace old one to increase production and energy conservation. - Automatic Power Factor Panel to be planned Heat Isostatic Press machine reduces energy losses and save energy. - Future Plan IE1 standard old induction motor to be replaced with IE2 & IE3 Standard Motor. Most Energy Saving motor.
(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact of cost of production of goods.	- Reduced energy consumption - Significant reduction of carbon footprint - Energy hedge against rise in power costs - Shift to use of renewable energy instead of traditional energy sources

B. TECHNOLOGY ABSORPTION

I. RESEARCH & DEVELOPMENT (R&D)

(a) Specific areas in which R&D carried out by the Company	- The Company has established a Titanium Casting manufacturing capability using Ceramic Shelling for the first time in India. A significant amount of research, development and technology development has been made for this. The company's project for development and commercialization of Titanium Casting Technology has been approved by the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises under their Technology Acquisition Fund Program (TAFP). - A VAR furnace required for skull melting has been installed. - Company has commissioned an innovative project for development of new casting technology overcoming limitations of existing casting technologies for large sized castings required for critical applications like Power, Oil & Gas & Refining Sectors. - The Company has successfully developed 5,000 kgs single piece casting by RapidCast™ Technology. - The Company has already been recognized by the Department of Scientific and Industrial Research (DSIR), under the Ministry of Science & Technology, Government of India, for its in-house Research and Development facilities. DSIR has also granted approval to PTC Industries Limited u/s 35 (2AB) of the Income Tax Act, 1961 for availing various incentives provided under the Act in connection with its research and development activities. The Company has developed innovative manufacturing process whereby pouring is carried out under vacuum in order to minimize defects normally associated with traditional casting processes. - Solid modelling and simulation done before actual production in order to optimize the manufacturing process. - Rapid prototyping is done to reduce production cycle times and manufacture small volume parts with high integrity and reliability. - Capabilities have been developed to manufacture large size castings up to 6,000 kilograms a piece by the RapidCast™ Process. - A high level of automation and process control is employed through the Company's path-breaking technologies. - The company has also successfully developed its Printcast™ technology using 3D printed patterns for manufacture of highly complex, high integrity and high precision parts in smaller weight ranges.

(b) Benefits derived as a result of above R&D	-	The establishment of capabilities for manufacture of a large number of metal components for the first time ever in the country, including Titanium castings, highly critical parts for aerospace and space-exploration applications.
	-	The availability of the latest and best-in-class manufacturing processes at par with international technology and standards in the country.
	-	Import substitution and creation of viable export revenues through the establishment of facilities offering products that shall be manufactured with the best technologies and equipment in the world.
	-	High levels of integrity and consistency in the products manufactured by the Company.
	-	Significant developments have been made to reduce casting weights and improve surface finish in order to manufacture parts for super-critical applications.
	-	Conservation of scarce resources and better environment.
	-	Reduced cycle times with Zero Defect Quality – Level 1 Radiography castings in exotic and difficult-to-make alloys which ordinarily cannot be manufactured through the casting process.
	-	Significant weight reduction and reduced total cost of ownership of parts which is beneficial to the customers as well.
(c) Future plan of action	-	The company has completed the strategic acquisition of Vacuum Arc Remelter (VAR) for manufacturing Titanium ingots under its wholly owned subsidiary Aerolloy Technologies Limited. This will enable the Company to bring the best-in-class technologies in India and set-up a fully integrated material manufacturing capabilities of all exotic materials, including Titanium ingots and recycling facility, Cobalt, and Nickle Superalloys. The Vacuum Arc Remelter facility is critical for manufacturing of Titanium Ingots from Sponge (ore) and has a total capacity 1,500 tonnes per annum.
	-	The Company has also acquired an Electron Beam Cold Hearth Remelting (EBCHR) furnace with a capacity of 5,000 tonnes per annum, through its wholly owned subsidiary Aerolloy Technologies Limited. This will pave the way for manufacturing of Strategic and Critical materials for Defence, Aerospace, Medical and Industrial applications indigenously. With this installation, the world's largest single site Titanium recycling facility shall now be set up in India, and make PTC one of the very few companies in the world with the manufacturing capacity and technology for remelting and recycling Titanium scrap within the country and producing aviation-grade Titanium alloy ingots indigenously.
	-	The Company has put in a significant amount of effort towards development, acquisition and absorption of technologies related to manufacture of components and sub-systems in Titanium and other exotic alloys. These will create an indigenous capability for manufacture of such parts both for domestic use and export.
	-	Significant developments and research are being undertaken in the area of additive manufacturing including the manufacture of complex metal parts through 3D printing and metal powders. Development of environmentally neutral manufacturing processes which reduce solid wastes and toxic gaseous emissions.
	-	Increase in export turnover and consequently foreign exchange earnings for the country.
	-	Import substitution for critical components leading the path to self-reliance in manufacturing in aerospace, space-exploration and other industries.

(d) Expenditure on R&D	**2021-22 (₹ in lakhs)**	**2020-21 (₹ in lakhs)**
i. Capital	-	-
ii. Revenue	181.94	181.09
iii. Total	181.94	181.09
iv. % of total turnover	1.01	1.11

II. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

(a) Efforts in brief, made towards technology during selection, absorption and innovation	- In the past, the technology to produce castings by Replicast® process has been absorbed successfully by the Company. This technology has brought about remarkable improvements in the quality of castings that are manufactured by the Company. - However, the limitation of the process was the maximum size which could be produced. In order to break this limit, the Company undertook a Research and Development Project to develop the RapidCast™ process to make large size castings without manufacturing any tooling. - This project has been completed and approved by the Department of Scientific and Industrial Research of the Government of India. - The Company has already successfully produced up to 6,000 kgs single piece casting - Benefits derived as a result of this process are • Reduced production times for manufacture of small volume, large size parts for critical and super critical applications. • Significant improvements in quality, reduction in total cost of ownership, development of more efficient parts, import substitution etc. • Certain complex castings can be produced by in a more cost-effective and efficient manner. • A high degree of dimensional accuracy can be achieved with less machining allowances. • The 'uncastable' can now to be 'cast' – costly fabricated parts can be converted into castings. - There are very few foundries in the world who have such a wide range to moulding processes including Replicast®, RapidCastTM and the latest machining facilities within a single facility. Hence, the Company will have a vast range of products for a wide range of applications which shall make it the supplier of choice both in the domestic as well as export markets. - An increase in exports of better-quality products at competitive price. - Development of the RapidCast™ Process will break the weight barrier limitation of castings to 5 Tons per piece. - Working towards development of processes to enhance the mechanical and metallurgical properties of castings to be at par or better than forged parts through use of the forgeCAST™ technology using India's first commercial Hot Iso-static Pressurization equipment. - Intensive research and extensive trials on imported equipment led to the creation of a process where various techniques were combined, and equipment was modified to create a process leading to densification of the part and creating a smaller grain or microstructure equivalent to that of forgings. - This radical technology shall enable the Company to manufacture any size, near-net-shape, complex parts in exotic and higher metallurgies with mechanical properties, strength, reliability and quality equivalent to that of forgings.
(b) In case of imported technology, (imported during the last five years), reckoned from the beginning of the financial year.	- The Company has licensed the Titanium Casting technology using ceramic shelling and has built a Titanium Casting facility in the new AMTC plant. - This shall be the first such facility in the country and shall have the capability to manufacture high integrity cast components in titanium, zirconium and other exotic alloys for critical and super critical applications in a wide range of industries. - With the Company's successful history of absorbing and using the latest technologies, this shall be a big step towards indigenization of a very important set of products. - PTC has brought in unique technologies like Vacuum Melt, HIP, Powder Metallurgy, etc from different countries in order to bring in best-in-class manufacturing to the cast metal component manufacturing industry in the country.

(c)	Technology imported and Year of Import	An agreement has been signed for an exclusive use of technology to produce castings by Replicast® process from M/s Casting Technology International, UK during the financial year 2007-2008. An agreement has also been signed for exclusive licensing of titanium casting technology using ceramic shelling with M/s Casting Technology International, UK during the financial year 2015-16.
(d)	Has technology been fully absorbed?	Yes, Replicast® Castings are being commercially produced by the Company. The titanium casting technology transfer process has been completed and the technology has been successfully commercialised during the year.
III.	**FOREIGN EXCHANGE EARNINGS AND OUTGO**	
(a)	Activities relating to exports, initiatives taken, increase exports, development of new export market for products and services and export plans	- The Company's continuous efforts have led to consistency in high percentage of export turnover, reduction in manufacturing costs and improvement in operating efficiencies. After the commissioning of the new Advanced Manufacturing and Technology Centre, significant business opportunities are opening up and the Company offers a competitive edge through all the technologies and systems that have been added in the new unit. - The Company has successfully set up the first ever Titanium Casting facility in India for which commercial production has also begun. This facility is already manufacturing critical Titanium components for a wide range of applications which are being exported to large OEMs in Europe and USA. - The Company has also made significant progress towards increasing its capabilities in terms of introducing and indigenizing new technologies which shall enable remarkable improvements in performance, efficiencies, significant weight reduction and will be environmentally neutral. With the focus of the world shifting on Indian manufacturing facilities, the Company is in a position to offer world-class products at affordable prices. - Many new customers are being added by the Company in its bid to expand its export operations and augment its revenue from exports. During the year, the new Advanced Manufacturing & Technology Centre, the Company's new state-of-the-art manufacturing facility in Lucknow has begun commercial production. With this, the Company has already begun to add significantly to its export turnover due to increased capacity and capabilities being offered in this new unit.

(b) Total Foreign Exchange used and earned	**2021-22 (₹ in lakhs)**	**2020-21 (₹ in lakhs)**
Expenditure	842.49	1,333.41
Earnings	14,282.49	12,278.59
Net foreign exchange earning	13,440	10,945.18
Net foreign exchange/earning %	94.10	89.14

On behalf of the Board of Directors

Place: Lucknow	**Sachin Agarwal**	**Alok Agarwal**
Date: 13-08-2022	Chairman & Managing Director	Director - Quality & Technical

Management Discussion and Analysis Report

PTC Industries Limited is a manufacturer of high-quality engineering components of various critical and super-critical applications. PTC Industries manufactures products for a wide spectrum of industrial applications including that for Oil and Gas and Liquified Natural Gas (LNG), Offshore and Marine, Valves and Flow Control, Power Plants and turbines, Pulp and Paper Machinery and Mining and other Engineering and Capital Goods Industries.

However, in the past few years there has been an added impetus to develop latest cutting-edge technologies for manufacture of strategic materials, components, and sub systems for various **Defence and Aerospace** applications which will be the growth engine for the company.

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

FORWARD LOOKING STATEMENTS

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

ECONOMIC OVERVIEW AND OUTLOOK

Global Economy

The world has undergone a drastic change in the last two years. The pandemic apart from disrupting human life in general caused other economic obstacles including supply chain disruptions, shipping bottlenecks, movement restrictions and lockdown of industries. After the short-lived impact of the Omicron variant, the world economy showed gradual signs of recovery. However, the year 2022 came with its share of challenges like the downturn in China and its strict Zero Covid Policy and one of the worst humanitarian crises as Russia invaded Ukraine.

The International Monetary Fund (IMF) has called the world economic outlook uncertain and cautious. The agency's baseline growth forecast of 6.1% last year has further slowed down to 3.2% for 2022 and 2.9% for the year 2023. The World Bank has revised global inflation which will see a surge due to continued supply-chain imbalances and rising energy and food prices.

Indian Economy

Despite a wave of Omicron infections, Indian economy began to show optimism by the end of 2021. By the start of 2022, rising geopolitical crisis with Russia's invasion of Ukraine added to supply shortages, rising commodity prices, thereby tempering growth expectations. However, experts have concluded that India's economic rebound can withstand these risks to emerge as the fastest-growing major economy in the world. Riding on the back of increased employment growth rate, growing exports, investments and start-ups to name a few, the India Brand Equity Foundation (IBEF) has reported full recovery of the Indian Economy to pre-pandemic real GDP level of 2019-2020. The country is witnessing stronger growth momentum and thereby, increased economic demand.

While inflation has had an impact on India, the consumer confidence is slowly improving on the heels of easing movement restrictions, revival in travel and increase in spending. The Indian Government's flagship initiatives such as Aatmanirbhar Bharat, Make in India, Atal Mission for Rejuvenation and Urban Transformation have aided in creating significant opportunities for the nation. The Union Budget 2022-23 prioritised initiatives such as PLI Scheme, Inclusive Development, Productivity Enhancement and Investments, PM Gati Shakti along with Financing of Investments to further growth. Deloitte Insights estimate India to grow by 7.1% – 7.6% in FY22 – 23 and 6.0% – 6.7% in FY23 – 24.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Metal Casting Industry

The global metal casting market reached a value of USD 131 Billion in 2020. The International Market Analysis Research and Consulting Group (IMARC Group) anticipates the market to grow at a CAGR of 7.6% during 2021-2026. Globally, foundries are focusing on automated manufacturing systems as they enhance manufacturing productivity and reduce operating costs. Automation systems refers to a machine, tool, or technology such as robotic and AI technology that helps to reduce human intervention and improve safety in the metal manufacturing processes such as processing, assembling, material handling. The foundry market size in India is expected to grow by USD 12.23 billion and record a CAGR of 10.24% during 2021-2025.

India's Defence Manufacturing Sector

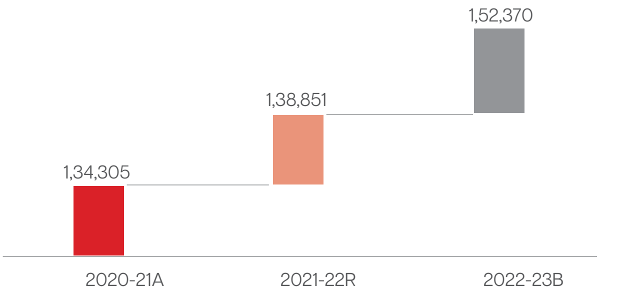
The Indian defence manufacturing industry is a significant sector for the economy and is likely to accelerate with rising concerns of national security. India is witnessing increase in demand for defence equipment due to the ongoing territorial disputes with the neighbouring countries, and, over the last five years, India has been ranked among the top importers of defence equipment. As per the latest industry report from IBEF, India has set the defence production target at USD 25 billion by 2025 (including USD 5 billion from exports by 2025). The ministry has plans to reduce defence imports by at least USD 2 billion by 2022 through various policies. To modernize its armed forces and reduce dependency over external dependence for defence procurement, several initiatives have been taken by the government to encourage 'Make in India' activities via policy support initiatives. Indian government has been aiming to reduce defence imports and suggested armed forces to review all capital allocations under progress to reduce imports wherever possible. Around 351 imported items have been restricted by Government which will be implemented between December 2022 and December 2024 period.

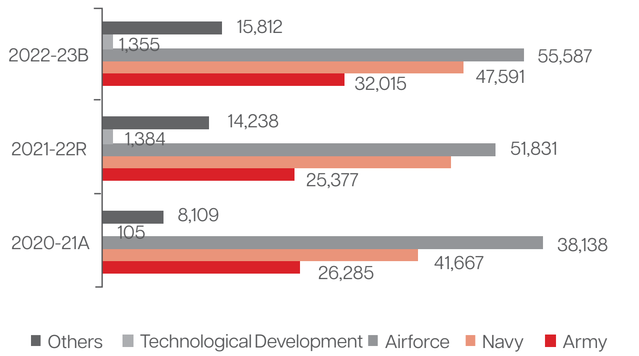
With a total capital outlay of approximately USD 20 billion reserved for capital acquisitions of which a whopping 68% has been reserved for domestic procurement, the government has paved the way for domestic industry to rise to the occasion and break the cycle of India's disproportionate dependence on foreign players to meet the operational needs of its armed forces.

Indian Defence Budget

In the fiscal year 2022-23, the Ministry of Defence and Services have been granted a total of USD 70.23 billion, an increase of USD 6.29 billion above previous year's budget of USD 63.93 billion, a 10% increase over the previous year.

India Defence Capital Expenditure and Break-up (₹ crore)





Source: Indian Union Budget 2022-23

The Indian Government is focused towards encouraging domestic production to reduce imports and make India an export hub. The changing market dynamics and recent geopolitical conflicts are likely to keep the defence spending on the higher side and India's focus towards defence manufacturing will thus be beneficial for the Indian Defence sector to command a strong position in defence manufacturing segment.

Global Defence Expenditure

According to Stockholm International Peace Research Institute (SIPRI) the total global military expenditure increased by 0.7% in real terms in 2021 to reach USD 2,113 billion. The five largest spenders in 2021 were the United States, China, India, the United Kingdom and Russia, together accounting for 62% of expenditure. World military spending continued to grow in 2021, reaching an all-time high of USD 2.1 trillion. According to SIPRI, the India's military spending stood at USD 76.6 billion, the third highest in the world, an increase of 0.9% from 2020 and 33% from 2012.

Defence & Aerospace Industry

The defence & aerospace manufacturing market consists of sales of aircraft, aircraft components, weapons, artillery tanks, radar and other military equipment.

Defence Market

- Air-based, Sea-based, & Land-based military equipment including support
- Radar, Satellites, & Other auxiliary equipment
- Maintain, Repair and Overhaul defence equipment

Aerospace Market

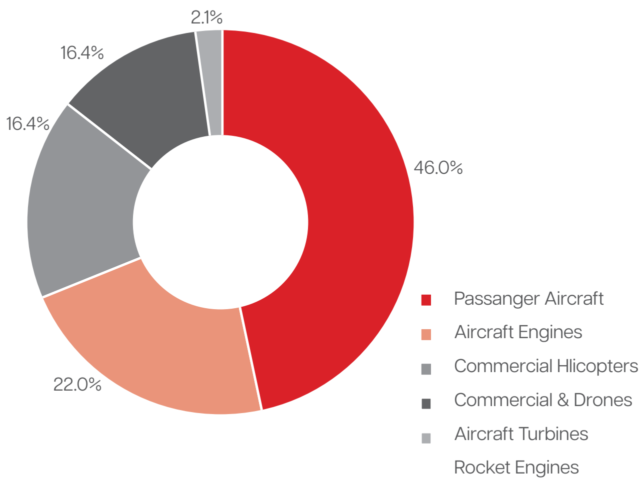
- Commercial Aircraft
- Aircraft maintenance, Repair & Overhauling services
- Radar, Air traffic control towers and Satellites
- Sea-based defence equipment

As per The Business Research Company report 2022, the global defence & aerospace market stood worth USD 721.6 billion in 2021. The global defence & aerospace market grew from USD 693.22 billion in 2016 to USD 721.6 billion in 2021. As of 2021, global defence segment accounted for 65.8% and aerospace at 34.1% within the defence & aerospace market.

The Indian defence & aerospace market is also progressing at a healthy pace and successfully developing niche technological capabilities like stealth aircrafts, space programmes, and various strategic systems, etc.

According to The Business Research Company, the global commercial aircraft market was worth USD 163.7 billion in 2021. Commercial aircraft manufacturing was the largest segment within the aerospace market accounting for 66.3% followed by aircraft maintenance, repair and overhauling services at 22.1% and aerospace support and auxiliary equipment at 11.4% respectively. The key growth driver for commercial aircraft is rising disposable income in the emerging markets along with affordability to travel by aircraft.

Global Commercial Aircraft Market -Split By Segment 2021



Source: The Business Research Company

Titanium (Ti) a Future Opportunity

Titanium is an important refractory metal and are critical to the defence & aerospace industry, while also being widely used in medical, chemical, and military hardware, and sporting equipment. Aerospace applications account for 80% of titanium consumption, while 20% of the metal is used in armour, medical hardware, and consumer goods.

The recent changing market dynamics and escalating Russia – Ukraine conflict has disrupted the supply chain of various critical components like Titanium and thus availability of Titanium sponge and material may become difficult and expensive. According to the research of Insight Partners, the Asia-Pacific Aircraft Engine Forging Market is expected to grow by 6.7% CAGR (2021-2028) and the share for usage of Titanium alloy is likely to grow over Nickle alloys. Furthermore, as air travel increases and aircraft production and procurement increase many commercial aircraft units are retired/scrapped due to ageing and scrapped annually, creating piles of waste. Such vast amounts of waste include large amounts of carbon fibre, alloys, aluminium, and other scrap materials.

HIGHLIGHTS AND KEY EVENTS

Over the years PTC Industries has continued to focus on its guiding principle of achieving PARITY in the sphere of metal and metal component manufacturing capabilities and bringing the best-in-class technologies in India, that helps company manufacture products that are at par with global standards and substitutes imports, making India Self-Reliant or Aatmanirbhar.

Moving ahead with this vision, PTC in the previous financial year had formed a wholly owned subsidiary Aerolloy Technologies Limited ("ATL") with a focus to manufacture high-quality metal and metal components for the Defence and Aerospace industries for both indigenous and foreign consumption.

During the Financial Year 2021-22, Aerolloy Technologies Limited was allotted 20 hectares (50 acres) of land by UPEIDA in the Lucknow node of the UP Defence Industrial Corridor. This prime parcel of land is adjacent to 80 hectares (200 acres) of land provided by UPEIDA to Brahmos at the same location. The company plans to establish fully integrated materials manufacturing capabilities for all specialty materials including Titanium, Cobalt and Nickel Superalloys, at this facility.

Expansion of business in ATL is envisioned in three phases starting with manufacturing of Titanium Ingots. The second phase would see the manufacture of Nickel Super Alloys and other exotic metals for the aerospace industry, including Nickel and Cobalt alloys. The third phase would see PTC developing and supplying additional components and sub-systems for the adjoining Brahmos facility.

Furthermore, during the first phase of expansion, the Company has acquired the Electron Beam Cold Hearth Remelting (EBCHR) Furnace and Vacuum Arc Remelting (VAR) furnace for manufacturing Titanium ingots. The Electron Beam Cold Hearth Remelting furnace will have an installed capacity of 5,000 tonnes per annum in addition to the 1,500 tonnes per annum capacity of the VAR Furnace for manufacturing Titanium ingots.

In keeping with the company's guiding principles, this EBCHR furnace installation is the world's largest single-site Titanium recycling facility, currently being set up in India. This makes PTC one of the few players in the world with manufacturing capabilities and technology for remelting and recycling Titanium scrap and producing aviation-grade Titanium alloy ingots indigenously. This acquisition and investment in Titanium material production will be a quantum leap for the company in terms of its technology, capability, revenue growth and sustainable profitability. Additionally, this provides PTC a strategic advantage of having a facility to manufacture titanium alloy ingots with up to 80% of readily available and cost-effective Titanium scrap.

With its advanced technological capabilities and state-of-art facilities to manufacture Aerospace components & Sub Systems, PTC will play an important role in enhancing India's Defence Capabilities soon.

OPPORTUNITIES AND THREATS

India is emerging as a fastest growing economy in the world. The Government of India's impetus on various policies coupled by favourable macro-economic developments may drive the growth of Indian economy. On the macro-economic front, the changing market dynamics, and uncertainties in the geo-political situation like the Russia-Ukraine conflict and disruptions in the global supply chain impacting the availability of Titanium sponge and critical materials may provide ample opportunities for emerging economies like India.

The 'Aatmanirbhar' or self-reliant stance of Indian Government in defence and aerospace sector should open plethora of opportunities for Indian companies to become a key supplier for its own markets as well as the world. However, the rising inflation and slowdown in world economies may impact the input prices.

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

This time can signal immense growth opportunities globally for high quality, high integrity castings for a wide range of industries. The comparatively low labour costs in the country have been a major factor that may support India's drive for higher volumes in the global market. To take advantage of these trends, the foundry industry must focus on internal factors like technological up-gradation and operational excellence. Lean manufacturing practices and automation are amongst the most popular tools available to all companies, to help attain operational excellence.

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

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

Technology Upgradation and Modernisation

While the government is striving to introduce conducive policies, facilitate new investments and joint ventures with global players to improve infrastructure and ease of doing business, the industry also needs to look at bringing about transformation in various areas. With the increased use of modern design and best-in-class manufacturing, including increased use of IT and demand for goods with competitive costs and improved response time, the industry must focus on automation, technology, and add value by producing ready to use finished castings and sub-assemblies to meet the demands for the ever-changing requirements of the industry.

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

Customer Bargaining Power

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

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

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

Supplier Bargaining Power

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

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

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

Intensity of Competition

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

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

Substitute Products

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

Fortunately, PTC has been at the forefront of adopting new technologies and processes, while most metal casters take time to pro-actively adjust. Additionally, there are ample opportunities that are being pursued by PTC to counter substitution, such as converting forgings to castings through the newly developed forgeCAST™ and the unique capabilities of TiCast™. PTC itself has come up with innovative technologies to substitute many components being manufactured using traditional technologies or forgings. This opens a huge potential market for the capabilities that the Company has acquired.

Sustainable Energy

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

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

RISKS AND CONCERNS

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

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

- **Strategic Risks**

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

- **Operational Risks**

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

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

- **Financial Risks**

  Financial risks include, amongst others, increase in debt and exposure to movements in interest rates and foreign exchange rates. With the ongoing investment in the AMTC plant, the long-term debt of the Company has increased. Further, the Company is exposed to fluctuating dollar and euro prices. While most of the Company's purchases are local, the Company is exposed to currency risk where the realisation of sales proceeds is in local currencies. In the past few years, the Company invested in a large amount of imported machinery and equipment for its AMTC Plant which exposed it to volatility in the exchange rates sometimes leading to an adverse effect. The Company has mitigated risks on its foreign currency borrowings and realisations by hedging them partially. However, at any point of time, PTC's exports remain higher than its foreign currency borrowings there by giving it a natural hedge.

  In view of the Company's constant expansion activities, it needs to preserve a financial framework to maintain an appropriate level of liquidity and financial capacity. PTC has already raised ₹ 40 crores in the form of equity to partially fund the expansion of its manufacturing facilities and has entered into long term loan arrangements with banks to finance the balance requirements. The approval of a grant of ₹ 10 crores by the Department of Heavy Industries under its Capital Goods Scheme, the Technology Acquisition and Fund Programme (TAFP) to partially fund the Company's Titanium Castings project has also been a step towards decreasing the Company's debt burden.

- **Compliance Risk**

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

  - make efforts to understand the changing regulatory requirements to incorporate and integrate these in its business strategy, and

  - drive business performance through the convergence of risk, compliance processes and control mechanisms to ensure continued operational efficiency and effectiveness.

  The risk mitigation plans are reviewed regularly by the Audit Committee of the Company. The Company's contingent liabilities are disclosed in Note 41(ii) Contingent Liabilities of Notes to Accounts.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

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

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

FINANCIAL PERFORMANCE

Total Income

₹ in Crores

Particulars	FY 22	FY 21	% Change
Revenue from sale of products	176.33	157.67	11.84
Other Operating Income	2.60	5.68	-54.18
	178.94	163.35	9.54
Other Income	6.91	5.20	32.89
Total Income	**185.84**	**168.55**	**10.26**

The Company witnessed an increase in total income by over 11.84% to ₹ 185.84 crores from ₹ 168.55 crores in the previous year.

Employee benefits expense

₹ in Crores

Particulars	FY 22	FY 21	% Change
Payments to & provisions for employees	20.03	19.97	0.29

Payments and provisions for employees saw an increase of 0.29%.

Employee benefits expense

₹ in Crores

Particulars	FY 22	FY 21	% Change
Payments to & provisions for employees	20.03	19.97	0.29

Payments and provisions for employees saw an increase of 0.29%.

Other expenses

₹ in Crores

Particulars	FY 22	FY 21	% Change
Manufacturing expenses	57.70	55.07	4.8
Administrative and selling expenses	12.05	10.53	14.5
Total	**69.76**	**65.60**	**6.3**

Manufacturing expenses increased by 4.8% while Administrative and Selling expenses increased by over 14.5%.

Finance costs

₹ in Crores

Particulars	FY 22	FY 21	% Change
Finance costs	15.06	13.43	12.1

Finance costs rose by 12.10% during the previous year. This is due to the increase in borrowings as well as the capitalisation of last phase of the AMTC Plant due to which related interest costs are no longer being capitalised.

Fixed Assets

₹ in Crores

Particulars	FY 22	FY 21	% Change
Tangible & intangible assets	234.24	211.02	11.00
Capital work in progress	5.61	28.58	-80.38
Total	**239.84**	**239.60**	**0.10**

The movement in Tangible and intangible fixed assets in relation to the Capital work in progress is due to the capitalisation of equipment in the AMTC Plant as commercial production commenced for its last phase.

Total Income

Raw material	15.04	12.32	22.09
Work-in-progress	38.67	33.14	16.71
Finished goods	0.45	0.45	0.00
Stores and spares	6.37	5.64	12.77
Loose tools	1.25	0.71	77.11
TOTAL	**61.78**	**52.26**	**18.23**

Inventory overall increase by 18.22% is due to the increase in operations and also partially influenced by rising metal prices.

Sundry Debtors

₹ in Crores

Particulars	FY 22	FY 21	% Change
Gross Debtors	61.70	63.57	-2.94
Less: provisions	0.23	0.26	-11.74
Total	**61.48**	**63.32**	**-2.91**

Sundry debtors have remained high during the period as there has been some prolonged effect on recovery due to post Covid impact.

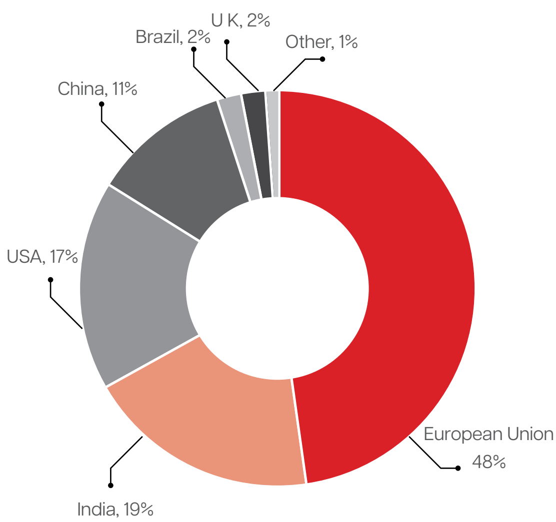
Loans and Advances

₹ in Crores

Particulars	FY 22	FY 21	% Change
Loans and Advances	0.64	0.68	-6.51

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

Sales (Geographical Mix)



GEOGRAPHICAL SALES

Country Wise	2021-22	2020-21
European Union	849,264,351	729,550,156
India	334,665,197	348,738,752
USA	302,996,106	144,056,610
China	198,236,687	111,883,022
U K	29,671,442	
Brazil	37,000,130	140,670,974
Canada	1,345,611	57,632,175
Others	10,137,558	44,150,785
Sub Total	**1,763,317,081**	**1,576,682,474**
Export Incentives	26,034,030	52,536,919
Total	**1,789,351,111**	**1,629,219,393**

HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

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

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

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

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

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

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

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

PTC has attained the position of a frontrunner because of its people and their commitment, innovation, engagement, endeavour to excel and a strong sense of belongingness to the organisation. A strong industrial harmony of over five decades bears testimony to strong people practices of the Company.

Industrial relations continued to be cordial during the year and the Company has a committed and dedicated workforce. The Company has excellent co-operation and support from the entire hierarchy of well-trained and experienced personnel. The total strength of employees on the roll at the end of the year was 563

STATUTORY COMPLIANCE

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

CEO & CFO Certification

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

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

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

To,
The Board of Directors,
PTC Industries Limited

1. We have reviewed financial statements and the cash flow statement of PTC Industries Limited (hereinafter referred to as the 'Company') for the year ended at March 31, 2022 (hereinafter referred to as the 'year') and to the best of our knowledge and belief:
    I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    II. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We, along with other certifying officers, accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, that there are no deficiencies in the design or operation of such internal controls of which we are aware.
4. We have indicated to the auditors and the Audit committee:
    I. That there are no significant changes in internal control over financial reporting during the year;
    II. That there no significant changes in accounting policies during the year;
    III. That there are no instances of significant fraud of which we have become aware.
5. We confirm that all Directors and Members of the Senior Management have affirmed compliance with PTC's Code of Business Conduct & Ethics.

On behalf of the Board of Directors

Place: Lucknow	**Smita Agarwal**	**Sachin Agarwal**
Date: May 27, 2022	Chief Financial Officer (CFO)	Chairman & Managing Director (CEO)

Report on Corporate Governance

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

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

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

The board of directors believe that good governance cannot be imposed; it must emerge from the culture of an organization and the tone for this must be set by the top management. Establishing the corporate culture, and the values by which executives throughout our organisation will behave, is one of the board's highest priorities. This translates and permeates into every relationship of the Company, whether it be with investors, employees, customers, suppliers, regulators, local communities or other constituents.

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

Board of Directors

Size and composition of the board

PTC has an effective mix of Executive Directors, Non-Executive Directors and Independent Directors in order to maintain the Board's independence and separate the functions of governance from the day-to-day management activities. The board of directors of the Company consists of ten (10) directors out of which five (6) are non-Rotational directors (including Independent directors and Managing Director) and four (4) are Rotational directors. The composition of the board is in compliance with Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The board periodically evaluates the need for change in its composition and size.

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

Composition of the board, and directorships held on March 31, 2022

Name of Director	Age	Other directorships held	Number of Committee Membership in domestic public companies (including this company)	
			As Chairman	As Member
Executive Directors, Non-Independent				
Sachin Agarwal	50	7	3	1
Priya Ranjan Agarwal	63	2	-	1
Alok Agarwal	60	2	-	4
Ashok Kumar Shukla	54	-	-	-
Smita Agarwal	46	6	-	1
Non-Executive Directors, Independent				
Dr. Rakesh Chandra Katiyar	66	4	3	2
Ajay Kashyap	73	3	-	2
Krishna Das Gupta	79	-	4	6
Brij Lal Gupta	70	-	-	4
Vishal Mehrotra	50	-	-	-

Note:

1) Directorship of directors in other companies also includes directorship in Private Limited Companies.
2) Non-Executive Directors of the Company do not hold any securities of the Company.
3) Familiarization program imparted to Independent Directors of the Company can be found at www.ptcil.com
4) There is no change in the directorship of the company during the financial year 2021-22.

A brief profile of the directors is given below:

Sachin Agarwal

Sachin Agarwal has done his Master's in Business Administration from the University of Tulsa, Oklahoma and has an M. Sc in Finance from the Boston College, Massachusetts. He also co-founded e.Soft Technologies Limited, a software company with offices in Lucknow, Mumbai and New York.

Sachin's hard work and dedication has led PTC Industries from a small industrial components manufacturer to a Company which is a world leader in critical and super-critical components for Aerospace, Defence and Industrial applications. He has worked extensively on the identification, absorption, development and commercialisation of new technologies and metallurgies for production of critical metal components with a wide range of applications. Sachin's passion and commitment to the business, and to the country has led him to create a unique capability within the country for manufacture of components which were erstwhile never being sourced from a country like India or manufactured indigenously. His resolve led to a number of new initiatives in the company including the acquisition of the Replicast® technology, the development of new path breaking technologies like forgeCAST™, RapidCast™, PowderForge, etc, and the setup of a capability to manufacture metal components at par with the best in the world.

Due to his efforts, PTC became the only foundry in India to successfully indigenize the Replicast® technology and received the 'National Award for R&D Efforts in Industry' by DSIR which was presented to Mr. Sachin Agarwal by Dr. Krishnamurthy and Dr. Mashelkar, renowned personalities in the field of science and technology and advisors to the Prime Minister at that time. He was recognized for his achievements in a publication 'Small Big Bang' by Indian Institute of Management (IIM) for his significant contribution to industry and his leadership qualities. He was also featured in Forbes India as leading one of the "16 Hidden Gems" of the country and has received the Special Jury Award at the prestigious 2017 TIME India Awards. Under his leadership, PTC has been bestowed with the Total Cost Leadership Award by Rolls Royce – Marine, one its most esteemed customers and also recently won the prestigious CII Industrial Innovation Awards 2018 becoming the most innovative manufacturing company in the medium segment in the country.

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

Sachin is Chairman of the Society for Indian Defence Manufacturers, Uttar Pradesh and is leading the effort to align industry and government initiatives to build a strong ecosystem for Defence manufacturing in the State. He is also the Past Co-chairman of the CII Northern Region Defence and Aerospace Committee and Past Chairman for CII in UP and in this role, he has worked tirelessly to showcase UP in many parts of the country. In association with CII, he has been working towards policy advocacy for the industry. Within his own organization also, he institutes various welfare funds for the benefit of his workers thus providing support to them in times of need for education and their medical needs. He is committed to bringing an improvement in the lives of all the members of his company through creation of a better and safe work environment and better quality of life.

Priya Ranjan Agarwal

Mr. Priya Ranjan Agarwal has been associated with the company for the last 30 years and has spent considerable time training and working under our Founder, Mr. Sateesh Agarwal. Mr. Agarwal is a Whole-time director on the Board of the Company and is a Bachelor of Engineering (Mechanical).

He continues to make a substantial contribution in creation of a wide base of domestic and defence customers for PTC and its subsidiary.

Mr. Agarwal's prime responsibilities include business development in key defence, aerospace and infrastructure projects within the country. In this role, he has worked tirelessly to make the PTC name a well-known and respected one in the country. He continues to lead PTC's marketing efforts by working with government and non-government organizations. He has played a significant role in the execution of several large projects of domestic customers and the Indian government.

Alok Agarwal

Mr. Alok Agarwal has been working with PTC Industries for nearly 28 years. He is a Whole-time director designated as an Executive Director on the Board of the Company and manages operational functions within the company. Mr. Alok Agarwal has done his Bachelors in Technology from India's premiere engineering institution, the Indian Institute of Technology (IIT), Kanpur.

Over the years, he has held various senior positions in the Production, Quality, Technical and Co-ordination areas. Being a person with a strong penchant for analytical work and high technology skills, he manages the operational and quality related aspects of the business for a sustained and efficient performance. PTC's high standards of quality and excellence can be attributed to the efforts that he has put in over the years. Under his leadership, the Company has obtained various ISO and other quality certifications including aerospace approvals for its subsidiary. His responsibilities also include Environment, Health and Safety compliances for the Company.

Smita Agarwal

Ms. Smita Agarwal, Director and Chief Financial Officer, PTC Industries Limited is a qualified Chartered Accountant and has worked with Price Water house Coopers in their New Delhi and London offices. Smita has also completed her Diploma in Information Systems Audit from ICAI.

Smita has worked with PTC in different roles and has successfully led various initiatives and projects during her tenure. She leads a wide range of functional areas in the business with passion, dedication and commitment.

Smita is also a founding member of e.Soft Technologies Limited, a software development and business process consultancy company with offices in New York, Mumbai and Lucknow. She was the winner of the 2017 Women Achiever Awards by LMA in the Corporate category. She was also recognised by NITI Aayog as one of the top 60 women entrepreneurs in the country at their Women Transforming India Awards 2018.

Smita has been associated with CII in many roles and is a member of the CII National Council. She is the Chairperson for the Indian Women Network and the CII Women Empowerment Committee for 2022-23. She is also the Immediate Past National Chairperson of CII Young Indians, India's premiere youth organisation with over 4,500 members in 57 cities across India and in this role worked to create widespread impact towards nation building and youth leadership in the country. During her tenure as National Chairperson, her work was commended by the Honourable Prime Minister, Shri Narendra Modi for the impact created by CII Young Indians through their programs and community initiatives. She has served as Chairperson for the CII Yi Lucknow Chapter and is also a member of the CII UP State Council.

Ashok Kumar Shukla

Mr. Ashok Kumar Shukla joined PTC in 2003 and has been working with the Company for the last 18 years in various capacities. He has taken up the position of an Executive Director of the Company around 2 years back. Mr. Shukla is a Bachelor of Technology (Mechanical) and has over 30 years of experience in the foundry industry with a specialization in investment castings and Replicast®. He has extensive experience working in many leading engineering and foundry-based businesses and has an exceptional skill set for manufacturing and production management.

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

Ajay Kashyap

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

Dr. Rakesh Chandra Katiyar

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

Krishna Das Gupta

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

Brij Lal Gupta

Mr. Brij Lal Gupta's educational qualifications include Bachelor in Science from Meerut University, IRDA and CAIIB. Mr. Brij Lal Gupta has retired as General Manager from Punjab National Bank after 42 years of experience in banking. He holds the position of panel head in the interview board of IBPS and serves as guest faculty in various Bank Training Colleges. He is presently also associated as Business Associate with BRICK (Risk Rating company). His experience includes the areas of sales, marketing operations, control, strategic planning and banking operations, recovery in NPAs.

Mr. Vishal Mehrotra

Mr. Vishal Mehrotra is an advocate by profession and has 24 years of experience of practice before Registration authorities, Revenue authorities, Commercial Tax authorities, Income Tax authorities, Appellate authorities and Hon'ble High Court. He is based in Lucknow (U.P.) and dealing in legal matters of leading private companies, non-corporate houses and renowned individuals.

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

Name of directors	Director Identification Number	Number of Board Meeting during the year		Attendance at Last AGM held on 22nd November 2021
		Held	Attended	
Sachin Agarwal	00142885	5	5	Present
Priya Ranjan Agarwal	00129176	5	2	Present
Alok Agarwal	00129260	5	5	Present
Ashok Kumar Shukla	08053171	5	4	Present
Smita Agarwal	00276903	5	5	Present
Dr. Rakesh Chandra Katiyar	00556214	5	5	Present
Ajay Kashyap	00661344	5	4	Absent
Krishna Das Gupta	00374379	5	5	Present
Vishal Mehrotra	08535647	5	4	Present
Brij Lal Gupta	06503805	5	5	Present

The board met five times during the financial year ended 31st March, 2022 and the attendance of each director in board meeting is as under:

Name of Directors	Dates of Board Meetings in 2021-22				
	10th June, 2021	10th July, 2021	13th August, 2021	10th November 2021	14th February 2022
Sachin Agarwal	✓	✓	✓	✓	✓
Smita Agarwal	✓	✓	✓	✓	✓
Priya Ranjan Agarwal	✓	✓	-	-	-
Alok Agarwal	✓	✓	✓	✓	✓
Ashok Kumar Shukla	✓	-	✓	✓	✓
Ajay Kashyap	✓	✓	-	✓	✓
Dr. Rakesh Chandra Katiyar	✓	✓	✓	✓	✓
Krishna Das Gupta	✓	✓	✓	✓	✓
Vishal Mehrotra	✓	✓	✓	-	✓
Brij Lal Gupta	✓	✓	✓	✓	✓

Committees of the Board

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

AUDIT COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings during 2021-22	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	5	5
2.	Brij Lal Gupta	Member, Independent Director	5	5
3.	Krishna Das Gupta	Member, Independent Director	5	5
4.	Smita Agarwal	Executive Director	5	5
5.	Pragati Gupta Company Secretary & Compliance Officer	Secretary to the Committee	5	5

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

Terms of Reference

a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

b) To recommend for appointment, remuneration and terms of appointment of auditors of the Company and approve payment to statutory auditors for any other service rendered by the statutory auditors.

c) To review the annual financial statements and auditor's report thereon before submission to the board for their approval.

d) To review the quarterly, half-yearly financial results of the Company before submission to the board.

e) To review the statement of uses / application of funds raised through an issue (public, rights or preferential) and make appropriate recommendations to the board in this regard.

f) To review and monitor the auditors' independence and performance and effectiveness of the audit process.

g) To approve or to make any subsequent modification of transactions of the Company with related parties.

h) To review the functioning of the whistle blower mechanism.

i) To evaluate internal financial controls and risk management systems.

j) To monitor the end use of funds raised through public offer, etc, if any.

k) To review the adequacy of the internal audit function with respect to competence and capability of the internal auditor, reporting structure and frequency of internal audit.

l) To discuss with the internal auditor his findings relating to various functions of the company and follow up thereon.

m) To hold periodic discussions with the statutory auditors and internal auditors of the Company concerning the accounts of the Company, scope of audit and observations of auditors, etc.

NOMINATION AND REMUNERATION COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings during 2021-22	
			Held	Attended
1.	Krishna Das Gupta	Chairman, Independent Director	3	3
2.	Brij Lal Gupta	Member, Independent Director	3	3
3.	Dr. Rakesh Chandra Katiyar	Member, Independent Director	3	3
4.	Pragati Gupta Company Secretary & Compliance Officer	Secretary to the Committee	3	3

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

Terms of Reference

a) To recommend to the board the set up and composition of the board and its committees. This committee will periodically review the composition of the board with the objective of achieving an optimum balance of size, skills, knowledge, independence and experience.

b) To recommend to the board the appointment or reappointment of directors, key managerial personnel (KMPs) and executives appointed one level below the board.

c) To devise a policy on board diversity.

d) To review the performance of every director after considering the Company's performance, and to assist the board and the independent directors in evaluation of performance of the board, its committees and individual directors.

e) To make recommendations to the board about the remuneration policy including salary, perquisites and commission to be paid to the directors, KMPs and executives one level below the board.

f) To finalize the remuneration, including salary, perquisites and retirement benefits, of the directors and KMPs and to oversee the remuneration paid to them on an annual basis.

g) To introduce and oversee a familiarization program for the directors.

h) Perform such duties and responsibilities as may be consistent with the charter of the committee.

Remuneration of directors for the Financial Year 2021-22

Name	Salary	Contribution to funds	Sitting fees	Perquisite/ Commission	Total
Sachin Agarwal	69,30,748	4,06,075	-	46,80,808	1,20,17,631
Priya Ranjan Agarwal	44,94,180	-	-	28,800	45,22,980
Alok Agarwal	30,79,024	2,18,160	-	28,800	33,25,984
Ashok Kumar Shukla	43,38,002	3,26,880	-	44,63,208	91,28,090
Smita Agarwal	30,65,000	3,11,850	-	28800	34,05,650
Ajay Kashyap	-	-	34,000	-	34,000
Krishna Das Gupta	-	-	68,000	-	68,000
Rakesh Chandra Katiyar	-	-	68,000	-	68,000
Brij Lal Gupta	-	-	95,000	-	95,000
Vishal Mehrotra	-	-	28,000	-	28,000

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings during 2021-22	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	1	1
2.	Sachin Agarwal	Member, Executive Director	1	0
3.	Krishna Das Gupta	Member, Independent Director	1	1
4.	Ajay Kashyap	Member, Independent Director	1	1
5.	Pragati Gupta Agarwal, Company Secretary & Compliance Officer	Secretary to the Committee	1	1

Terms of Reference

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

The details pertaining to the number of complaints received and responded and the status thereof during the financial year ended March 31, 2022 are as under:

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

Physical Share Transfers (from April 1, 2021 to March 31, 2022)

No. of shares transferred / transmitted	:	500/Nil
No. of shares pending for transfer	:	Nil
Pending due to Exchange of Counter Receipts (CR) to share certificates	:	NA

There are 70,180 equity shares against which shareholders have not claimed share certificates in lieu of the Counter Receipts (CR) aggregating to 1.34% of the total paid-up equity share capital of the Company.

PROJECT MONITORING AND ENVIRONMENT COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings during 2021-22	
			Held	Attended
1.	Sachin Agarwal	Chairman, Executive Director	1	1
2.	Alok Agarwal	Member, Executive Director	1	1
3.	Ajay Kashyap	Member, Independent Director	1	1
4.	Krishna Das Gupta	Member, Independent Director	1	1
5.	Pragati Gupta Agarwal, Company Secretary & Compliance Officer	Secretary to the Committee	1	1

Terms of Reference

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

BANKING COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings during 2021-22	
			Held	Attended
1.	Sachin Agarwal	Chairman, Managing Director	9	9
2.	Alok Agarwal	Member, Executive Director	9	9
3.	Brij Lal Gupta	Member, Independent Director	9	9
4.	Pragati Gupta Agarwal, Company Secretary & Compliance Officer	Secretary to the Committee	9	9

Terms of Reference

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

a) Approval of sanction letters and/or borrowings at a time or by cumulative sum as specified by the Board subject to fact that the Chairman of the Committee will place such approval at the subsequent meeting of the Board.

b) Passing of resolution(s) for opening, closing and operation of bank accounts with present bankers of the Company viz., State Bank of India, Punjab National Bank, HDFC bank, Yes Bank or any of the banks in future.

c) To authorise additions/deletions to the signatories pertaining to banking transactions.

d) To approve investment of surplus funds for an amount as per the policy approved by the Board.

e) To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivatives products.

f) Any approval and/or execution for day-to-day banking matters of the Company.

g) To attend to any other responsibility as may be entrusted by the Board to perform any activity within terms of reference.

RISK MANAGEMENT COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings during 2021-22	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	2	2
2.	Priya Ranjan Agarwal	Member, Executive Director	0	0
3.	Brij Lal Gupta	Member, Independent Director	2	2
4.	Pragati Gupta Agarwal, Company Secretary & Compliance Officer	Secretary to the Committee	2	2

Terms of Reference

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

LISTING COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings during 2021-22	
			Held	Attended
1.	Sachin Agarwal	Chairman, Executive Director	1	1
2.	Alok Agarwal	Member, Executive Director	1	1
3.	Smita Agarwal	Member, Director and CFO	1	1
4.	Pragati Gupta Agarwal, Company Secretary & Compliance Officer	Secretary to the Committee	1	1

Terms of Reference

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

INDEPENDENT DIRECTORS COMMITTEE

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

Composition

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

Meetings and Attendance

Details of Independent Directors Committee Meeting during the financial year

During the financial year ended 31st March, 2022, one meeting of the Independent Directors Committee was held.

BOARD EVALUATION AND TRAINING

Familiarisation and training of board members

PTC believes that a Board, which is well informed and familiar with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In order to accomplish this, the Directors of the Company are updated on changes and developments in the domestic and global corporate and industry scenario including those pertaining to statutes, legislations and economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions. Visits to Company facilities and plants are also organised regularly for the Directors to keep them updated about the operations and new ventures being taken up by the company. PTC, in order to keep its directors appraised with the developments in the industrial sector, arranges skill development programs for the directors from time to time. The Company also trains its board of directors regarding its business as well as the risk parameters of the business during the board meetings. Presentations are also made to educate the directors regarding their duties, responsibilities, powers and roles under various statutes.

Evaluating the performance of non-executive directors

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

Whistle-blower policy

The company has established a vigil mechanism pursuant to the requirement under regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations {SEBI (LODR) Regulations} & section 177 of the Companies Act, 2013 and adopted a 'Whistle Blower Policy' for employees and directors to report instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise concerns about serious irregularities within the Company. In line with this policy, no person is denied access to the chairman of the audit committee.

General Body Meetings

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

AGM No.	Date	Time	Location	Special Resolution Passed
58th	November 22, 2021	03:00 P.M.	Via Audio/Video Conferencing facility	Yes
57th	September 30, 2020	03:00 P.M.	Via Audio/Video Conferencing facility	Yes
56th	September 28, 2019	03:00 P.M.	Registered Office	Yes

Postal Ballot- During the year under report no resolutions were passed by shareholders through Postal Ballot. Resolutions passed through Postal Ballot, if any, will be taken up as and when necessary.

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

PTC CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING – 2019

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

PTC CODE OF CONDUCT

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

Disclosures

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

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

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

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

3. Materially significant related party transactions which may have potential conflict with the interests of the Company at large:

   None

4. Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large:

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

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

   Not Applicable

6. None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities, which has also been confirmed by Messrs. Amit Gupta & Associates, Practising Company Secretaries.

7. Confirmation by the Board with respect to the Independent Directors is provided in the Report of the Board of Directors & Management Discussion and Analysis, forming part of the Report and Accounts.

8. A certificate, by practising Company Secretary to the effect that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies, is annexed to this report.

9. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the Board Report.

10. Information with respect to Commodity Price Risk or Foreign Exchange Risk and Hedging Activities is provided in the Report of the Board of Directors & Management Discussion and Analysis and in the Notes to the Financial Statements, forming part of the Report and Accounts.

11. In view of the diversified business portfolio of the Company, its exposure in none of the individual commodities which are sourced either for use as inputs in its businesses or for Agri-commodity trading, is material in the context of its overall operations, and also in terms of the Policy for determination of materiality of events and information for disclosure to the Stock Exchanges, as approved by the Board. Accordingly, the

disclosure requirements prescribed under the SEBI Circular dated 15th November, 2018 are not applicable for the Company.

12. The total fees paid by the Company and its subsidiaries to Messrs. Walker Chandiok & Co. LLP, Statutory Auditors of the Company, and all other entities forming part of the same network, aggregate ₹ 35.68 Lakhs for the period under report.

13. Compliance Officer under the Listing Regulations 2015: Ms. Pragati Gupta, Company Secretary & Compliance Officer

14. The Company has adopted a 'Whistle Blower Policy' and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. It is affirmed that no person was denied access to the chairman of the audit committee. The Whistle Blower Policy can be accessed at www.ptcil.com.

15. Your company has made compliances with mandatory requirements under SEBI (Listing Obligation and Disclosure Requirements)

16. Policy on Materiality and Policy on Related party Transactions can be accessed at https://www.ptcil.com/corporate/Policies

17. The Company has a risk management policy for risk identification, assessment and control to effectively manage risk associated with business of the Company.

Means of Communication

1. The quarterly results are placed on the Company's website whilst submitting to the Stock Exchange.

2. Financial results are published in English and Hindi newspapers (generally in Financial Express and Jansatta). Notices of board meetings to approve the financial results are also published in these newspapers.

3. Financial results along with notice of the board meetings can be accessed at Company's website www.ptcil.com under the head 'Financials'.

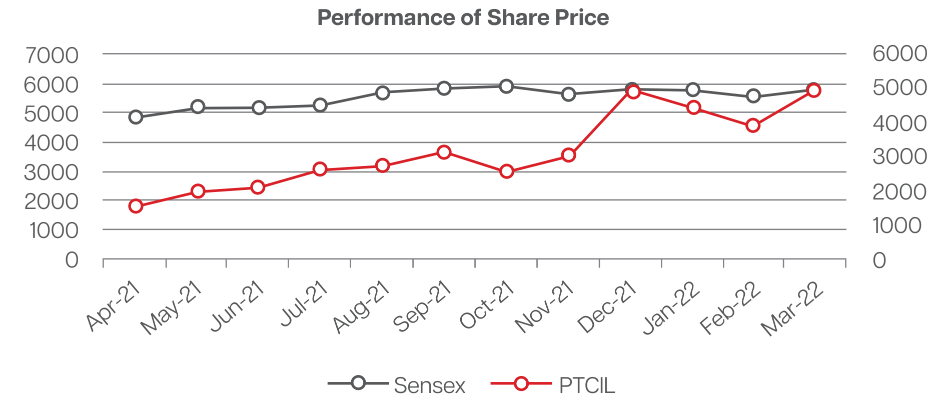
4. The Company's website www.ptcil.com not only gives a description of its products and activities, but also highlights the achievements of the Company and official news releases. There are no Institutional Investors nor are any presentations made to analysts.

General Shareholders' Information

Annual General Meeting	Date: November 22, 2021 Time: 03:00 P.M. Through Video Conferencing
Book Closure Date	October 22, 2021 to October 29, 2021
Financial calendar (Tentative)	1st April 2021 to 31st March 2022
Dividend Payment date	The Company is making a substantial investment in a new subsidiary Aerolloy Technologies Limited for entering into manufacture of aerospace related products which shall significantly diversify and grow the Company's portfolio. This is expected to yield positive financial growth also for the Company in the coming years. Hence, the directors do not consider it prudent to recommend any dividend for the year ended on March 31, 2022.
Listing on Stock Exchange	BSE Limited The Company has paid Annual Listing Fees to BSE Limited for the current year.
Stock Exchange Code	539006
Market Price Data	Stock market price data for the financial year 2021-22. High/Low of daily closing market price of the Company's shares traded at BSE during each month in the Financial Year ended on March 31, 2022 are as under:

Month	High Price	Low Price	Close Price	No. of Shares
Apr-21	1783.95	1450.00	1590.80	53358
May-21	2114.50	1475.00	2030.40	31534
Jun-21	2180.00	1871.10	2120.95	45156
Jul-21	2612.30	2014.00	2612.30	30699
Aug-21	2850.00	2240.15	2783.25	22289
Sep-21	3132.40	2431.00	3132.40	24399
Oct-21	3229.00	2550.05	2600.00	31252
Nov-21	3169.00	2558.05	3014.20	30247
Dec-21	5469.00	3002.00	4971.85	62845
Jan-22	5387.00	4187.00	4453.00	24191
Feb-22	4968.30	3410.00	3940.45	18800
Mar-22	5012.90	3352.60	5012.90	33712

Performance of the share price of the Company in comparison to the BSE Sensex: (During 2021-22)	% change in Company Share price	% change in SENSEX
	217.54%	17.50%



Registrar and Transfer Agent	M/s Link Intime India Private Limited C-101, 247 Park, LBS Marg Vikhroli West Mumbai 400 083	
	Phone	022 – 49186000
	Fax	022 – 49186060
	Email	rnt.helpdesk@linkintime.co.in
Share Transfer System	Share transfer work of the physical segment is attended to by the Company's Registrar and Share Transfer Agent within the period prescribed under the law and the listing agreement. Share transfers are approved by a committee of directors which meets periodically.	
Plant Locations	AMTC Plant NH 25A, Sarai Shahjadi, Lucknow 227101, Uttar Pradesh, India. Mehsana Plant Rajpur, Taluka Kadi, District Mehsana 382 740, Gujarat, India. Windmill Power Division Surajbari Region, Shikarpur Village, Kutch District, Gujarat, India.	
Address for correspondence	The Company Secretary PTC Industries Limited Advanced Manufacturing and Technology Centre NH-25A Sarai Shahjadi, Lucknow-227101, Uttar Pradesh, India.	

Dematerialization of Shares

The Company has signed a tri-partite agreement with both depositories National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and Company's Registrar and Share Transfer Agent M/s Link Intime India Private Limited to facilitate dematerialization of Shares. The Company's equity shares have been admitted to dematerialisation w.e.f. July 20, 2002 and the ISIN is INE596F01018. The details of shares in physical and Demat form as on March 31, 2022 is as under:

Description of Shares	Number of Shares	Percentage
No. of shares in physical mode	1,86,010	3.95
No. of shares in electronic mode	50,53,053	96.45
Total	**52,39,063**	**100.00**

Distribution of shareholding (As on March 31, 2022)

Sr.No.	Share Range	Number of shareholders	Number of shares	% to total number of shares
1	1 to 500	3325	2,30,317	4.40
2	501 to 1000	116	83,898	1.60
3	1001 to 2000	45	62,691	1.20
4	2001 to 3000	22	57,074	1.09
5	3001 to 4000	9	32,286	0.62
6	4001 to 5000	11	53,839	1.03
7	5001 to 10000	17	1,25,116	2.39
8	10001 and above	41	45,93,842	87.68
	Total	**3586**	**52,39,063**	**100.0**

Shareholding Pattern (As on March 31, 2022)

Shareholding Pattern	No. of Shares	% of Capital
Promoter and Directors (including relatives)	36,31,119	69.31
Clearing Members	1,731	0.03
Other Bodies Corporate	1,69,727	3.24
Hindu Undivided Family	1,20,946	2.31
Market Maker	6,500	0.12
Non-Resident Indians	18,850	0.36
Non-Resident (Non Repatriable)	1,705	0.03
Public	12,88,485	24.59
TOTAL:	**52,39,063**	**100.00**

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

Name	Mr. Smita Agarwal
Date of Birth	April 15, 1976
Date of Joining	June 01, 2019
No. of shares held	1,31,000
Qualification	Chartered Accountant
Experience	24 years
Expertise	HR, Account, Finance and Taxation
Other Listed Company Directorship	-
Chairman/ membership in other listed company committees	-

GREEN INITIATIVE

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

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

Certificate on Corporate Governance

UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS

To
The Members of
PTC Industries Limited
AMTC, NH-25A, Sarai Shahjadi
Lucknow

We have examined the compliance of conditions of Corporate Governance by PTC Industries Limited ("the Company"), for the year ended on March 31, 2022, as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period April 01, 2020 to March 31, 2022.

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

2. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and Clause (b) to (i) of Regulation 46 (2) of the Listing Agreements and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2022.

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

For C. P. Shukla
Company Secretaries

(C. P. Shukla)
Membership No. : F3819
C.P. No. 513
UDIN- F003819D000407849

Date: May 27, 2022
Place: Lucknow

Certificate of Non-Disqualification of Directors

[As per Clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations].

To,
The Members,
PTC Industries Limited,

1. We have examined the status of directors for the year ended on March 31, 2022, pursuant to the provisions of Clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations").

2. It is neither an audit nor an expression of opinion regarding the legality of debarring or disqualification by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs (MCA) or any such statutory authority.

3. Our examination was limited to a review of the relevant records of the Company and website of MCA, stock exchange(s), SEBI and other relevant statutory authority (ies) (specify) as specified in Annexure to this certificate and it is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions.

4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the declarations and disclosures made by the Directors and the representation given by the Management, we certify that none of the directors on the board of PTC Industries Limited, have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority during the year ended at March 31, 2022.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Proprietor
Membership No.: F5478
C.P. No. 4682
UDIN- F005478D000881111

Date: August 31, 2022
Place: Lucknow

Independent Auditor's Report

To the Members of PTC Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of PTC Industries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Valuation of Inventories: As disclosed in note 14 in the standalone financial statements, as at 31 March 2022 the total value of Company holds inventory comprising of raw material, work-in-progress and manufactured finished goods as at 31 March 2022 amounting to ₹ 6,178.24 Lakh represents 14.90% of the total assets. Out of the total inventory, ₹ 3912.51 Lakh pertains to inventory work-in-progress and manufactured finished goods. Such inventory is carried at cost, or net realisable value whichever is lower, as per the accounting policy disclosed in note 4 of the accompanying standalone financial statements. Determination of cost of inventory involves allocation of various production and administration overheads incurred to bring the inventory to its present location and condition, which involves management judgement and estimation. Amongst the other overheads, fixed production overheads are allocated to the costs of conversion based on the normal capacity of the production facilities in accordance with the principles of Ind AS -2, Inventories.	Our audit procedures included, but were not restricted to the following procedures: a) Obtained an understanding of the management's process of valuation of inventory. b) Evaluated the design and tested the operating effectiveness of key controls around valuation including around estimates, stage of completion and overhead computations and determination of net realizable value of inventory items. c) Evaluated the appropriateness of the Company's accounting policy and valuation method of inventory in accordance with the applicable accounting standards. d) Verified the expenses considered as cost of conversion including estimates for apportionment of the conversion on the different classes of finished goods and work in progress and recomputed the arithmetical accuracy thereof for calculating the conversion cost considered as part of the finished goods and work in progress.

Key audit matter	How our audit addressed the key audit matter
Further, at the end of each reporting period, the management of the Company also assesses whether there is any objective evidence that net realisable value of any item of inventory is below the carrying value. If so, such inventories are written down to their net realisable value in accordance with Ind AS 2, Inventories. In addition to the above, the complexities and judgement involved in inventory valuation includes: • Estimate involved in computing input-output ratio used for computing the average rate of overheads which is to be added to the cost of inventory. • Estimate involved in allocation of expenses through various stages of production. Inventory valuation was considered a risk of material misstatement because variable and fixed costs are allocated to inventory. Considering the aforesaid complexities, significant management judgements, and estimates involved and materiality of the amounts involved, this matter has been determined to be as a key audit matter for the current year audit.	e) Recomputed the net realisable value of the finished goods and reviewed the management assessment for carrying inventory at lower of cost and net realisable value. f) Tested ageing of inventory items obtained through system reports, as applicable. g) Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Tested the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Company. h) Evaluated the appropriateness and adequacy of the disclosures made by the Company in accordance with the requirements as specified in the Ind AS-2 'Inventories' and Schedule III of the Companies Act, 2013.

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

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 accompanying standalone financial statements;

    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 standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company, as detailed in note 46 to the standalone financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2022;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;

   iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 54(a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

   (b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 54(b) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

   v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 22099410AJUPMJ2356

Place: Chandigarh
Date: 28 May 2022

Annexure 1

referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of PTC Industries Limited on the standalone financial statements for the year ended 31 March 2022

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

(I) (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment property.

(ii) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment under which the assets are physically verified in a phased manner over a period of 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (including investment properties) held by the company (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed in respect of inventory lying with third parties, these have substantially been confirmed by the third parties.

(b) The Company has a working capital limit in excess of ₹ 5 crore sanctioned by banks based on the security of current assets during the year. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to review.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income tax act,1961	Direct Tax	1048.38	–	FY 2013-14	Commissioner of Income Tax (Appeals)
Uttar Pradesh Value Added Tax, 2008	Sales tax	0.83	0.83	FY 2006-07	Sales Tax Tribunal
Central Goods and Services Tax Act, 2017; Integrated Goods and Services Tax Act, 2017; UP Goods and Services Tax Act, 2017	Goods and Service tax	16.59	14.89	FY 2019-20	Pending to the Appealed before appellate authority

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks/ financial institution and/or other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order not applicable to the Company.

(xvii) The Company has not incurred any cash loss in the current as well as in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, we are of the opinion that nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sandeep Mehta

Partner

Membership No.: 099410

UDIN: 22099410AJUPMJ2356

Place: Chandigarh

Date: 28 May 2022

Annexure II

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

1. In conjunction with our audit of the standalone financial statements of PTC Industries Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on Internal Financial Controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note issued by the ICAI established by the management of the Company. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

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

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

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

7. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2022, based on Internal Financial Controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note issued by the ICAI established by the management of the Company.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sandeep Mehta

Partner

Membership No.: 099410

UDIN: 22099410AJUPMJ2356

Place: Chandigarh

Date: 28 May 2022

Standalone Balance Sheet as at 31 March 2022

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	5	23,172.18	20,840.75
Capital work-in-progress	6	560.74	2,858.32
Investment property	7	183.06	184.37
Other intangible assets	8	68.33	76.38
Financial assets			
(i) Investments	9(a)	2,189.87	837.46
(ii) Other financial assets	11(a)	189.42	148.57
Non current tax assets (net)	12	340.31	303.41
Other non current assets	13	173.15	138.69
Total non-current assets		**26,877.06**	**25,387.95**
Current assets			
Inventories	14	6,178.24	5,225.83
Financial assets			
(i) Investments	9(b)	7.21	7.72
(ii) Trade receivables	15	6,147.52	6,331.63
(iii) Cash and cash equivalents	16	95.78	146.04
(iv) Bank balances other than(iii) above	17	236.95	197.34
(v) Loans	10	63.62	68.05
(vi) Others financial assets	11(b)	488.60	813.53
Other current assets	18	1,363.65	1,072.30
		14,581.57	**13,862.44**
TOTAL ASSETS		**41,458.63**	**39,250.39**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	523.91	523.91
Other equity	20	15,998.84	15,007.62
Total equity		**16,522.75**	**15,531.53**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21(a)	8,949.26	8,955.46
(ii) Other financial liabilities	22	314.54	7.50
Provisions	23	75.17	71.72
Deferred tax liabilities (net)	24	1,375.34	1,202.26
Other non-current liabilities	25	901.67	1,042.22
Total non-current liabilities		**11,615.98**	**11,279.16**
Current liabilities			
Financial liabilities			
(i) Borrowings	21(b)	10,191.98	8,684.09
(ii) Trade payables	26		
total outstanding dues of micro enterprises and small enterprises		233.17	93.61
total outstanding dues of creditors other than micro enterprises and small enterprises		1,573.44	2,601.33
(iii) Other financial liabilities	27	1,055.59	899.09
Other current liabilities	28	213.91	149.82
Provisions	23	44.51	11.76
Current tax liabilities (net)	29	7.30	–
Total current liabilities		**13,319.90**	**12,439.70**
TOTAL EQUITY AND LIABILITIES		**41,458.63**	**39,250.39**

Notes 1 to 58 form an integral part of these standalone financial statements

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

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 28 May 2022

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 28 May 2022

Standalone Statement of Profit and Loss for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	30	17,893.51	16,334.99
Other income	31	690.53	519.61
Total income		**18,584.04**	**16,854.60**
Expenses			
Cost of materials consumed	32	5,564.71	3,694.05
Changes in inventories of finished goods and work-in-progress	33	(553.77)	409.05
Employee benefits expense	34	2,002.56	1,996.71
Research and development expense	35	181.94	181.09
Other expenses	36	6,975.55	6,559.63
Total expenses		**14,170.99**	**12,840.53**
Profit before finance cost, depreciation and amortisation, exceptional items and tax		**4,413.05**	**4,014.07**
Finance costs	38	1,505.52	1,343.26
Depreciation and amortisation expense	39	1,453.93	1,438.35
Profit before exceptional items and tax		**1,453.60**	**1,232.46**
Exceptional items	40	156.79	–
Profit before tax		**1,296.81**	**1,232.46**
Tax expense:	41		
Current tax - current year		173.53	–
Current tax - earlier years		–	(244.86)
Deferred tax charge		173.63	81.14
Remeasurement of deferred tax recoverable on adoption of new tax regime (MAT credit)		–	957.48
Total tax expenses		**347.16**	**793.76**
Profit for the year		**949.65**	**438.70**
Other comprehensive income			
A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plan		(2.19)	32.44
ii) Income tax relating to items that will not be reclassified to profit or loss		0.55	(8.16)
Other comprehensive income for the year (net of tax)		**(1.64)**	**24.28**
Total comprehensive income for the year		**948.01**	**462.98**
Earnings per equity share [Nominal value ₹ 10]	42		
Basic (₹)		18.13	8.37
Diluted (₹)		18.11	8.37
Notes 1 to 58 form an integral part of these standalone financial statements			

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

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Chandigarh
Date: 28 May 2022

Place: Lucknow
Date: 28 May 2022

Standalone Statement of cash flows for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A Cash flow from operating activities		
Net profit before tax	1,296.81	1,232.46
Adjustment for:		
Depreciation and amortisation expense	1,453.93	1,438.35
Unrealised foreign exchange fluctuation loss/(gain)	(67.04)	50.28
(Gain)/loss on disposal/discard of property plant and equipment (net)	(0.14)	(137.25)
Provision for doubtful debts, loans and advances	(3.00)	10.22
Bad debts written off	–	37.66
Trade payables written off	(29.31)	–
Amortisation of deferred income- government grant	(51.67)	(80.00)
Dividend income	(0.23)	(0.14)
(Gain)/loss on MTM foreign exchange fluctuation	(28.05)	(160.09)
Interest expense	1,363.06	1,248.01
Remeasurement of defined benefit plan	(2.19)	32.44
(Gain)/loss on investment at fair value through profit or loss (net)	–	(1.94)
Interest from assets valued at amortised cost	(14.21)	(13.97)
ESOP Expense	40.29	–
Provisions made no longer eequired written back	–	(39.22)
Operating profit before working capital changes (current and non- current)	**3,958.25**	**3,616.81**
Inflow and outflow on account of :		
Changes in trade receivables	270.86	(1,801.01)
Changes in inventories	(952.41)	(16.90)
Changes in other financial assets	312.12	(633.09)
Changes in other assets	(291.34)	(176.16)
Changes in financial assets-loans	4.42	(132.20)
Changes in provisions	36.21	(48.59)
Changes in trade and other payables	(875.72)	(73.33)
Changes in other financial liabilities	515.67	111.21
Changes in other liabilities	(324.80)	(150.65)
Cash generated from operations before tax	**2,653.26**	**696.09**
Income taxes paid (net)	(203.15)	(219.76)
Net cash generated from operating activities [A]	**2,450.11**	**476.33**
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods]	(1,532.54)	(1,426.65)
Proceeds from sale of property plant and equipments	103.58	590.50
Investments made	(1,349.01)	(836.46)
Interest received	14.21	13.97
Other bank balances not considered as cash and cash equivalents [net]	(39.61)	(40.23)
Dividend received	0.23	0.14
Net cash used in investing activities [B]	**(2,803.15)**	**(1,698.73)**
C Cash flow from financing activities		
Proceeds from long-term borrowings	2,248.79	2,887.83
Repayment of long-term borrowings	(1,555.20)	(1,003.00)
Proceeds from government grant	300.00	–
Proceeds from short-term borrowings (net)	808.09	695.20
Finance cost paid	(1,498.90)	(1,362.68)
Net cash used in financing activities [C]	**302.78**	**1,217.35**
D Net (decrease)/increase in cash and cash equivalents [A+B+C]	**(50.26)**	**(5.05)**
E Cash and cash equivalents at the beginning of the year	146.04	151.09
Closing balance of cash and cash equivalent [D+E]	**95.78**	**146.04**

Standalone Statement of cash flows for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at 31 March 2022	As at 31 March 2021
Components of cash and cash equivalents (refer note 16):		
Balances with banks	89.55	140.11
Cash on hand	6.23	5.93
	95.78	**146.04**
Notes 1 to 58 form an integral part of these standalone financial statements		

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

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 28 May 2022

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 28 May 2022

Standalone Statement of Changes in Equity as at 31 March 2022

(All amounts in ₹ lakhs, unless stated otherwise)

A Equity share capital

Particulars	No. of shares	Amount
Balance as at 1 April 2020	52,39,063	523.91
Changes in equity share capital during the year	–	–
Balance as at 1 April 2021	**52,39,063**	**523.91**
Changes in equity share capital during the year	–	–
Balance as at 31 March 2022	**52,39,063**	**523.91**

B Other equity

Particulars	Reserves and Surplus				Other reserve		Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Share Based payment Reserve Account	Equity instruments through other comprehensive income	
Balance as at 1 April 2020	1.75	4,120.72	4,624.17	5,797.98	–	0.01	14,544.64
Profit for the period	–	–	–	438.70	–	–	438.70
Remeasurement of defined benefit plan	–	–	–	24.28	–	–	24.28
Balance as at 1 April 2021	**1.75**	**4,120.72**	**4,624.17**	**6,260.96**	**–**	**0.01**	**15,007.62**
Profit for the period	–	–	–	949.65	–	–	949.65
Share Based payment expense	–	–	–	–	43.21	–	43.21
Remeasurement of defined benefit plan	–	–	–	(1.64)	–	–	(1.64)
Balance as at 31 March 2022	**1.75**	**4,120.72**	**4,624.17**	**7,208.97**	**43.21**	**0.01**	**15,998.84**

Refer note 20 for nature of reserves.

Notes 1 to 58 form an integral part of these standalone financial statements

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

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 28 May 2022

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 28 May 2022

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

1. Company information

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

2. General information and statement of compliance with Ind AS

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

The financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The financial statements of PTC Industries Limited as at and for the year ended 31 March 2022 (including comparatives) were approved and authorised for issue by the Board of Directors on 28 May 2022.

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

3. Basis of preparation and presentation

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

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

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

4. Summary of significant accounting policies

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

a) Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Assets

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

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

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

Liabilities

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

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

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

b) Property, plant and equipment

Recognition, measurement and de-recognition

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.The Company

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

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

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

Subsequent expenditure

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

Depreciation

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

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

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

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

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

c) Capital work-in-progress

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

d) Intangible assets

Recognition, measurement and de-recognition

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

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

Subsequent expenditure

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Amortisation

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

e) Non-current assets held for sale

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

Non-current assets classified as held for sale are presented separately and measured at the lower

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

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

f) Impairment

(i) Impairment of financial assets

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

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

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

(ii) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the Cash Generating Unit (CGU) is

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss. An asset is deemed impaired when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.

g) Inventories

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

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

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

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

h) Foreign exchange transactions

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

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

i) Employee benefits

i. Short-term employee benefits

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

ii. Defined contribution plans

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

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

iii. Defined benefit plans

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

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

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

iv. Other long-term employee benefits

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

j) Revenue

i. Sale of goods

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

(i) Identifying the contract with a customer

(ii) Identifying the performance obligations

(iii) Determining the transaction price

(iv) Allocating the transaction price to the performance obligations

(v) Recognising revenue when/as performance obligation(s) are satisfied.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates.

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

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

ii. Interest income

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

iii. Dividend income

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

iv. Income from power generation:

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

v. Export benefits/incentives

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

k) Borrowings

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly

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attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

l) Government grants

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

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

m) Right of use assets and lease liabilities

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

The Company as a lessee

Classification of leases

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

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

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

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

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

The Company as a lessor

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

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

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

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

Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased Asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss. Contingent rentals are recognised as expenses in the periods in which they are

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incurred. Lease management fees, legal charges and other initial direct costs are capitalised. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

Company as a lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

n) Financial instruments

i. Recognition and initial measurement

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

ii Subsequent measurement

Financial assets

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

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

ii. Financial assets at fair value

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

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

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

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

De-recognition of financial assets

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

Impairment of financial assets

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

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

Financial liabilities

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

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

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

Offsetting of financial instruments

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

o) Fair value measurement

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

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

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

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

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

p) Cash and cash equivalents

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

q) Earnings per share

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

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

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

r) Provisions, contingent liabilities and contingent assets

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

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Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Company and requires interpretation of laws and past legal rulings.

s) Taxation

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

i. Current tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

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

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

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

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

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

t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's Board of Directors assesses the financial performance and position of the Company, and makes strategic decision. The Board has been identified as the chief operating decision maker. The Company's business activity is

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

u) Research and development costs

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

v) Derivative financial instruments

The Company holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms. Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred.

w) Measurement of EBITDA

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

x) Significant accounting judgements, estimates and assumptions

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

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

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

Significant judgements:

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

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

(ii) Recognition of deferred tax assets

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

(iii) Contingent liabilities

The Company is the subject of certain legal proceedings which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business,

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management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Sources of estimation uncertainty:

(i) Provisions

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

(ii) Fair valuation of financial instruments

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

(iii) Recoverability of advances/receivables

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

y) Recent accounting pronouncement

- **Ind AS 16 – Property Plant and equipment**

  The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

- **Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets**

  The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no impact on its financial statements.

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5 Property, plant and equipment

Particulars	Freehold land	Factory building	Plant and machinery	Computers	Mould and dies	Vehicles	Furniture and fixtures	Office equipments	Research and development assets				Total
									Plant and machinery	Computers	Mould and dies	Vehicles	
As at 1 April 2020	576.22	4,318.55	20,255.54	214.97	1,587.42	252.28	170.82	176.29	255.03	1.18	111.77	6.35	27,926.42
Additions	626.40	141.18	244.98	21.82	161.15	89.99	6.52	13.41	–	–	–	–	1,305.45
Disposals/assets written off	–	–	–	–	–	15.75	–	–	–	–	–	–	15.75
Balance as at 31 March 2021	**1,202.62**	**4,459.73**	**20,500.52**	**236.79**	**1,748.57**	**326.52**	**177.34**	**189.70**	**255.03**	**1.18**	**111.77**	**6.35**	**29,216.12**
Additions	–	264.33	3,275.49	8.84	215.19	32.98	5.09	4.47	–	–	–	–	3,806.39
Adjustment	1.61	–	–	–	–	–	–	–	–	–	–	–	1.61
Disposals/assets written off	–	–	51.45	–	–	–	–	–	–	–	–	–	51.45
Balance as at 31 March 2022	**1,204.23**	**4,724.06**	**23,724.56**	**245.63**	**1,963.76**	**359.50**	**182.43**	**194.17**	**255.03**	**1.18**	**111.77**	**6.35**	**32,972.67**
Accumulated depreciation													
As at 1 April 2020	–	435.20	4,755.75	174.63	996.62	142.34	91.36	99.72	167.24	1.04	105.14	3.66	6,972.70
Charge for the year	–	130.42	1,099.62	13.25	109.95	25.05	10.90	19.26	8.83	0.02	1.05	0.06	1,418.41
Adjustments for disposals	–	–	–	–	–	15.75	–	–	–	–	–	–	15.75
Balance as at 31 March 2021	**–**	**565.62**	**5,855.37**	**187.88**	**1,106.57**	**151.64**	**102.26**	**118.98**	**176.07**	**1.06**	**106.19**	**3.72**	**8,375.36**
Charge for the year	–	136.84	1,096.21	12.95	112.30	34.25	11.35	20.69	6.49	0.02	1.05	0.06	1,432.21
Adjustments for disposals	–	–	7.08	–	–	–	–	–	–	–	–	–	7.08
Balance as at 31 March 2022	**–**	**702.46**	**6,944.50**	**200.83**	**1,218.87**	**185.89**	**113.61**	**139.67**	**182.56**	**1.08**	**107.24**	**3.78**	**9,800.49**
Net block as at 31 March 2021	**1,202.62**	**3,894.11**	**14,645.15**	**48.91**	**642.00**	**174.88**	**75.08**	**70.72**	**78.96**	**0.12**	**5.58**	**2.63**	**20,840.76**
Net block as at 31 March 2022	**1,204.23**	**4,021.60**	**16,780.06**	**44.80**	**744.89**	**173.61**	**68.82**	**54.50**	**72.47**	**0.10**	**4.53**	**2.57**	**23,172.18**

Notes:

a) Refer note 49 “Assets pledged as security” for details regarding property, plant and equipment pledged as security.

b) Refer note 46(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c) Plant and machinery includes assets amounting to ₹ 1,500 Lakh, out of which ₹ 500 Lakh was acquired under the Technology Development and Demonstration Programme (TDDP) project and ₹ 1000 Lakh was acquired under the Technology Acquisition and Fund Programme (TAFP) project. These assets have restricted use under their respective projects.

d) No proceeding has been initiated or pending against the company for holding any benami property under the Benami transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

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6 Capital work-in-progress

Particulars	Amount
Balance as at 1 April 2020	1,897.46
Additions	960.86
Balance as at 31 March 2021	**2,858.32**
Additions	**837.18**
Capitalisation during the year	(3,134.76)
Balance as at 31 March 2022	**560.74**

Note:

Additions to capital work in progress include interest of ₹ 134.03 Lakh (31 March 2021: ₹ 138.19 Lakh) capitalised during the year.

(a) Capital-work-in progress ageing schedule as at 31st March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	180.83	299.57	63.39	16.95	560.74

Capital-work-in progress ageing schedule as at 31st March 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	**836.96**	**960.86**	**1,043.55**	**16.95**	**2,858.32**

7 Investment Property

Particulars	Freehold land	Factory building	Total
Net carrying value			
Gross Block as on 31st March 2020	125.59	151.77	277.36
Additions	–	–	–
Gross Block as on 31st March 2021	**125.59**	**151.77**	**277.36**
Additions	–	–	–
Gross Block as on 31st March 2022	**125.59**	**151.77**	**277.36**
Accumulated depreciation			
As at 1 April 2020	–	89.90	89.90
Charge for the year	–	3.09	3.09
Balance as at 31 March 2021	**–**	**92.99**	**92.99**
Depreciation charge for the year	–	1.31	1.31
Balance as at 31 March 2022	**–**	**94.30**	**94.30**
Net block as at 31 March 2021	**125.59**	**58.78**	**184.37**
Net block as at 31 March 2022	**125.59**	**57.47**	**183.06**

Notes:

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

Particulars	As at 31 March 2022	As at 31 March 2021
Rental income	45.00	41.25
Depreciation and amortisation expense	1.31	3.09
Direct operating expenses that generated rental income	–	
Direct operating expenses that did not generate rental income	–	–
Profit from leasing of investment property	**43.69**	**38.16**

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for the year ended 31 March 2022

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

7 Investment Property (Contd..)

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

(iii) Fair value of investment property

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value	1,458.46	1,519.74

The Company obtains independent valuations for its investment property. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources such as current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Fair value is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

8 Other intangible assets

Particulars	Software	Licenses	Research and development asset - Software	Total
Gross block				
At 1 April 2020	189.82	39.70	4.72	234.24
Additions	17.53	17.53		
Balance as at 31 March 2021	**207.35**	**39.70**	**4.72**	**251.77**
Additions	12.35	12.35		
Balance as at 31 March 2022	**219.70**	**39.70**	**4.72**	**264.12**
Accumulated amortisation				
At 1 April 2020	114.40	39.70	4.44	158.54
Charge for the year	16.85	–	–	16.85
Balance as at 31 March 2021	**131.25**	**39.70**	**4.44**	**175.39**
Charge for the year	20.41			
Balance as at 31 March 2022	**151.66**	**39.70**	**4.44**	**195.80**
Net block as at 31 March 2021	**76.10**	**–**	**0.28**	**76.38**
Net block as at 31 March 2022	**68.04**	**–**	**0.28**	**68.32**

9(a) Non-current investments

Particulars	As at 31 March 2022	As at 31 March 2021
Unqouted equity shares		
Investment in equity instruments (at cost)		
2,28,596 equity shares (31 March 2021: 93,646) of ₹ 10 each (fully paid-up) of Aerolloy Technologies Limited	2,189.87	837.46
	2,189.87	**837.46**
Aggregate amount of unquoted investments	2,189.87	837.46

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

7 Investment Property (Contd..)

Information about subsidiary is as follows:

Name of the entity	Principal place of	Proportion of ownership (%) as at 31 March 2022	Proportion of ownership (%) as at 31 March 2021
Aerolloy Technologies Limited	India	100	100

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

9(b) Current investments

Particulars	As at 31 March 2022	As at 31 March 2021
Quoted instruments		
Investment in mutual fund (at fair value through profit or loss)		
5,000 units (31 March 2021: 5,000 units:) of ₹ 10 each of UTI Equity Fund (Prev. Mastergain1992 of UTI)	7.21	7.72
	7.21	**7.72**
Aggregate amount of quoted investments and market value thereof	7.21	7.72

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

10 Current financial assets - loans

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good		
Loan to employees*	63.62	68.05
	63.62	**68.05**

* No loans and advances provided to promoters, directors & KMP.

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

11 (a) Non-current financial assets - others

Particulars	As at 31 March 2022	As at 31 March 2021
Deposits with banks with maturity more than 12 months*	56.38	34.45
Security deposits	133.04	114.12
	189.42	**148.57**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Note:

Refer note 43 for disclosure of fair values in respect of financial assets measured at cost.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

11(b) Current financial assets - others

Particulars	As at 31 March 2022	As at 31 March 2021
Export incentives receivable*	430.55	459.06
Other financial assets	58.05	354.47
	488.60	**813.53**

***Export Incentive receivable movement summary**

Particulars	Amount
Balance as at 1 April 2020	282.44
Income during the year	525.37
Amount utilised/refund received during the year	(348.75)
Balance as at 31 March 2021	**459.06**
Income during the year	**221.33**
Amount utilised/refund received during the year	(249.84)
Balance as at 31 March 2022	**430.55**

Note:

Refer note 43 for disclosure of fair values in respect of financial assets measured at cost.

12 Income tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance income-tax (net of provision for taxation)	340.31	303.41
	340.31	**303.41**

13 Other non-current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances	173.15	138.69
	173.15	**138.69**

14 Inventories

(Valued at lower of cost or net realisable value)

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials	1,504.34	1,232.12
Work-in-progress	3,867.49	3,313.73
Finished goods	45.02	45.02
Stores and spares	636.51	564.45
Loose tools	124.88	70.51
	6,178.24	**5,225.83**

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

15 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables considered good – Unsecured	6,147.52	6,331.63
Trade receivables-credit impaired	22.59	25.60
	6,170.11	**6,357.23**
Less: Provision for expected credit loss	(22.59)	(25.60)
	6,147.52	**6,331.63**

Movement in the provision for expected credit loss

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	25.60	15.38
Add: Allowance provided during the year (refer note-36)	–	10.22
Balance at the end of the year	**25.60**	**25.60**

*Refer note-43 for ageing schedule of Trade receivables.

16 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks	89.55	140.11
Cash on hand	6.23	5.93
	95.78	**146.04**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Note:

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

17 Other bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
Deposits with original maturity more than 3 months but remaining less than 12 months*	198.84	197.34
Interest accrued on deposits	38.11	–
	236.95	**197.34**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

18 Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	81.46	51.10
Balances with statutory and government authorities	927.06	762.65
Gratuity asset	–	0.40
Other loans and advances	355.13	258.16
	1,363.65	**1,072.31**

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

19 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Authorised:				
Equity shares of ₹ 10 each	2,00,00,000	2,000.00	89,75,000	897.50
Redeemable cumulative preference shares of ₹ 10 each*	–	–	20,25,000	202.50
	2,00,00,000	**2,000.00**	**1,10,00,000**	**1,100.00**
Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 each	52,39,063	523.91	52,39,063	523.91
	52,39,063	**523.91**	**52,39,063**	**523.91**

*During the year, the company has increased the authorised share capital from ₹ 1100.00 Lakh to ₹ 2000.00 Lakh and also converted the authorised redeemable cumulative preference share capital into equity share capital.

a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	52,39,063	523.91	52,39,063	523.91
Add: Shares issued during the year	–	–	–	–
Outstanding at the end of the year	**52,39,063**	**523.91**	**52,39,063**	**523.91**

b) Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of shareholders holding more than 5% of the equity share capital:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	% of holding	Number	% of holding
Sachin Agarwal	11,15,704	21.30%	11,13,560	21.25%
Mapple Commerce Private Limited	6,25,150	11.93%	6,25,150	11.93%
Nirala Merchants Private Limited	4,60,200	8.78%	4,60,200	8.78%
Priya Ranjan Agarwal	3,86,000	7.37%	3,86,000	7.37%
Sachin Agarwal HUF	2,61,900	5.00%	2,61,900	5.00%

d) Information regarding issue of shares in the last five years

i) The Company has not issued any shares without payment being received in cash in the last five years.

ii) There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

19 Equity share capital (Contd..)

e) Disclosure of Shareholding of Promoters

Shares held by promoters at the end of the year as on 31st March,2022

Promoter Name	No. of Shares	% of Total	% Change during the year
SACHIN AGARWAL	11,15,704	21.30%	0.05%
MAPPLE COMMERCE PRIVATE LIMITED	6,25,150	11.93%	0.00%
NIRALA MERCHANTS PRIVATE LIMITED	4,60,200	8.78%	0.00%
PRIYA RANJAN AGARWAL	3,86,000	7.37%	0.00%
SACHIN AGARWAL HUF	2,61,900	5.00%	0.00%
ALOK AGARWAL	2,15,600	4.12%	0.00%
VIVEN ADVISORY SERVICES PRIVATE LIMITED	1,69,310	3.23%	0.00%
SMITA AGARWAL	1,31,000	2.50%	0.00%
ANSHOO AGARWAL	62,300	1.19%	0.00%
SATISH CHANDRA AGARWAL (HUF)	30,400	0.58%	0.00%
BINA AGRAWAL .	27,930	0.53%	0.00%
KANCHAN AGARWAL	21,200	0.40%	0.00%
KIRAN ARUN PRASAD	19,200	0.37%	0.00%
MANU AGARWAL	10,000	0.19%	0.00%
RITIKA AGARWAL	10,000	0.19%	0.00%
REENA AGARWAL	4,000	0.08%	0.00%
ARUN JWALA PRASAD	2,000	0.04%	0.00%
Total	**35,51,894**	**67.80%**	

Shares held by promoters at the end of the year as on 31st March,2021

Promoter Name	No. of Shares	% of Total	% Change during the year
SACHIN AGARWAL	11,13,560	21.25%	0.00%
MAPPLE COMMERCE PRIVATE LIMITED	6,25,150	11.93%	0.00%
NIRALA MERCHANTS PRIVATE LIMITED	4,60,200	8.78%	0.00%
PRIYA RANJAN AGARWAL	3,86,000	7.37%	0.00%
SACHIN AGARWAL HUF	2,61,900	5.00%	100.00%
ALOK AGARWAL	2,15,600	4.12%	0.00%
VIVEN ADVISORY SERVICES PRIVATE LIMITED	1,69,310	3.23%	0.00%
SMITA AGARWAL	1,31,000	2.50%	0.00%
ANSHOO AGARWAL	62,300	1.19%	0.00%
SATISH CHANDRA AGARWAL (HUF)	30,400	0.58%	0.00%
BINA AGRAWAL .	27,930	0.53%	-2.00%
KANCHAN AGARWAL	21,200	0.40%	0.00%
KIRAN ARUN PRASAD	19,200	0.37%	0.00%
MANU AGARWAL	10,000	0.19%	0.00%
RITIKA AGARWAL	10,000	0.19%	0.00%
REENA AGARWAL	4,000	0.08%	0.00%
ARUN JWALA PRASAD	2,000	0.04%	0.00%
Total	**35,49,750**	**67.76%**	

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

20 Other equity

Particulars	As at 31 March 2022	As at 31 March 2021
a. Capital reserve		
Balance at the beginning of the year	1.75	1.75
Add: Additions during the year	–	–
Balance at the end of the year	**1.75**	**1.75**
b. Securities premium		
Balance at the beginning of the year	4,120.72	4,120.72
Add: Additions during the year	–	–
Balance at the end of the year	**4,120.72**	**4,120.72**
c. General reserve		
Balance at the beginning of the year	4,624.17	4,624.17
Add: Additions during the year	–	–
Balance at the end of the year	**4,624.17**	**4,624.17**
d. Retained earnings		
Balance at the beginning of the year	6,260.96	5,797.98
Add: Profit during the year	948.02	462.98
Balance at the end of the year	**7,208.98**	**6,260.96**
e. Other comprehensive income		
Balance at the beginning of the year	0.01	0.01
Add: Additions during the year	–	–
Balance at the end of the year	**0.01**	**0.01**
f. Share based payment reserve		
Balance at the beginning of the year	–	–
Add: Additions during the year	43.21	–
Balance at the end of the year	43.21	–
Total	**15,998.84**	**15,007.61**

Nature and purpose of other reserves:

(a) Capital reserve

Capital reserve was created in respect of proceeds of forfeited shares.

(b) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(c) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

(d) Retained earnings

Retained earnings refer to the net profit retained by the company for its core business activities.

(e) Share Based Payment Reserve(SBP)

This reserve has been created to meet the cost of Employee Stock Option Payment(ESOP) scheme.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

21(a) Non-current borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
Term loans from banks	10,781.07	9,967.82
Term loans from financial institutions	18.12	114.17
Vehicle loans from banks and financial institutions	117.35	121.99
Letter of credit - from banks	266.35	285.32
	11,182.89	**10,489.30**
Less: Current maturities of long term borrowings (refer note 21(b))	(2,233.63)	(1,533.84)
	8,949.26	**8,955.46**

Notes:

1. Term loans from banks and financial institutions carrying interest rate ranging from 8.25% to 10.75% p.a (P.Y. 7.95% to 10.80% p.a).
2. Term loans from banks and letter of credit are secured by way of equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) and first pari-passu charge on the plant and equipment of the Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) of the Company and second charge ranking pari-passu on the whole of the present and future current assets of the Company .
3. Further the term loans from banks are secured by way of personal guarantee of the Directors of the Company.
4. Term loan from financial institiutions are secured against the plant and machinery.
5. Vehicle loans carry interest rates ranging from 9.75% to 12.50% p.a (P.Y 7.15% to 12.50% p.a) and are secured by way of absolute charge on respective assets thus purchased.
6. Letter of credit facility from banks carries interest 1.03% p.a (P.Y. 1.03% p.a).
7. Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.
8. In view of continuing disruptions on account of Covid-19, the Reserve Bank of India (RBI) has announced the moratorium facility on repayment of loans. The Company has opted for this facility for the months of March 2020 to August 2020.

21(b) Current borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Working capital loans repayable on demand- from banks	6,939.03	7,150.25
Current maturity of Long term borrowings	2,233.63	1,533.84
Un-Secured		
Bill discounted	1,019.32	–
	10,191.98	**8,684.09**

Notes:

1. Working capital facilities from banks carry interest rates ranging from 9.00% to 11.18% p.a.(P.Y 7.00% to 11.00% p.a) and are repayable on demand.These facilities are secured by way of first charge ranking pari-passu on the whole of the present and future current assets of the Company and further secured by second charge on equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) and first second pari-passu charge on plant and equipment of the Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) of the Company.
2. Further the cash credit facilities are secured by way of personal guarantee of the Directors of the Company.
3. Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

21(b) Current borrowings (Contd..)

4 The Company has borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

5. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Non-current borrowings	Current borrowings	Interest accrued
As at 1 April 2020	8,604.47	6,455.05	97.13
Add: Non cash changes due to-			
– Interest expense debited to statement of profit and loss	–	–	1,248.01
– Interest expense capitalised to capital work-in-progress	–	–	138.19
Add: Cash inflows during the year			
– Proceeds from non-current borrowings	2,887.83	–	–
– Proceeds from current borrowings	–	695.20	–
Less: Cash outflow during the year			
– Repayment of non-current borrowings	1,003.00	–	–
– Interest paid	–	–	1,362.68
As at 1 April 2021	**10,489.30**	**7,150.25**	**120.65**
Add: Non cash changes due to-			
– Interest expense debited to statement of profit and loss	–	–	1,363.06
– Interest expense capitalised to capital work-in-progress	–	–	134.03
Add: Cash inflows during the year			
– Proceeds from non-current borrowings	2,248.79	–	–
– Proceeds from current borrowings	–	808.09	–
Less: Cash outflow during the year			
– Repayment of non-current borrowings	1,555.20	–	–
– Interest paid	–	–	1,498.90
Closing balance as on 31 March 2022	**11,182.89**	**7,958.34**	**118.84**

22 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposit	7.50	7.50
TDDP Grant (Non-current)	307.04	–
	314.54	**7.50**

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Development Corporation (NRDC) an enterprise of Department of Scientific & Industrial Research(DSIR). Refer note-56 for further details.

23 Provisions

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Provision for employees benefits				
– Provision for gratuity			32.39	
– Provision for compensated absences	75.17	71.72	12.12	11.76
	75.17	**71.72**	**44.51**	**11.76**

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

24 Deferred tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liability arising on account of:		
Difference between book balance and tax balance of property, plant and equipment	1,413.12	1,236.40
Brought forward losses and unabsorbed depreciation	–	38.14
Provision for employee benefits	39.15	29.84
Tax impact on allowance under tax exemptions/deductions	(7.05)	(40.28)
Provision for doubtful debts	5.68	6.44
Net deferred tax liability	**1,375.34**	**1,202.26**

(A) Movement in deferred tax liabilities:

Particulars	As at 1 April 2020	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised in balance sheet	As at 31 March 2021
Deferred tax liability arising on account of:					
Difference between book balance and tax balance of property, plant and equipment	1,587.44	(351.04)	–	–	1,236.40
	1,587.44	**(351.04)**	**–**	**–**	**1,236.40**
Deferred tax asset arising on account of:					
Provision for employee benefits	30.93	7.07	(8.16)	–	29.84
Provision for doubtful debts	4.28	2.16	–	–	6.44
Tax impact on allowance under tax exemptions/ deductions	29.93	(70.21)	–	–	(40.28)
Brought forward losses and unabsorbed depreciation	409.34	(371.20)	–		38.14
	474.48	**(432.18)**	**(8.16)**	**–**	**34.14**
Minimum alternate tax credit entitlement	957.48	(712.62)	0.00	(244.86)	
Net deferred tax liability	**155.48**	**793.76**	**8.16**	**244.86**	**1,202.26**

Movement in deferred tax liabilities:

Particulars	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised in balance sheet	As at 31 March 2022
Deferred tax liability arising on account of:					
Difference between book balance and tax balance of property, plant and equipment	1,236.40	176.72	–	–	1,413.12
Tax impact on allowance under tax exemptions/ deductions	–	–			
	1,236.40	**176.72**	**–**	**–**	**1,413.12**
Deferred tax asset arising on account of:					
Provision for employee benefits	29.84	8.76	0.55	–	39.15
Provision for doubtful debts	6.44	(0.76)	–	–	5.68
Tax impact on allowance under tax exemptions/ deductions	(40.28)	33.22	–	–	(7.05)
Brought forward losses and unabsorbed depreciation	38.14	(38.14)	–	–	–
	34.14	**3.08**	**0.55**	**–**	**37.78**
Minimum alternate tax credit entitlement	0.00	–	–	0.00	
Net deferred tax liability	**1,202.26**	**173.64**	**(0.55)**	**–**	**1,375.34**

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

24 Deferred tax liabilities (net) (Contd..)

(B) Unrecognised deferred tax assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	Gross amount	Tax effect	Gross amount	Tax effect
Brought forward long term capital losses	61.67	15.52	95.52	24.04
	61.67	**15.52**	**95.52**	**24.04**

25 Other non-current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred grant income	901.67	1,042.22
	901.67	**1,042.22**
(i) Reconciliation of deferred income		
Opening balance as at the beginning of the year	1,042.22	1,122.22
Add: Grant received during the year	300.00	–
Less: Released to the Statement of Profit and Loss	(51.7)	(80.00)
Less: Reclassed to other financial liability (Non current & current) (Refer Note-56)	(388.88)	–
Closing balance as at the end of the year	**901.67**	**1,042.22**

26 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Due to :		
Total outstanding dues of micro enterprises and small enterprises*	233.17	93.61
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,573.44	2,601.33
	1,806.61	**2,694.94**

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

*Dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), to the extent identified and information available with the Company pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below:

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year	233.17	93.61
The amount of interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	–	–
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	–	–
The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	–	–

Notes to the Standalone Financial Statements
for the year ended 31 March 2022

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

26 Trade payables (Contd..)

Trade Payables ageing schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	233.17	–	–	–	233.17
(ii) Others	1,510.57	62.87	–	–	1,573.44
Total					**1,806.61**

Trade Payables ageing schedule as at 31st March 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	93.61	–	–	–	93.61
(ii) Others	2,545.70	55.63	–	–	2,601.33
Total					**2,694.94**

27 Current financial liabilities- others

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	118.80	120.65
TDDP Grant (Current)*	118.62	–
Others		
– towards creditors for capital goods	341.32	391.59
– towards employee related payables	283.53	231.06
– other payables	193.32	155.79
	1,055.59	**899.09**

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Devlopment Corporation (NRDC) an enterprise of Deparment of Scientific & Industrial Reseacrh(DSIR). Refer note-56 for further details.

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

28 Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advance received from customers	155.90	93.72
Statutory dues payable	58.01	56.10
	213.91	**149.82**

29 Current tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Current tax liabilities (net of advance tax & TDS)	7.30	–
	7.30	**–**

Notes to the Standalone Financial Statements
for the year ended 31 March 2022

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

30 Revenue from operations (Point in Time)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products	17,633.17	15,766.82
Other operating revenues (refer (a) below)	260.34	568.17
Revenue from operations	**17,893.51**	**16,334.99**
(a) Other operating revenues (Point in Time)		
Export incentives	221.34	525.37
Income from power generation	39.00	42.80
Total	**260.34**	**568.17**
Reconciliation of revenue recognised with contract price:		
Gross Revenue	17,934.29	16,388.02
Less: Rate difference adjustment	40.78	53.04
	17,893.51	**16,334.99**

31 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest		
– from bank deposits valued at amortised cost	14.21	9.83
– from others	–	4.15
Rent Income from Investment property and property plant equipment	74.80	42.64
Supply of Services	112.59	–
Insurance claims received	64.90	0.40
Gain/(loss) on foreign exchange fluctuation (net)	308.50	43.97
Fair value gain/(loss) on investment at fair value through profit or loss (net)	–	1.94
Dividend income(on investments carried at Fair value through Profit & Loss)	0.23	0.14
Mark to market gain on forward contracts measured at Fair value through Profit & Loss	28.05	160.09
Amortisation of deferred income (refer note-25)	51.67	80.00
Profit on sale of assets	0.14	137.25
Provisions made no longer required written back	–	39.22
Miscellaneous income	35.44	–
	690.53	**519.61**

32 Cost of materials consumed

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw materials at the beginning of the year	1,232.12	832.26
Add: Purchases	5,902.01	4,113.04
Less: Closing stock	1,504.34	1,232.12
	5,629.79	**3,713.18**
Less: Raw material consumed for research and development	65.08	19.13
Cost of material consumed	**5,564.71**	**3,694.05**

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

33 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventories at the beginning of the year		
Work-in-progress	3,313.73	3,722.78
Finished goods	45.02	45.02
	3,358.75	**3,767.80**
Inventories at the end of the year		
Work-in-progress	3,867.50	3,313.73
Finished goods	45.02	45.02
	3,912.52	**3,358.74**
Changes in inventories of finished goods and work-in-progress	**(553.77)**	**409.05**

34 Employee benefits expense*

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	1,751.75	1,767.31
Contribution to provident and other funds	107.09	128.37
Gratuity expense (refer note 44)	34.47	35.13
Staff welfare expenses	68.96	65.90
Employee stock option payment expenses	40.29	–
	2,002.56	**1,996.71**

*Employee benefit expenses excludes ₹ 32.09 lakhs (31 March 2021: ₹ 23.50 lakhs) towards research and development expenses (refer note 35)

35 Research and development expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw materials consumed	65.08	19.13
Materials, stores and spares consumed	84.77	138.46
Salary and wages	32.09	23.50
	181.94	**181.09**

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

36 Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Manufacturing expenses		
Stores and spares consumed*	2,213.52	2,057.76
Power and fuel	1,483.30	1,393.24
Repairs and maintenance		
– plant and machinery	429.72	367.04
– building	34.23	38.34
Packing and general consumables	201.44	207.40
Processing and work charges	995.54	984.83
Freight expenses	30.73	25.47
Outsourced services	102.66	89.67
Testing and inspection charges	279.15	343.30
Sub-total (A)	**5,770.29**	**5,507.06**
Administrative, selling and other expenses		
Rent	23.55	23.79
Rates and taxes	8.82	16.31
Insurance expenses	83.78	67.47
Security expenses	95.18	91.98
Legal and professional expenses	110.19	96.88
Payment to Auditors [refer note 37 (a)]	35.86	22.29
Travelling and conveyance	103.74	96.86
Vehicle running and maintenance	114.40	114.44
Communication expenses	21.80	20.80
Printing and stationery	19.41	13.47
Training and Recruitment	46.53	45.16
Seminar, Conferences &Exhibitions	47.51	14.38
Freight and clearing	145.83	204.04
Claim settlement expenses	226.87	55.36
Advertisement and promotion	6.40	2.85
Donation and charity	0.40	0.41
Computer expenses	30.80	34.56
Corporate social responsibility expenses [refer note 37 (b)]	23.88	21.21
Bad debts written off	–	37.66
Business promotion expenses	12.18	6.74
Provision for doubtful debts	–	10.22
Office upkeep and maintenance charges	37.94	40.61
Miscellaneous expenses	10.20	15.09
Sub-total (B)	**1,205.26**	**1,052.57**
Grand total (C=A+B)	**6,975.55**	**6,559.63**

*Stores and spares excludes ₹ 84.77 Lakh (31 March 2021: ₹ 138.46 Lakh) towards research and development expenses (refer note 35)

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

37(a) Payment to auditors

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
As auditor:		
– Statutory audit (including limited reviews)	25.00	23.50
In other capacity:		
– Certification	10.86	1.25
– Out of pocket expenses	–	0.40
	35.86	**25.15**

37(b) Corporate social responsibility expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Gross amount required to be spent under section 135 of the Act	23.88	21.21

Amount spent during the year ended 31 March 2022:	In cash	Unspent amount	Total
i) Construction/acquisition of any asset	–	–	–
ii) On purposes other than (i) above	23.88	–	23.88
	23.88	**–**	**23.88**

Amount spent during the year ended 31 March 2021:	In cash	Unspent amount	Total
i) Construction/acquisition of any asset	–	–	–
ii) On purposes other than (i) above	21.21	–	21.21
	21.21	**–**	**21.21**

Details of corporate social responsibility expenditure

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Amount required to be spent by the company during the year	23.88	21.21
(ii) Amount of expenditure incurred	23.88	21.21
(iii) Shortfall at the end of the year	–	–
(iv) Total of previous years shortfall	–	–
(v) Reason for shortfall	–	–
(vi) Nature of CSR activities	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livlihood enhancement projects	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects
(vii) Details of related party transactions	–	21.21

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

38 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on borrowings measured at amortised cost		
– on working capital loans	475.67	467.76
– on term loans	854.09	760.20
Interest on others	33.30	20.05
Other borrowing cost	142.46	95.25
	1,505.52	**1,343.26**

39 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment	1,432.21	1,418.41
Depreciation on investment property	1.31	3.09
Amortisation on intangible assets	20.41	16.85
	1,453.93	**1,438.35**

40 Exceptional items

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Remeasurement of TDDP grant valued at amortised cost	156.79	–
	156.79	**–**

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Development Corporation (NRDC) an enterprise of Department of Scientific & Industrial Research(DSIR). Refer note-56 for further details.

41 Tax expense

(a) Income tax expenses recognised in profit and loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax:		
Current tax	173.53	–
Current tax - earlier years	–	(244.86)
	173.53	**(244.86)**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	173.63	81.14
Remeasurement of deferred tax recoverable on adoption of new tax regime (MAT credit)	–	957.48
	173.63	**1,038.62**
Total tax expense recognised in profit and loss	**347.16**	**793.76**

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

41 Tax expense (Contd..)

(b) Income tax expenses recognised in other comprehensive income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax:		
Re-measurement of defined benefit obligations	0.55	(8.16)
Total tax expense recognised in other comprehensive income	**0.55**	**(8.16)**

(c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% (31 March 2021: 25.17%) and the reported tax expense in the statement of profit and loss are as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Accounting profit before income-tax	1,296.81	1,232.48
At India's statutory income-tax rate of 25.17% (31 March 2021: 25.17%)	326.38	310.21
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non deductible expenses	20.78	(5.00)
Tax on income at different rates	–	(42.42)
Tax earlier years	–	534.24
Others	–	(3.27)
	347.16	**793.76**

Basis of computing Company's statutory income-tax rate:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Base rate	22.00%	22.00%
Add: Surcharge	2.20%	2.20%
	24.20%	**24.20%**
Add: Education cess	0.97%	0.97%
	25.17%	**25.17%**

42 Earnings per share

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit for the year attributable to equity shareholders	949.65	438.70
Weighted average number of equity shares (nos. in Lakh)	52.39	52.39
Nominal value per share (₹)	10.00	10.00
Earnings per share - basic (₹)	18.13	8.37
Weighted average number of equity shares for Diluted (nos. in Lakh)	52.39	52.39
Add:- Potentional Dilutive No.	0.04	–
Total Diluted Equity Share	**52.43**	**52.39**
Earnings per share - diluted (₹)	18.11	**8.37**

The Company have dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company are as above.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

43 Financial instrument and risk review

(A) Financial instruments

(i) Capital management

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 21(a) and 21(b); cash and cash equivalents and current investments and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non-current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

The following table summarises the capital of the Company:

Particulars	As at 31 March 2022	As at 31 March 2021
Equity	16,522.75	15,531.53
Liquid assets (cash and cash equivalent and current investments) (a)	103.00	153.76
Current borrowings [note 21(b)]	10,191.98	8,684.09
Non- current borrowings [note 21(a)]	8,949.26	8,955.46
Interest accrued but not due on borrowings (refer note 27)	118.80	120.65
Total debt (b)	**19,260.05**	**17,760.21**
Net debt (c=(b) - (a))	**19,157.05**	**17,606.45**
Total capital (equity + net debt)	**35,679.80**	**33,137.97**
Gearing ratio		
Debt to equity ratio	1.17	1.14
Net debt to equity ratio	1.16	**1.13**

Loan Covenants

Under the term of major borrowing facilities, the company is required to comply with the following covenants:

1. Total debt/ Adjusted Tangible net worth not to exceed 1.3 times.
2. Debt service coverage ratio not to fall below 1.2 times.
3. Asset coverage ratio to not to fall below 1.1 times
4. Interest coverage ratio not to fall below 2.8 times
5. Total debt/Net cash accruals not to exceed 8.0 times
6. Current Ratio to be not less than 1.10
7. Fixed Asset Coverage Ratio>=1.5X

The company has complied with these covenants throughout the reporting period.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

43 Financial instrument and risk review (Contd..)

(ii) Category of financial instruments

Particulars	Note no.	As at 31 March 2022			As at 31 March 2021		
		Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI
Financial assets							
Investments*	9(a),9(b)	–	7.21	–	–	7.72	–
Loans	10	63.62	–	–	68.05	–	–
Trade receivables	15	6,147.52	–	–	6,331.63	–	–
Cash and cash equivalents	16	95.78	–	–	146.04	–	–
Other bank balances	17	236.95	–	–	197.34	–	–
Other financial assets	11(a),11(b)	649.98	28.05	–	802.01	160.09	–
Total financial assets		**7,193.85**	**35.26**	**–**	**7,545.07**	**167.81**	**–**
Financial liabilities							
Borrowings	21(a),21(b)	19,141.24	–	–	17,639.56	–	–
Trade payables	26	1,806.61	–	–	2,694.94	–	–
Other financial liabilities	22,27	1,370.13	–	–	906.59	–	–
Total financial liabilities		**22,317.98**	**–**	**–**	**21,241.09**	**–**	**–**

* Investment in equity shares of subsidiary are measured at cost as per Ind AS 27, "Separate financial statements" and are not required to be disclosed here.

(iii) Fair value hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Particulars	As at 31 March 2022			As at 31 March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets- measured at fair value						
Financial investment at FVTPL						
– Forward contract	–	28.05	–	–	160.09	–
– Quoted mutual fund	7.21	–	–	7.72	–	–
	7.21	**28.05**	**–**	**7.72**	**160.09**	**–**

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

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: This hierarchy includes financial instruments for which inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) have been used.

Level 3: This hierarchy includes financial instruments for which inputs used are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the years ended 31 March 2022 and 31 March 2021.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

43 Financial instrument and risk review (Contd..)

Valuation techniques and significant unobservable inputs:

Financial instruments measured at fair value

Type	Valuation technique
Mutual funds	Quoted closing NAV as at the reporting period

Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at 31 March 2022			As at 31 March 2021		
	Level	Carrying Value	Fair Value	Level	Carrying Value	Fair Value
Financial assets						
Loans	Level 3	63.62	63.62	Level 3	68.05	68.05
Trade receivables	Level 3	6,147.52	6,147.52	Level 3	6,331.63	6,331.63
Cash and cash equivalents	Level 3	95.78	95.78	Level 3	146.04	146.04
Other bank balances	Level 3	236.95	236.95	Level 3	197.34	197.34
Other financial assets	Level 3	649.98	649.98	Level 3	802.01	802.01
Total financial assets		**7,193.85**	**7,193.85**		**7,545.07**	**7,545.07**
Financial liabilities						
Borrowings	Level 3	19,141.24	19,141.24	Level 3	17,639.56	17,639.56
Trade payables	Level 3	1,806.61	1,806.61	Level 3	2,694.94	2,694.94
Other financial liabilities	Level 3	1,370.13	1,370.13	Level 3	906.59	906.59
Total financial liabilities		**22,317.98**	**22,317.98**		**21,241.09**	**21,241.09**

The carrying amounts of short-term trade and other receivables, trade payables, cash and cash equivalents, other bank balances, other financial liabilities and other financial assets are considered to be the same as their fair values, due to their short-term nature.

In respect of other long-term financial assets/liabilities stated above as measured at amortised cost, their carrying values are not considered to be materially different from their fair values."

(B) Financial risk management

In the course of its business, the Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Company is not engaged in speculative treasury activities but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks."

(i) Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company is exposed to credit risk from trade receivables, cash and cash equivalents, short term investments, loans and advances and derivative financial instruments.

Trade receivables

The Company primarily sells cast metal components to selected customers comprising mainly in engineering industry in India and outside India. The Company extends credits to customers in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Company monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

43 Financial instrument and risk review (Contd..)

Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Company has a policy of accepting only credit worthy counter parties and defines credit limits for the customer which are reviewed periodically.

The Company does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Company to the counterparty."

Cash and cash equivalents and deposits with bank

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant deposit balances other than those required for its day to day operations. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Loans and advances

The Company provides loans to its employees and furnishes security deposits to various parties for electricity, communication, etc. The Company considers that its loans have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations or its own employees from whom the risk of default is low.

Investments

The Company has invested in quoted equity instruments and mutual funds. The management actively monitors the performance of the funds which affect investments. The Company does not expect the counterparty to fail to meet its obligations, and has not experienced any significant impairment losses in respect of any of the investments.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date are:

Particulars	As at 31 March 2022	As at 31 March 2021
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Other non-current financial assets	189.42	148.57
Investments	7.21	7.72
Cash and cash equivalents	95.78	146.04
Other bank balances	236.95	197.34
Current loans	63.62	68.05
Other current financial assets	488.60	813.53
	1,081.58	**1,381.25**
Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)		
Trade receivables	6,147.52	6,331.63
	6,147.52	**6,331.63**

Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

43 Financial instrument and risk review (Contd..)

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The Company has customers with strong capacity to meet the obligations and therefore the risk of default is negligible in respect of outstanding from customers. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectable in full. However, the Company has recognised allowance for expected credit loss on the basis of its assessment of the credit loss from the past trend available with the Company.

Movement in the provision for expected credit loss

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	25.60	15.38
Add: Allowance provided during the year	–	10.22
Balance at the end of the year	**25.60**	**25.60**

Trade Receivables ageing schedule as at 31st March,2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,998.85	1,732.15	331.52	85.00	–	–	6,147.52
(ii) Undisputed Trade Receivables – credit impaired	–	–	–	2.06	13.99	6.54	22.59
Sub total	**3,998.85**	**1,732.15**	**331.52**	**87.06**	**13.99**	**6.54**	**6,170.11**
Less: Allowance for bad and doubtful debts							22.59
Total							**6,147.52**

Trade Receivables ageing schedule as at 31st March,2021

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	147.73	5,999.11	112.71	62.87	9.22	–	6,331.64
(ii) Undisputed Trade Receivables – credit impaired	–	–	–	–	16.89	8.71	25.60
Sub total	**147.73**	**5,999.11**	**112.71**	**62.87**	**26.11**	**8.71**	**6,357.24**
Less: Allowance for bad and doubtful debts							25.60
Total							**6,331.64**

(ii) Liquidity risk

Liquidity risk reflects the risk that the Company will have insufficient resources to meet its financial liabilities as they fall due.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, cash and cash equivalents and the cash flow that is generated from operations to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

As at 31 March 2022, the Company had a working capital of ₹ 1261.66 Lakh including cash and cash equivalents of ₹ 95.78 Lakh. As at 31 March 2021, the Company had a working capital of ₹ 1,422.74 Lakh including cash and cash equivalents of ₹ 146.04

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

43 Financial instrument and risk review (Contd..)

Lakh.

(a) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2022	As at 31 March 2021
Non- derivative financial liabilities		
Floating rate borrowings		
– Expiring within one year (bank overdraft and other facilities)	771.78	124.68
– Expiring beyond one year (term loan)	–	695.00
	771.78	**819.68**

(b) Maturities of financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, based on contractual undiscounted cash flows:

31 March 2022

Particulars	Contractual cash flows			Total
	Less than 1 year	1 to 5 years	More than 5 years	
Non-derivative financial liabilities				
Non current borrowings	–	8,819.99	129.27	8,949.26
Current borrowings				
– Current maturities of Term Loans	2,233.63	–	–	2,233.63
– Working capital loans	6,939.03	–	–	6,939.03
– Bill discounted	1,019.32	–	–	1,019.32
Trade payables	1,806.61	–	–	1,806.61
Interest accrued but not due	118.80	–	–	118.80
Creditors for capital goods	341.32	–	–	341.32
Employee related payable	283.53	–	–	283.53
Other payables non-current	–	7.50	–	7.50
TDDP Grant a/c	130.00	390.00	–	520.00
Other payables	193.32	–	–	193.32
	13,065.56	**9,217.49**	**129.27**	**22,412.32**

31 March 2021

Particulars	Contractual cash flows			Total
	Less than 1 year	1 to 5 years	More than 5 years	
Non-derivative financial liabilities				
Non current borrowings	–	7,904.40	1,051.06	8,955.46
Current borrowings				
– Current maturities of Term Loans	1,533.84	–	–	1,533.84
– Working capital loans	7,150.25	–	–	7,150.25
Trade payables	2,694.94	–	–	2,694.94
Interest accrued but not due	120.65			
Other payables-non current	–	7.50	–	7.50
Other payables-current	778.44	–	–	778.44
	12,278.12	**7,911.90**	**1,051.06**	**21,241.08**

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

43 Financial instrument and risk review (Contd..)

income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. The Company exports finished goods which are denominated in the currency other than the functional currency of the Company which exposes it to foreign currency risk. In order to minimise the risk, the Company executes forward contracts w.r.t sale made in currency other than functional currency."

(a) Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuation arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. Exchange rate exposures are managed within approved policy parameters utilising foreign exchange forward contracts.

Particulars	Currency	In foreign currency		In ₹	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Financial assets(Gross)*					
Trade receivables	USD	23.78	27.20	1782.89	1971.67
	EURO	38.74	27.65	3219.15	2339.43
	GBP	2.03	2.84	198.31	282.08
	JPY	0.06	–	0.03	–
Financial liabilities(Gross)*					
Letter of credit	JPY	(423.32)	(427.69)	(266.35)	(288.26)
Trade payables	USD	(0.02)	(0.20)	(1.84)	(15.02)
	EURO	(0.03)	(0.03)	(2.65)	(2.69)
	GBP	(0.06)	(0.19)	(6.25)	(19.14)
	JPY	(0.06)	(0.76)	(0.04)	(0.51)
Capital creditors	USD	(1.06)	(1.08)	(81.41)	(80.16)
	GBP	–	(0.36)	–	(37.11)
Foreign currency derivative contracts (Sell foreign currency-Forward contracts)	USD	37.00	5.50	2773.89	398.75
	EURO	–	46.50	–	3,934.37
	GBP	–	8.00	–	794.64
Net Foreign curreny receivable/ (payable)**	USD	–	20.41	–	1477.74
	EURO	38.71	–	3216.50	–
	GBP	1.97	–	192.06	–
	JPY	(423.32)	(428.45)	(266.35)	(288.77)

* The amounts disclosed are gross of the exposure covered through forward contracts.

** The amounts disclosed are nett-of the exposure covered through forward contracts.

Sensitivity analysis

The following table demonstrates the sensitivity of profit and equity in USD, EURO, JPY and GBP to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities are given below:

Particulars	Change in currency exchange rate	Effect on profit before tax	
		As at 31 March 2022	As at 31 March 2021
USD	5%	–	73.89
	(5%)	–	(73.89)
EURO	5%	160.83	–
	(5%)	(160.83)	–

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for the year ended 31 March 2022

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

43 Financial instrument and risk review (Contd..)

JPY	5%	(13.32)	(14.44)
	(5%)	13.32	14.44
GBP	5%	9.60	–
	(5%)	(9.60)	–

(b) Interest rate risk

The Company is exposed to interest rate risk arising mainly from non-current and current borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial liabilities is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate instruments		
Term loan from banks	10,781.07	9,967.82
Vehicle loan	117.35	121.99
Term loans from financial institutions	18.12	114.17
Working capital loan	6,939.03	7,150.25
Letter of credit	266.35	285.33
Fixed rate instruments		
Bill discounted	1,019.32	–
Total	**19,141.24**	**17,639.56**

Sensitivity analysis

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the interest rates is given below :

Particulars	Change in currency exchange rate	Effect on profit before tax	
		As at 31 March 2022	As at 31 March 2021
Borrowings	50 bp	(95.71)	(88.20)
	(50) bp	95.71	88.20

(c) Price risk

Company's exposure to price risk arises from mutual funds and classified in the balance sheet either as fair value through OCI or at fair value through profit and loss.

To manage the price risk from quoted investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity analysis

Company's major quoted investment consists of investment in mutual funds which are measured at fair value through profit and loss. Investments made by the mutual fund includes investment in diversified instruments of Companies included in the market index.

The table below summarises the impact of sensitivity in the market index on the Company's profit for the year with all other variables held constant and the investment moved in line with the index.

Particulars	Change in market index	Effect on profit before tax	
		As at 31 March 2022	As at 31 March 2021

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for the year ended 31 March 2022

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

Investment in mutual fund	5%	0.36	0.39
	(5%)	(0.36)	(0.39)

Profit for the period would increase/decrease as a result of gain/loss on investment classified as at fair value through profit and loss.

44 Employee benefits

(i) Defined benefit plan

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised funds in India i.e. Life Insurance Corporation of India and Group Gratuity scheme.

Risk exposure:

(a) Discount rate: A decrease in discount rate in subsequent valuations can increase the plan's liability.

(b) Mortality rate: Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(c) Investment risk: In case of funded plans, actual investment return on planned assets lower than the discount rate assumed at the last valuation date can impact the liability.

(d) Attrition: Actual withdrawals proving higher or lower than assumed withdrawals at subsequent valuations can impact plan's liability.

Details of the Company's defined benefit plans are as follows:

A. Changes in the present value of obligations

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of the obligation at the beginning of the year	446.78	521.29
Recognised in profit and loss		
– Interest cost	32.39	36.49
– Current service cost	34.50	33.30
Recognised in other comprehensive income		
Remeasurement gains / (losses)		
– Actuarial (gain)/loss from changes in financial adjustments and experience adjustments	(3.17)	(36.44)
Benefits paid	(32.82)	(107.85)
Present value of the obligation at the end of the year	**477.68**	**446.78**

B. Changes in the fair value of planned assets:

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value of plan assets at the beginning of the year	447.17	494.82
Expected return on plan assets	32.42	34.64
Contributions	3.87	29.56
Benefits paid	(32.82)	(107.85)
Actuarial gain/(loss) on plan assets	(5.36)	(4.00)
Fair value of plan asset at the end of the year	**445.28**	**447.17**

C. Net asset/(liability) recognised in the balance sheet

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for the year ended 31 March 2022

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

44 Employee benefits (Contd..)

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of the obligation at the end of the year	477.67	446.77
Fair value of plan assets at end of year	445.28	447.17
Net liability/(asset) recognised in balance sheet (refer note 23)	**32.39**	**(0.40)**

D. Expenses recognised in profit and loss

Particulars	For the year ended	
	31 March 2022	31 March 2021
Interest cost	32.39	36.47
Current service cost	34.50	33.30
Expected return on plan asset	(32.42)	(34.64)
Amount recognised in profit and loss (refer note 34)	**34.47**	**35.13**

E. Expenses recognised in other comprehensive income

Particulars	For the year ended	
	31 March 2022	31 March 2021
Actuarial (gain)/loss on obligation	(3.17)	(36.44)
Actuarial (gain)/loss on plan assets	5.36	4.00
	2.19	**(32.44)**

F. Major category of plan asset as a % of total plan assets

Category of asset (% allocation)	As at 31 March 2022		As at 31 March 2021	
	(%)	Amount	(%)	Amount
Insurance policies	100	445.28	100	447.17

G. Actuarial assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	7.25%	7.00%
Expected rate of return	7.25%	7.00%
Salary growth rate	6.00%	6.00%
Withdrawal rate (per annum)		
18 - 30 years	5.00%	5.00%
31 - 44 years	3.00%	3.00%
45 - 58 years	2.00%	2.00%
Normal retirement age (years)	58	58
Mortality	IALM 2012-14	IALM 2012-14

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

H. Sensitivity analysis

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

44 Employee benefits (Contd..)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Change in assumption	Effect on obligation	Change in assumption	Effect on obligation
Discount rate	1.00%	(35.18)	1.00%	(34.20)
	(1.00%)	40.26	(1.00%)	39.25
Salary growth rate	1.00%	40.36	1.00%	39.25
	(1.00%)	(35.89)	(1.00%)	(34.80)
Withdrawal rate	1.00%	2.65	1.00%	1.97
	(1.00%)	(3.01)	(1.00%)	(2.24)

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the balance sheet.

I. **Expected maturity profile of defined benefit obligation (undiscounted cash flows)**

Period	31 March 2022	31 March 2021
Less than 1 year	41.58	31.36
Between 1-2 years	39.72	30.12
Between 2-5 years	95.95	76.50
Over 5 years	300.43	308.80

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (as at 31 March 2022 is 10 years).

Expected contribution to defined benefit plans in the next year is ₹ 40.78 Lakh (31 March 2022: ₹ 38.54 Lakh).

(ii) Other long-term benefits

(A) Compensated absences- unfunded

Particulars	As at 31 March 2022	As at 31 March 2021
Amounts recognised in balance sheet		
Current (refer note 23)	12.12	11.76
Non-current (refer note 23)	75.17	71.72
	87.29	**83.48**

Particulars	As at 31 March 2022	As at 31 March 2021
Amounts recognised in statement of profit and loss		
Interest cost	6.05	7.39
Current service cost	9.59	12.64
Actuarial loss	(0.32)	(0.22)
	15.32	**19.81**
Changes in benefit obligations		
Present value of the obligation at the beginning of the year	83.48	105.60
Interest cost	6.05	7.39
Current service cost	9.59	12.64
Benefits paid	(11.52)	(41.93)
Actuarial loss	(0.32)	(0.22)

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

Present value of the obligation at the end of the year	**87.28**	**83.48**

(iii) Defined contribution plan

The Company makes fixed contribution towards Employee provident fund and Employee state insurance(ESI) to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. Similarly, the contribution is made in ESI at a specified percentage of payroll cost.

The Company recognised ₹ 107.09 Lakh (31 March 2021: ₹ 128.37 Lakh) in respect of provident fund contributions and ESI contribution in the Statement of Profit and Loss and included in “”Employee benefits expense”” in note 34. The contribution payable to these plans by the Company is at rates specified in the rules of the schemes.

45 Leases

Company as a lessee

The Company has entered into operating leases for its guest houses and employees’ residences that are renewable on a periodic basis and are cancellable at Company’s option. Total lease payments recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 23.55 Lakh (31 March 2021: ₹ 23.79 Lakh)

A The following are amounts recognised in profit or loss:

Particulars	As at 31 March 2022	As at 31 March 2021
Depreciation expense of right-of-use assets	–	–
Interest expense on lease liabilities	–	–
Rent expense*	23.55	23.79
Total	**23.55**	**23.79**

*Rent expense in case of short term leases

B Total cash outflow for leases for the year ended 31 March 2022 was ₹ 23.55 Lakh (31 March 2021: ₹ 23.79 Lakh) .

C The Company does not have any liability to make variable lease payments.

D The Company has not sublet any of the assets.

E The Company has not entered into any sale and leaseback transactions

F The table below describes the nature of the Company’s leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset	Carrying amount as at 31 March 2021	Additions during the year	Carrying amount as at 31 March 2022
Nil	–	–	–

Company as a lessor

The Company has entered into operating leases for part of its premises at Plant 1, Lucknow; that is renewable and is cancellable at either party’s option. Total lease receipts recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 45.00 Lakh (31 March 2021: ₹ 42.64 Lakh).

46 Contingent liabilities and commitments

(i) Capital commitment:

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	50.31	62.03

(ii) Contingent liabilities

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

Particulars	As at 31 March 2022	As at 31 March 2021
Guarantees excluding financial guarantees:		
In respect of non fund-based working capital facilities from banks:		
– Bank guarantees	1293.84	1,060.77
– Letter of credit	0.00	307.22
Other contingent liabilities		
Disputed amounts for sales tax and entry tax [gross of amount paid under protest amounting to ₹ 0.83 Lakh]*	0.83	10.28
Disputed amounts for goods and service tax [gross of amount paid under protest amounting to ₹ 14.89 Lakh]*	16.59	16.59

*In respect of the above matters pending at various authorities (GST cases are pending at appellate authority & sales tax case is pending at sales tax tribunal) represents the demands received under the respective demand / show cause notices / legal claims, wherever applicable. Based on management assessment, the company believes that it has a good chance of success in all the above mentioned cases.

47 Segment information

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM') as they monitors the results for the purpose of making decisions about resource allocation and performance assessment and responsible for all major decisions w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisitions, and expansion of new facility. Accordingly, there is only one reportable segment for the Company which is "Engineering and allied activities", hence no specific disclosures have been made.

Entity wide disclosures:

(a) Information about products and services

The Company is engaged in the business of manufacturing and selling of high precision metal castings. Company operates in one product line, therefore product wise revenue disclosure is not applicable.

(b) Information about geographical area

The Company's sales to its customers includes sales to customers which are domiciled in India and outside India. Below is the details of Company's revenue from customers domiciled in India and outside India:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from external customers		
– domiciled in India	3,350.68	3,488.23
– domiciled outside India	14,282.49	12,278.59
	17,633.17	**15,766.81**

(c) Information about major customers

Revenues of ₹ 2454.48 Lakh, ₹ 2396.43 Lakh and ₹ 1447.93 Lakh (31 March 2021: ₹ 2016.39 Lakh, ₹ 1992.81 Lakh and ₹ 1417.95 Lakh) are derived from three external customers.

48 Related party disclosures

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

(i) Name of the related parties and description of relationship:

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

48 Related party disclosures (Contd..)

Relationship	Name of related party
Entities controlled by KMPs and/or their relatives	PTC Foundation
	Sachin Agarwal HUF
Subsidiary Company	Aerolloy Technologies Limited
Key Management Personnel ("KMP")	Mr. Sachin Agarwal, Chairman and Managing Director
	Mr. Priya Ranjan Agarwal , Director
	Mr. Alok Agarwal, Director
	Mr. Ashok Kumar Shukla, Director
	Mrs. Smita Agarwal, Chief Financial Officer and Women Director
	Mr. Brij Lal Gupta, Independent Director
	Mr. Ajay Kashyap, Independent Director
	Mr. Rakesh Chandra Katiyar, Independent Director
	Mr. Krishna Das Gupta, Independent Director
	Mr. Vishal Mehrotra, Independent Director
	Mrs.Pragati Gupta Agarwal,Company Secretary
Relatives of Key Management Personnel	Ms. Kanchan Agarwal
	Mrs. Anshoo Agarwal
	Mrs. Reena Agarwal
	Mrs. Sangita Shukla

(ii) Disclosure of related parties transactions#:

Particulars	For the year ended 31 March 2022				For the year ended 31 March 2021			
	Subsidiary company	Enterprises controlled by KMP/ relatives	Key management personnel (KMP)	Relatives of KMPs	Subsidiary company	Enterprises controlled by KMP/ relatives	Key management personnel (KMP)	Relatives of KMPs
Transactions during the year								
1. Rent paid	–	–	–	9.00	–	–	–	9.00
2. Corporate social responsibility expenses	–	–	–	–	–	21.21	–	–
3. Rent received	29.80	–	–	–	1.40	–	–	–
4. Investment made	1,349.50	–	–	–	836.46	–	–	–
5. Purchase of goods	734.14	–	–	–	–	–	–	–
6. Supply of services	57.47	–	–	–	–	–	–	–
7. Sale of Assets	446.47	–	–	–	–	–	–	–
8. Advances	167.24	–	–	–	–	–	–	–
Amounts paid during the year to KMP's and relatives of KMP's								
1. Managerial remuneration *	–	–	325.85	–	–	–	318.21	–
2. Salary and allowances	–	–	–	46.28	–	–	–	45.79
3. Sitting fees to independent directors	–	–	2.93	–	–	–	2.55	–

* Exclusive of provision for future liability in respect of gratuity and leave encashment which is based on actuarial valuation done on Company as a whole.

#All the transactions with the related party are at Arm's length price.

(iii) Balance outstanding at the year end:

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

48 Related party disclosures (Contd..)

Particulars	As at 31 March 2022	As at 31 March 2021
Outstanding balance (Amount payable)		
Key management personnel		
Managerial remuneration	35.01	72.07
Relative of KMP's		
Salary and allowances	10.17	3.86
Rent	0.68	0.68
Outstanding balance (Amount receivable)		
Subsidiary Company		
Investment	2,189.87	837.46
Advances	167.24	–
Entities controlled by KMPs and/or their relatives		
Amount recoverable on sale of property	35.00	35.00

(iv) Compensation to Key Managerial Personnel (KMP)

The details of compensation to the members of key managerial personnel during the year was as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Short-term employee benefits (refer note a)	316.15	309.60
Post-employment benefits		
– Defined contribution plan (refer note b)	12.63	11.16
– Defined benefit plan	*refer note (c)	*refer note (c)
– Other long-term benefits	*refer note (c)	*refer note (c)
	328.78	**320.76**

Note (a) Includes salary, commission, sitting fees and any other perquisites on accrual basis.

Note (b) Including contribution to provident fund and any other benefit

Note (c) As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

49 Assets pledged as security:

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current borrowings:		
Equitable mortgage		
Land	1,254.25	1,202.62
Building	3,891.05	3,769.29
First charge		
Other movable property, plant and equipment	16,711.25	14,689.75
	21,856.55	**19,661.66**
Current borrowings:		
First charge		
Current assets*	14,581.57	13,862.44
Second charge		
Land	1,254.25	1,202.62
Building	3,891.05	3,769.29
Other movable property, plant and equipment	16,711.25	14,689.75

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

50 Revenue from Contracts with Customers (Contd..)

	36,438.12	33,524.10
	58,294.67	53,185.76

*The quarterly returns or statements of current assets filed with banks or financial institutions are in agreement with the books of accounts.

50 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

i) Identify the contract(s) with customer;

ii) Identify separate performance obligations in the contract;

iii) Determine the transaction price;

iv) Allocate the transaction price to the performance obligations; and

v) Recognise revenue when a performance obligation is satisfied

a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Particulars	31-Mar-22			31-Mar-21		
Revenue from operations	Goods	Other operating revenues	Total	Goods	Other operating revenues	Total
Revenue by geography						
Domestic	3,350.68	39.00	3,389.69	3,488.23	42.80	3,531.03
Export	14,282.49	221.34	14,503.82	12,278.59	525.37	12,803.96
Total	**17,633.17**	**260.34**	**17,893.51**	**15,766.81**	**568.17**	**16,334.99**

b) Assets and liabilities related to contracts with customers

Particulars	31-Mar-22		31-Mar-21	
Revenue from operations	Non Current	Current	Non Current	Current
Trade receivables	–	6,147.52	–	6,331.63
Advance from customers	–	155.90	–	93.72
Total	**–**	**6,303.42**	**–**	**6,425.35**

51 Key Financial Ratios

Particular	Formula	2021-22	2020-21	Percentage Change	Reasons where change more than 25%
(i) Debtors Turnover	Net Credit Sales/ Average Account Receivable	2.87	3.05	-5.83%	
(ii) Inventory Turnover	Cost of goods sold/ Average Inventory	2.72	2.71	0.15%	
(iii) Interest Coverage Ratio*	EBITDA/ Total Interest	3.24	3.22	0.66%	
(iv) Current Ratio	Current Asset/ Current Liability	1.1	1.11	-1.76%	
(v) Debt Equity Ratio	Total Liability/ Shareholders fund	1.16	1.14	2.00%	
(vi) Operating Profit Margin*** (%)	Operating Profit/ Total Sales Revenue	15.66	15.77	-0.68%	

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

(vii) Net Profit Margin (%)	Net Income/ Total Sales Revenue	5.31	2.69	97.61%	Due to increase in defense business having higher operational profit and due to effective utilisation of material, manpower and resources.
(viii) Debt Service Coverage Ratio**	EBITDA/ Total Interest+Principal	1.51	1.78	–15.20%	
(ix) Return on Equity Ratio (%)	EBIT/Capital employed	17.03	16.67	2.19%	
(x) Net Capital turnover ratio	Revenue from operation/Total Current assets-total current liabilities	14.18	11.48	23.53%	
(xi) Creditor turnover ratio	Purchase of materials & stock-in-trade/Average trade payables	2.62	1.52	72.39%	Higher purchase of materials and stock-in-trade by 46% due to increase in sales level

*EBIT= Earning before Interest and tax

**EBITDA= Earning before Interest Tax Depreciation and amortization

***Operating Profit=Revenue-Cost of goods sold-Operating expenses-Depreciation and Amortization

*** Capital employed = Tangible net worth*+deferred tax liabilities

*Tangible net worth= Total equity-intangible assets

52 Share based payments

(a) Scheme details

The Company had adopted 'PTC Employees Stock Option Scheme 2019 ('Plan') in shareholders Annual General Meeting on September 28, 2019, and obtained an in-principal approval from BSE limited on 7 September 2021. The Compensation Committee (Nomination & Remuneration Committee) at its meeting held on September 15, 2021, had approved grant of 10,965 Stock Options (convertible into 10,965 Equity shares of the Company, upon exercise) to certain Eligible Employees in terms of the Plan. Vesting will be made in maximum of four years (FY 2023 to FY 2026), after the statutory period of one year from the date of grant of option. During the year, the Company has recognized stock option expense of ₹ 40,29,452.

Particulars	Number of options outstanding	Grant date	Vesting date	Exercise period	Exercise price	Fair value on grant date
Category A	3,996	15-Sep-21	15-Oct-23	1 Month from the date of vesting	990.00	1,877.21
	3,996	15-Sep-21	15-Oct-24		990.00	1,962.69
Category B	374	15-Sep-21	15-Oct-23	1 Month from the date of vesting	990.00	1,877.21
	374	15-Sep-21	15-Oct-24		990.00	1,962.69
	748	15-Sep-21	15-Oct-25		990.00	2,053.37
Category C	108	15-Sep-21	15-Oct-23	1 Month from the date of vesting	990.00	1,877.21
	108	15-Sep-21	15-Oct-24		990.00	1,962.69
	215	15-Sep-21	15-Oct-25		990.00	2,053.37
	216	15-Sep-21	14-Sep-26		990.00	2,143.90

(b) Compensation expenses arising on account of the share based payments

	31 March 2022	31 March 2021
Expenses arising from equity – settled share-based payment transactions	40.29	–
Total	**40.29**	**–**

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

52 Share based payments (Contd..)

(c) Fair value on the grant date

The fair value at grant date is determined using "Black Scholes Pricing Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option. The following inputs were used to determine the fair value for options granted on 15 September 2022.

Description	Vest 1	Vest 2	Vest 3	Vest 4
Number of options outstanding	4,478.00	4,478.00	963.00	216.00
Grant date	15-Sep-21	15-Sep-21	15-Sep-21	15-Sep-21
Financial year of vesting	2023-24	2024-25	2025-26	2026-27
Share price on grant date (in ₹)	2,755.95	2,755.95	2,755.95	2,755.95
Expected life (in years)	2.1	3.1	4.1	5
Price volatility of company's share *	60.36%	59.18%	60.51%	62.85%
Risk free interest rate	4.39%	4.88%	5.28%	5.61%
Exercise price (in ₹)	990.00	990.00	990.00	990.00
Dividend yield	0.00%	0.00%	0.00%	0.00%
Fair value of option (in ₹)	1,877.21	1,962.69	2,053.37	2,143.90

* The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on BSE over these years.

(d) Fair value on the grant date

Description	Number of options	Weighted average exercise price
Outstanding as on 01 April 2021	–	–
Options granted during the year	10,135	990.00
Options forfeited/lapsed/expired during the year	–	–
Options exercised during the year	–	–
Options outstanding as at 31 March 2022 ^#	10,135	990.00
Exercisable at the end of the period.	–	–

^ The weighted average remaining contractual life of the share options outstanding at the end of year is 2.27 years.

The weighted average fair value of share options outstanding at the end of year is ₹ 1,940.64 per share option.

53 Particulars of investments made/guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013:

Name	Nature	Amount outstanding as at 31 March 2022	Amount outstanding as at 31 March 2021	Rate of interest (p.a.)	Purpose for which the loan/security/ guarantee is utilized
Aerolloy Technologies Limited	Investment	2,189.87	837.46	–	–
Aerolloy Technologies Limited	Guarantee	–	215.52	11.00%	Capital Expenditure

54 **(a)** The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Company has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

55 The Code on Social Security, 2020 ('Code') relating to employee benefits, during employment and post-employment benefits, has received the Presidential assent in September 2020. This Code has been published in the Gazette of India. However, the effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. The Company will evaluate the impact of the Code and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

56 The Company had received a grant in September 2011 with some conditions. During the year, the Company has received request from National Research Development Corporation for the repayment of the original amount of grant along with Royalty of 26% of original grant amount. The Company has computed present value of grant and royalty liability and the difference between carrying value of grant and present value has been charged to profit and loss account and disclosed as Exceptional Items.

57 Consequent to the outbreak of Covid-19 pandemic, the Indian government had announced lockdown in March 2020 and subsequently, the lockdown was lifted by the government in a phased manner. However, the second wave of Covid-19 in April 2021 has significantly increased the number of Covid cases in India, resulting in re-imposition of localised lockdowns / restrictions in various states. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of Covid-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of Covid-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of Covid-19.

58 Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1 April 2021.

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 28 May 2022

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 28 May 2022

Independent Auditor's Report

To the Members of PTC Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of PTC Industries Limited ('the Holding Company') and its subsidiary "Aerolloy Technologies Limited" (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on separate financial statement and on the other financial information of the subsidiary, 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 ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditor on separate financial statement of the subsidiary, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Valuation of Inventories As disclosed in note 14 in the consolidated financial statements, as at 31 March 2022 the total value of Group holds inventory comprising of raw material, work-in-progress and manufactured finished goods as at 31 March 2022 amounting to ₹ 6,480.75 Lakh represents 15.21% of the total assets. Out of the total inventory, ₹ 4,118.21 Lakh pertains to inventory work-in-progress and manufactured finished goods. Such inventory is carried at cost, or net realisable value whichever is lower, as per the accounting policy disclosed in note 4 of the accompanying consolidated financial statements. Determination of cost of inventory involves allocation of various production and administration overheads incurred to bring the inventory to its present location and condition, which involves management judgement and estimation.	Our audit procedures included, but were not restricted to the following procedures: a) Obtained an understanding of the management's process of valuation of inventory. b) Evaluated the design and tested the operating effectiveness of key controls around valuation including around estimates, stage of completion and overhead computations and determination of net realizable value of inventory items. c) Evaluated the appropriateness of the Group's accounting policy and valuation method of inventory in accordance with the applicable accounting standards. d) Verified the expenses considered as cost of conversion including estimates for apportionment of the conversion on the different classes of finished goods and work in progress and recomputed the arithmetical accuracy thereof for calculating the conversion cost considered as part of the finished goods and work in progress.

Key audit matter	How our audit addressed the key audit matter
Amongst the other overheads, fixed production overheads are allocated to the costs of conversion based on the normal capacity of the production facilities in accordance with the principles of Ind AS -2, Inventories. Further, at the end of each reporting period, the management of the Group also assesses whether there is any objective evidence that net realisable value of any item of inventory is below the carrying value. If so, such inventories are written down to their net realisable value in accordance with Ind AS 2, Inventories. In addition to the above, the complexities and judgement involved in inventory valuation includes • Estimate involved in computing input-output ratio used for computing the average rate of overheads which is to be added to the cost of inventory. • Estimate involved in allocation of expenses through various stages of production. Inventory valuation was considered a risk of material misstatement because variable and fixed costs are allocated to inventory. Considering the aforesaid complexities, significant management judgements, and estimates involved and materiality of the amounts involved, this matter has been is determined to be as a key audit matter for the current year audit.	e) Recomputed the net realisable value of the finished goods and reviewed the management assessment for carrying inventory at lower of cost and net realisable value. f) Tested ageing of inventory items obtained through system reports, as applicable. g) Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Tested the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Group. h) Evaluated the appropriateness and adequacy of the disclosures made by the Group in accordance with the requirements as specified in the Ind AS-2 'Inventories' and Schedule III of the Companies Act, 2013.

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

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for 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 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 Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement 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 internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' 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 a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern; and

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

    - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entity included in the consolidated financial statements, of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,

we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Other Matter

15. We did not audit the financial statement of a subsidiary, whose financial statement reflect total assets of ₹ 3,329.59 Lakh and net assets of ₹ 2,518.93 Lakh as at 31 March 2022, total revenues of ₹ 760.13 Lakh and net cash outflows amounting to ₹ 24.07 Lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary, are based solely on the report of the other auditor.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the consideration of the report of the other auditor, referred to in paragraph 15, on separate financial statements of the subsidiary, we report that the Holding Company and subsidiary company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditor as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

18. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary, incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, 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 the other auditor;

    c) The consolidated financial statements 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 Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditor of its subsidiary company covered under the Act, none of the directors of the Holding company and its subsidiary company, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I' wherein we have expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary, incorporated in India, whose financial statements have been audited under the Act:

        I. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 46 to the consolidated financial statements;

II. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company, covered under the Act, during the year ended 31 March 2022;

IV. a. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, to the best of their knowledge and belief as disclosed in note-56(a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary company, to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary company, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary to the best of their knowledge and beliefs disclosed in the note-56(b) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary company, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditor of the subsidiary company, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditor notice that has caused us or the other auditor to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

i. The Holding Company and its subsidiary company have not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 22099410AJUPEU9920

Place: Chandigarh
Date: 28 May 2022

Annexure I

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

1. In conjunction with our audit of the consolidated financial statements of PTC Industries Limited ('the Holding Company') and its subsidiary, Aerolloy Technologies Limited (the Holding Company and its subsidiary, together referred to as 'the Group'), as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, which are companies covered under the Act, as at that date.

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

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

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

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

8. In our opinion and based on the consideration of the report of the other auditor on internal financial controls with reference to financial statements of the subsidiary company, the Holding Company and its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is company covered under the Act, whose financial statements reflect total assets of ₹ 3,329.59 Lakh and net assets of ₹ 2,518.94 Lakh as at 31 March 2022, total revenues of ₹ 760.13 Lakh and net cash outflows amounting to ₹ 24.07 Lakh for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company have been audited by other auditor whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary company as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the report of the auditor of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the report of the other auditor.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 22099410AJUPEU9920

Place: Chandigarh
Date: 28 May 2022

Consolidated Balance Sheet as at 31 March 2022

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	5	23,444.01	20,840.75
Capital work-in-progress	6	2,255.09	3,709.80
Investment property	7	183.06	184.37
Other intangible assets	8	68.33	76.38
Financial assets			
(i) Other financial assets	11(a)	189.42	148.57
Non current tax assets (net)	12	347.45	303.41
Other non current assets	13	830.45	448.24
Total non-current assets		**27,317.81**	**25,711.52**
Current assets			
Inventories	14	6,480.75	5,225.83
Financial assets			
(i) Investments	9	7.21	7.72
(ii) Trade receivables	15	6,149.82	6,329.52
(iii) Cash and cash equivalents	16	134.76	209.07
(iv) Bank balances other than(iii) above	17	260.41	213.54
(v) Loans	10	68.56	73.49
(vi) Others financial assets	11(b)	488.60	813.53
Other current assets	18	1,690.63	1,165.17
Total current assets		**15,280.74**	**14,037.87**
TOTAL ASSETS		**42,598.55**	**39,749.39**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	523.91	523.91
Other equity	20	16,328.28	15,004.41
Total equity		**16,852.19**	**15,528.32**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21(a)	9,366.08	9,398.23
(ii) Other financial liabilities	22	314.54	7.50
Provisions	23	75.88	89.25
Deferred tax liabilities (net)	24	1,375.41	1,202.26
Other non-current liabilities	25	901.67	1,042.22
Total non-current liabilities		**12,033.58**	**11,739.46**
Current liabilities			
Financial liabilities			
(i) Borrowings	21(b)	10,257.14	8,706.74
(ii) Trade payables	26		
total outstanding dues of micro enterprises and small enterprises		233.17	93.61
total outstanding dues of creditors other than micro enterprises and small enterprises		1,640.72	2,602.80
(iii) Other financial liabilities	27	1,139.72	915.59
Other current liabilities	28	390.05	149.82
Provisions	23	44.68	13.05
Current tax liabilities (net)	29	7.30	-
Total current liabilities		**13,712.78**	**12,481.61**
TOTAL EQUITY AND LIABILITIES		**42,598.55**	**39,749.39**
Notes 1 to 60 form an integral part of these consolidated financial statements			

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

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 28 May 2022

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 28 May 2022

Consolidated Statement of Profit and Loss for the year ended 31 March 2022 (All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	30	17,895.48	16,334.99
Other income	31	627.99	519.61
Total income		**18,523.47**	**16,854.60**
Expenses			
Cost of materials consumed	32	5,066.82	3,694.05
Changes in inventories of finished goods and work-in-progress	33	(759.47)	409.05
Employee benefits expense	34	2,085.16	1,996.71
Research and development expense	35	181.94	181.09
Other expenses	36	7,110.87	6,562.84
Total expenses		**13,685.32**	**12,843.74**
Profit before finance cost, depreciation and amortisation, exceptional items and tax		**4,838.15**	**4,010.86**
Finance costs	38	1,516.58	1,343.26
Depreciation and amortisation expense	39	1,462.99	1,438.35
Profit before exceptional items and tax		**1,858.58**	**1,229.25**
Exceptional items	40	156.79	-
Profit before tax		**1,701.79**	**1,229.25**
Tax expense:	41		
Current tax - current year		247.32	-
Current tax - earlier years		-	(244.86)
Deferred tax charge		173.32	81.14
MAT credit entitlement - previous years		-	957.48
Total tax expenses		**420.64**	**793.76**
Profit for the year		**1,281.15**	**435.49**
Other comprehensive income			
A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plan		(0.65)	32.44
ii) Income tax relating to items that will not be reclassified to profit or loss		0.16	(8.16)
Other comprehensive income for the year (net of tax)		**(0.49)**	**24.28**
Total comprehensive income for the year		**1,280.66**	**459.77**
Earnings per equity share [Nominal value ₹10]	42		
Basic (₹)		24.45	8.31
Diluted (₹)		24.44	8.31
Notes 1 to 60 form an integral part of these consolidated financial statements			

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

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 28 May 2022

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 28 May 2022

Consolidated Statement of Cash Flows for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Net profit before tax	1,701.78	1,229.25
Adjustment for:		
Depreciation and amortisation expense	1,462.99	1,438.35
Unrealised foreign exchange fluctuation loss/(gain)	(86.49)	50.28
(Gain)/loss on disposal/discard of property plant and equipment (net)	(0.13)	(137.25)
Provision for doubtful debts, loans and advances written off	(3.01)	10.22
Bad debts written off	-	37.66
Trade payables written off	(29.29)	-
Amortisation of deferred income- government grant	(51.67)	(80.00)
Dividend income	(0.22)	(0.14)
(Gain)/loss on MTM foreign exchange fluctuation	(28.05)	(160.09)
Interest paid	1,368.98	1,248.01
Remeasurement of defined benefit plan	(0.65)	32.44
(Gain)/loss on investment at fair value through profit or loss (net)	-	(1.94)
Interest from assets valued at amortised cost	(15.25)	(13.97)
ESOP Expense	43.21	-
Provisions made no longer required written back	-	(39.22)
Operating profit before working capital changes (current and non- current)	**4,362.20**	**3,613.59**
Inflow and outflow on account of :		
Changes in trade receivables	285.89	(1,798.90)
Changes in inventories	(1,254.92)	(16.90)
Changes in other financial assets	312.12	(633.09)
Changes in other assets	(525.45)	(236.02)
Changes in financial assets-loans	4.93	(170.62)
Changes in provisions	18.26	(31.05)
Changes in trade and other payables	(809.91)	(71.88)
Changes in other financial liabilities	524.48	127.71
Changes in other liabilities	(148.66)	(149.84)
Cash generated from operations before tax	**2,768.94**	**633.00**
Income taxes paid (net)	(284.06)	(219.76)
Net cash generated from operating activities [A]	**2,484.88**	**413.24**
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods]	(2,818.57)	(2,587.20)
Proceeds from sale of property plant and equipment	-	590.50
Investments made/proceeds from investments	0.51	-
Interest received	15.25	13.97
Other bank balances not considered as cash and cash equivalents [net]	(46.87)	(56.43)
Dividend received	0.23	0.14
Net cash used in investing activities [B]	**(2,849.45)**	**(2,039.02)**
C. Cash flow from financing activities		
Proceeds from long-term borrowings	2,248.79	3,330.60
Repayment of long-term borrowings	(1,538.62)	(1,003.00)
Proceeds from government grant	300.00	-
Proceeds from short-term borrowings (net)	808.09	717.84
Finance costs paid	(1,528.00)	(1,362.68)
Net cash used in financing activities [C]	**290.26**	**1,682.76**
D. Net (decrease)/increase in cash and cash equivalents [A+B+C]	**(74.31)**	**56.98**
E. Cash and cash equivalents at the beginning of the year	209.07	152.09
Closing balance of cash and cash equivalent [D+E]	**134.76**	**209.07**

Consolidated Statement of Cash Flows for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at 31 March 2022	As at 31 March 2021
Components of cash and cash equivalents (refer note 16):		
Balances with banks	123.27	202.21
Cash on hand	11.49	6.86
	134.76	**209.07**
Notes 1 to 60 form an integral part of these consolidated financial statements		

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

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 28 May 2022

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 28 May 2022

Consolidated Statement of Changes in Equity as at 31 March 2022

(All amounts in ₹ lakhs, unless stated otherwise)

A Equity share capital

Particulars	No. of shares	Amount
Balance as at 1 April 2020	5,239,063	523.91
Changes in equity share capital during the year	-	-
Balance as at 1 April 2021	**5,239,063**	**523.91**
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	**5,239,063**	**523.91**

B Other equity

Particulars	Reserves and Surplus				Other reserve		Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Share Based payment Reserve Account	Equity instruments through other comprehensive income	
Balance as at 1 April 2020	1.75	4,120.72	4,624.17	5,797.98	-	0.01	14,544.64
Profit for the period	-	-	-	435.49	-	-	435.49
Remeasurement of defined benefit plan	-	-	-	24.28	-	-	24.28
Balance as at 1 April 2021	**1.75**	**4,120.72**	**4,624.17**	**6,257.75**	**-**	**0.01**	**15,004.41**
Profit for the period	-	-	-	1,281.15	-	-	1,281.15
Share Based payment expense	-	-	-	-	43.21	-	43.21
Remeasurement of defined benefit plan	-	-	-	(0.49)	-	-	(0.49)
Balance as at 31 March 2022	**1.75**	**4,120.72**	**4,624.17**	**7,538.41**	**43.21**	**0.01**	**16,328.28**

Refer note 20 for nature of reserves.

Notes 1 to 60 form an integral part of these consolidated financial statements

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

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 28 May 2022

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 28 May 2022

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

1. Company information

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

2. General information and statement of compliance with Ind AS

These consolidated financial statements of PTC Industries Limited ('the holding Company') and its subsidiary, Aerolloy Technologies Limited (the Holding company and its subsidiary together referred to as 'the Group') have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements of the PTC Industries Limited have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The consolidated financial statements of PTC Industries Limited as at and for the year ended 31 March 2022 (including comparatives) were approved and authorised for issue by the Board of Directors on 28 May 2022.

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

3. Basis of preparation and presentation

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

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

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

B) Basis of consolidation

Subsidiary is the entity over which the holding Company has control. Control exists when the holding Company has power over the entity, is exposed, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. The financial statements of subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the holding Company and the subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Indian Accounting Standard (Ind AS) 110 -"Consolidated Financial Statements".

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

Consolidated financial statements include consolidated balance sheet, consolidated statement of profit and loss, consolidated cash flow statement, consolidated statement of changes in equity and the summary of significant accounting policies and other explanatory information that form an integral part thereof.

Consolidated subsidiary is having consistent reporting date of 31 March 2022.

Following are the details of the subsidiary consolidated in these financial statements

Name of the entity	Country of in Corporation	Principal activities	Interest (in %) 31-03-2022	Interest (in %) 31-03-2021
Aerolly Technologies Limited	India	Manufacturer of metal components	100%	100%

4. Summary of significant accounting policies

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

a) Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

Assets

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

1) It is expected to be realised in, or is intended to be sold or consumed in, the Group's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is expected to be realised within twelve months after the reporting date; or

4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

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

Liabilities

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

1) It is expected to be settled in the Group's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is due to be settled within twelve months after the reporting date; or

4) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

b) Property, plant and equipment

Recognition, measurement and de-recognition

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

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

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

Subsequent expenditure

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

Depreciation

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

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

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

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

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

c) Capital work-in-progress

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

d) Intangible assets

Recognition, measurement and de-recognition

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

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

Subsequent expenditure

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Amortisation

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

e) Non-current assets held for sale

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

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

f) Impairment

(i) Impairment of financial assets

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

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

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

(ii) Impairment of non-financial assets

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

g) Inventories

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

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

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

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

h) Foreign exchange transactions

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

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

i) **Employee benefits**

i. **Short-term employee benefits**

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

ii. **Defined contribution plans**

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

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

iii. **Defined benefit plans**

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

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

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

iv. **Other long-term employee benefits**

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

j) **Revenue**

i. **Sale of goods**

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

(i) Identifying the contract with a customer

(ii) Identifying the performance obligations

(iii) Determining the transaction price

(iv) Allocating the transaction price to the performance obligations

(v) Recognising revenue when/as performance obligation(s) are satisfied.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates.

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

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

ii. Interest income

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

iii. Dividend income

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

iv. Income from power generation:

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

v. Export benefits/incentives

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

k) Borrowings

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

l) Government grants

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

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

m) Right of use assets and lease liabilities

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

The Group as a lessee

Classification of leases

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

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

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

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the

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Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

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

The Group as a lessor

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

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

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

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

Group as a lessee:

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

Group as a lessor:

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

n) Financial instruments

i. Recognition and initial measurement

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

ii. Subsequent measurement

Financial assets

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

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

ii. Financial assets at fair value

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

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

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

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

De-recognition of financial assets

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

Impairment of financial assets

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

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

Financial liabilities

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

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

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

Offsetting of financial instruments

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

o) Fair value measurement

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

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

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

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a

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liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

p) Cash and cash equivalents

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

q) Earnings per share

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

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

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

r) Provisions, contingent liabilities and contingent assets

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Group and requires interpretation of laws and past legal rulings.

s) Taxation

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

i. Current tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

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

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The

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

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

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

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

t) Segment reporting

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

u) Research and development costs

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

v) Derivative financial instruments

The Group holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms. Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred.

w) Measurement of EBITDA

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

x) Significant accounting judgements, estimates and assumptions

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

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

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

Significant judgements:

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

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

(ii) Recognition of deferred tax assets

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

(iii) Contingent liabilities

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

Sources of estimation uncertainty:

(i) Provisions

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

(ii) Fair valuation of financial instruments

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

(iii) Recoverability of advances/receivables

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

y) Recent accounting pronouncement

- **Ind AS 16 – Property Plant and equipment**

  The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

- **Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets**

  The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, although early adoption is permitted. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

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5 Property, plant and equipment

Particulars	Freehold land	Factory building	Plant and machinery	Computers	Mould and dies	Vehicles	Furniture and fixtures	Office equipments	Research and development assets				Total
									Plant and machinery	Computers	Mould and dies	Vehicles	
As at 1 April 2020	576.22	4,318.55	20,255.54	214.97	1,587.42	252.28	170.82	176.29	255.03	1.18	111.77	6.35	27,926.42
Additions	626.40	141.18	244.98	21.82	161.15	89.99	6.52	13.41	-	-	-	-	1,305.45
Disposals/assets written off	-	-	-	-	-	15.75			-	-	-	-	15.75
Balance as at 31 March 2021	**1,202.62**	**4,459.73**	**20,500.52**	**236.79**	**1,748.57**	**326.52**	**177.34**	**189.70**	**255.03**	**1.18**	**111.77**	**6.35**	**29,216.12**
Additions	-	264.62	3,551.24	9.25	215.66	32.98	5.39	8.13	-	-	-	-	4,087.29
Adjustment	1.61	-	-	-	-	-	-	-	-	-	-	-	1.61
Disposals/assets written off	-	-	51.45	-	-	-	-	-	-	-	-	-	51.45
Balance as at 31 March 2022	**1,204.23**	**4,724.35**	**24,000.31**	**246.04**	**1,964.23**	**359.50**	**182.73**	**197.83**	**255.03**	**1.18**	**111.77**	**6.35**	**33,253.57**
Accumulated depreciation													
As at 1 April 2020	-	435.20	4,755.75	174.63	996.62	142.34	91.36	99.72	167.24	1.04	105.14	3.66	6,972.70
Charge for the year	-	130.42	1,099.62	13.25	109.95	25.05	10.90	19.26	8.83	0.02	1.05	0.06	1,418.41
Adjustments for disposals	-	-	-	-	-	15.75	-	-	-	-	-	-	15.75
Balance as at 31 March 2021	**-**	**565.62**	**5,855.37**	**187.88**	**1,106.57**	**151.64**	**102.26**	**118.98**	**176.07**	**1.06**	**106.19**	**3.72**	**8,375.36**
Charge for the year	-	136.84	1,104.90	12.95	112.33	34.25	11.35	21.04	6.49	0.02	1.05	0.06	1,441.28
Adjustments for disposals	-	-	7.08	-	-	-	-	-	-	-	-	-	7.08
Balance as at 31 March 2022	**-**	**702.46**	**6,953.19**	**200.83**	**1,218.90**	**185.89**	**113.61**	**140.02**	**182.56**	**1.08**	**107.24**	**3.78**	**9,809.56**
Net block as at 31 March 2021	**1,202.62**	**3,894.11**	**14,645.15**	**48.91**	**642.00**	**174.88**	**75.08**	**70.72**	**78.96**	**0.12**	**5.58**	**2.63**	**20,840.75**
Net block as at 31 March 2022	**1,204.23**	**4,021.89**	**17,047.12**	**45.21**	**745.33**	**173.61**	**69.12**	**57.82**	**72.47**	**0.10**	**4.53**	**2.57**	**23,444.01**

Notes:

a) Refer note 49 "Assets pledged as security" for details regarding property, plant and equipment pledged as security.

b) Refer note 46(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c) Plant and machinery includes assets amounting to ₹ 1,500 Lakh, out of which ₹ 500 Lakh was acquired under the Technology Development and Demonstration Programme (TDDP) project and ₹ 1000 Lakh was acquired under the Technology Acquisition and Fund Programme (TAFP) project. These assets have restricted use under their respective projects.

d) No proceeding has been initiated or pending against the group for holding any benami property under the Benami transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

6 Capital work-in-progress

Particulars	Amount
Balance as at 1 April 2020	1,897.93
Additions	1,811.87
Balance as at 31 March 2021	**3,709.80**
Additions	1,680.05
Capitalisation during the year	(3,134.76)
Balance as at 31 March 2022	**2,255.09**

Note:

Additions to capital work in progress include interest of ₹ 157.17 Lakh (31 March 2021: ₹ 143.53 Lakh) capitalised during the year.

(a) Capital-work-in progress ageing schedule as at 31st March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,020.65	1,154.10	63.39	16.95	2,255.09

Capital-work-in progress ageing schedule as at 31st March 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,691.50	957.80	1,043.55	16.95	3,709.80

7 Investment Property

Particulars	Freehold land	Factory building	Total
Net carrying value			
Gross Block as on 31st March 2020	125.59	151.77	277.36
Additions	-	-	-
Gross Block as on 31st March 2021	**125.59**	**151.77**	**277.36**
Additions	-	-	-
Gross Block as on 31st March 2022	**125.59**	**151.77**	**277.36**
Accumulated depreciation			
As at 1 April 2020	-	89.90	89.90
Charge for the year	-	3.09	3.09
Balance as at 31 March 2021	**-**	**92.99**	**92.99**
Depreciation charge for the year	-	1.31	1.31
Balance as at 31 March 2022	**-**	**94.30**	**94.30**
Net block as at 31 March 2021	**125.59**	**58.78**	**184.37**
Net block as at 31 March 2022	**125.59**	**57.47**	**183.06**

Notes:

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

Particulars	As at 31 March 2022	As at 31 March 2021
Rental income	45.00	41.25
Depreciation and amortisation expense	1.31	3.09
Direct operating expenses that generated rental income	-	-
Direct operating expenses that did not generate rental income	-	-
Profit from leasing of investment property	**43.69**	**38.16**

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for the year ended 31 March 2022

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

7 Investment Property (Contd.)

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

(iii) Fair value of investment property

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value	1,458.46	1,519.74

The Group obtains independent valuations for its investment property. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources such as current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Fair value is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

8 Other intangible assets

Particulars	Software	Licenses	Research and development asset - Software	Total
Gross block				
At 1 April 2020	189.82	39.70	4.72	234.24
Additions	17.53			17.53
Balance as at 31 March 2021	**207.35**	**39.70**	**4.72**	**251.77**
Additions	12.34			12.34
Balance as at 31 March 2022	**219.68**	**39.70**	**4.72**	**264.11**
Accumulated amortisation				
At 1 April 2020	114.40	39.70	4.44	158.54
Charge for the year	16.85	-	-	16.85
Balance as at 31 March 2021	**131.25**	**39.70**	**4.44**	**175.39**
Charge for the year	20.40			20.40
Balance as at 31 March 2022	**151.65**	**39.70**	**4.44**	**195.79**
Net block as at 31 March 2021	**76.10**	**-**	**0.28**	**76.38**
Net block as at 31 March 2022	**68.03**	**-**	**0.28**	**68.33**

9 Current investments

Particulars	As at 31 March 2022	As at 31 March 2021
Quoted instruments		
Investment in mutual fund (at fair value through profit or loss)		
5,000 units (31 March 2021: 5,000 units:) of ₹ 10 each of UTI Equity Fund (Prev. Mastergain1992 of UTI)	7.21	7.72
	7.21	**7.72**
Aggregate amount of unquoted investments and market value thereo	7.21	**7.72**

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

10 Current financial assets - loans

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good		
Loan to employees*	68.56	73.49
	68.56	**73.49**

* No loans and advances provided to promoters, directors & KMP.

Note:

Refer note 43 for disclosure of fair values in respect of financials asset measured at cost.

11 (a) Non-current financial assets - others

Particulars	As at 31 March 2022	As at 31 March 2021
Deposits with banks with maturity more than 12 months*	56.38	34.45
Security deposits	133.04	114.12
	189.42	**148.57**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits

Note:

Refer note 43 for disclosure of fair values in respect of financial assets measured at cost.

11 (b) Current financial assets - others

Particulars	As at 31 March 2022	As at 31 March 2021
Export incentives receivable*	430.55	459.06
Other financial assets	58.05	354.47
	488.60	**813.53**

***Export Incentive receivable movement summary**

Particulars	Amount
Balance as at 1 April 2020	282.44
Income during the year	525.37
Amount utilised/refund received during the year	(348.75)
Balance as at 31 March 2021	**459.06**
Income during the year	221.34
Amount utilised/refund received during the year	(249.85)
Balance as at 31 March 2022	**430.55**

Note:

Refer note 43 for disclosure of fair values in respect of financial assets measured at cost.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

12 Income tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance income-tax (net of provision for taxation)	347.45	303.41
	347.45	**303.41**

13 Other non-current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances	830.45	448.24
	830.45	**448.24**

14 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
(Valued at lower of cost or net realisable value)		
Raw materials	1,541.40	1,232.12
Work-in-progress	4,073.20	3,313.73
Finished goods	45.02	45.02
Stores and spares	696.25	564.45
Loose tools	124.88	70.51
	6,480.75	**5,225.83**

15 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables considered good – Unsecured	6,149.82	6,329.52
Trade receivables-credit impaired	22.59	25.60
	6,172.41	6,355.12
Less: Provision for expected credit loss	(22.59)	(25.60)
	6,149.82	**6,329.52**

Movement in the provision for expected credit loss

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	25.60	15.38
Add: Allowance provided during the year (refer note-36)	-	10.22
Balance at the end of the year	**25.60**	**25.60**

*Refer note-43 for ageing schedule of Trade receivables.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

16 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks	123.27	202.21
Cash on hand	11.49	6.86
	134.76	**209.07**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Note:

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

17 Other bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
Deposits with original maturity more than 3 months but remaining less than 12 months*	221.26	213.54
Interest accrued on deposits	39.15	-
	260.41	**213.54**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

18 Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	81.70	51.10
Balances with statutory and government authorities	1,121.11	822.52
Gratuity asset	-	0.40
Other loans and advances	487.82	291.15
	1,690.63	**1,165.17**

19 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Authorised:				
Equity shares of ₹ 10 each	20,000,000	2,000.00	8,975,000	897.50
Redeemable cumulative preference shares of ₹ 10 each*	-	-	2,025,000	202.50
	20,000,000	**2,000.00**	**11,000,000**	**1,100.00**
Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 each	5,239,063	523.91	5,239,063	523.91
	5,239,063	**523.91**	**5,239,063**	**523.91**

*During the year, the group has increased the authorised share capital from ₹ 1100.00 Lakh to ₹ 2000.00 Lakh and also converted the authorised redeemable cumulative preference share capital into equity share capital.

a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	5,239,063	523.91	5,239,063	523.91
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	**5,239,063**	**523.91**	**5,239,063**	**523.91**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

19 Equity share capital (Contd.)

b) Terms and rights attached to equity shares

The Group has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of shareholders holding more than 5% of the equity share capital:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	% of holding	Number	% of holding
Sachin Agarwal	11,15,704	21.30%	1,113,560	21.25%
Mapple Commerce Private Limited	625,150	11.93%	625,150	11.93%
Nirala Merchants Private Limited	460,200	8.78%	460,200	8.78%
Priya Ranjan Agarwal	386,000	7.37%	386,000	7.37%
Sachin Agarwal HUF	261,900	5.00%	261,900	5.00%

d) Information regarding issue of shares in the last five years

i) The Group has not issued any shares without payment being received in cash in the last five years.

ii) There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

e) Disclosure of Shareholding of Promoters

Shares held by promoters at the end of the year as on 31st March,2022

Promoter Name	No. of Shares	% of Total	% Change during the year
SACHIN AGARWAL	1,115,704	21.30%	0.05%
MAPPLE COMMERCE PRIVATE LIMITED	625,150	11.93%	0.00%
NIRALA MERCHANTS PRIVATE LIMITED	460,200	8.78%	0.00%
PRIYA RANJAN AGARWAL	386,000	7.37%	0.00%
SACHIN AGARWAL HUF	261,900	5.00%	0.00%
ALOK AGARWAL	215,600	4.12%	0.00%
VIVEN ADVISORY SERVICES PRIVATE LIMITED	169,310	3.23%	0.00%
SMITA AGARWAL	131,000	2.50%	0.00%
ANSHOO AGARWAL	62,300	1.19%	0.00%
SATISH CHANDRA AGARWAL (HUF)	30,400	0.58%	0.00%
BINA AGRAWAL .	27,930	0.53%	0.00%
KANCHAN AGARWAL	21,200	0.40%	0.00%
KIRAN ARUN PRASAD	19,200	0.37%	0.00%
MANU AGARWAL	10,000	0.19%	0.00%
RITIKA AGARWAL	10,000	0.19%	0.00%
REENA AGARWAL	4,000	0.08%	0.00%
ARUN JWALA PRASAD	2,000	0.04%	0.00%
Total	**3,551,894**	**67.80%**	

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

19 Equity share capital (Contd.)

Shares held by promoters at the end of the year as on 31st March,2021

Promoter Name	No. of Shares	% of Total	% Change during the year
SACHIN AGARWAL	1,113,560	21.25%	0.00%
MAPPLE COMMERCE PRIVATE LIMITED	625,150	11.93%	0.00%
NIRALA MERCHANTS PRIVATE LIMITED	460,200	8.78%	0.00%
PRIYA RANJAN AGARWAL	386,000	7.37%	0.00%
SACHIN AGARWAL HUF	261,900	5.00%	100.00%
ALOK AGARWAL	215,600	4.12%	0.00%
VIVEN ADVISORY SERVICES PRIVATE LIMITED	169,310	3.23%	0.00%
SMITA AGARWAL	131,000	2.50%	0.00%
ANSHOO AGARWAL	62,300	1.19%	0.00%
SATISH CHANDRA AGARWAL (HUF)	30,400	0.58%	0.00%
BINA AGRAWAL .	27,930	0.53%	-2.00%
KANCHAN AGARWAL	21,200	0.40%	0.00%
KIRAN ARUN PRASAD	19,200	0.37%	0.00%
MANU AGARWAL	10,000	0.19%	0.00%
RITIKA AGARWAL	10,000	0.19%	0.00%
REENA AGARWAL	4,000	0.08%	0.00%
ARUN JWALA PRASAD	2,000	0.04%	0.00%
Total	**3,549,750**	**67.76%**	

20 Other equity

Particulars	As at 31 March 2022	As at 31 March 2021
a. Capital reserve		
Balance at the beginning of the year	1.75	1.75
Add: Additions during the year	-	-
Balance at the end of the year	**1.75**	**1.75**
b. Securities premium		
Balance at the beginning of the year	4,120.72	4,120.72
Add: Additions during the year	-	-
Balance at the end of the year	**4,120.72**	**4,120.72**
c. General reserve		
Balance at the beginning of the year	4,624.17	4,624.17
Add: Additions during the year	-	-
Balance at the end of the year	**4,624.17**	**4,624.17**
d. Retained earnings		
Balance at the beginning of the year	6,257.75	5,797.98
Add: Profit during the year	1,280.66	459.77
Balance at the end of the year	**7,538.40**	**6,257.75**
e. Other comprehensive income		
Balance at the beginning of the year	0.01	0.01
Add: Additions during the year	-	-
Balance at the end of the year	**0.01**	**0.01**
f. Share based payment reserve		
Balance at the beginning of the year	-	-
Add: Additions during the year	43.21	-
Balance at the end of the year	**43.21**	**-**
Total	**16,328.27**	**15,004.40**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

20 Other equity (Contd.)

Nature and purpose of other reserves:

(a) Capital reserve

Capital reserve was created in respect of proceeds of forfeited shares.

(b) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(c) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

(d) Retained earnings

Retained earnings refer to the net profit retained by the Group for its core business activities.

(e) Share Based Payment Reserve(SBP)

This reserve has been created to meet the cost of Employee Stock Option Payment(ESOP) scheme.

21 (a) Non-current borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
Term loans from banks	10,781.07	9,967.82
Term loans from financial institutions	250.20	307.04
Vehicle loans from banks and financial institutions	117.35	121.99
Letter of credit - from banks	516.25	535.22
	11,664.87	**10,932.07**
Less: Current maturities of long term borrowings (refer note 21(b))	(2,298.79)	(1,533.84)
	9,366.08	**9,398.23**

Notes:

1. Term loans from banks and financial institutions carrying interest rate ranging from 8.25% to 10.75% p.a (P.Y. 7.95% to 11.00% p.a).
2. Term loans from banks and letter of credit are secured by way of equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) and first pari-passu charge on the plant and equipment of the Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) of the Group and second charge ranking pari-passu on the whole of the present and future current assets of the Group.
3. Further the term loans from banks are secured by way of personal guarantee of the Directors of the Group.
4. Term loan from financial institiutions are secured against the plant and machinery.
5. Vehicle loans carry interest rates ranging from 9.75% to 12.50% p.a (P.Y 7.15% to 12.50% p.a) and are secured by way of absolute charge on respective assets thus purchased.
6. Letter of credit facility from banks carries interest 1.03% p.a (P.Y. 1.03% p.a).
7. Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.
8. In view of continuing disruptions on account of Covid-19, the Reserve Bank of India (RBI) has announced the moratorium facility on repayment of loans. The Group has opted for this facility for the months of March 2020 to August 2020.

Notes to the Consolidated Financial Statements

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

21 (b) Current borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Working capital loans repayable on demand- from banks	6,939.03	7,172.90
Current maturity of Long term borrowings	2,298.79	1,533.84
Un-Secured		
Bill Discounted	1,019.32	-
	10,257.14	**8,706.74**

Notes:

1. Working capital facilities from banks carry interest rates ranging from 9.00% to 11.18% p.a.(P.Y 7.00% to 11.00% p.a) and are repayable on demand.These facilities are secured by way of first charge ranking pari-passu on the whole of the present and future current assets of the Group and further secured by second charge on equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) and first second pari-passu charge on plant and equipment of the Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) of the Group.

2 Further the working capital loans are secured by way of personal guarantee of the Directors of the Group.

3 Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

4. The Group has borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Group with banks are in agreement with the books of accounts.

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Non-current borrowings	Current borrowings	Interest accrued
As at 1 April 2020	8,604.47	6,455.06	97.13
Add: Non cash changes due to-			
- Interest expense debited to statement of profit and loss	-	-	1,248.01
- Interest expense capitalised to capital work-in-progress	-	-	138.19
Add: Cash inflows during the year			
- Proceeds from non-current borrowings	3,330.60	-	-
- Proceeds from current borrowings	-	717.84	-
Less: Cash outflow during the year			
- Repayment of non-current borrowings	1,003.00	-	-
- Interest paid	-	-	1,362.68
As at 1 April 2021	10,932.07	7,172.90	120.65
Add: Non cash changes due to-			
- Interest expense debited to statement of profit and loss	-	-	1,368.98
- Interest expense capitalised to capital work-in-progress	-	-	157.17
Add: Cash inflows during the year			
- Proceeds from non-current borrowings	2,271.42	-	-
- Proceeds from current borrowings	-	785.46	-
Less: Cash outflow during the year			
- Repayment of non-current borrowings	1,538.62	-	-
- Interest paid			1,528.00
Closing balance as on 31 March 2022	**11,664.87**	**7,958.36**	**118.80**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

22 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposit	7.50	7.50
TDDP Grant (Non-current)	307.04	-
	314.54	**7.50**

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Development Corporation (NRDC) an enterprise of Department of Scientific & Industrial Research(DSIR). Refer note-58 for further details.

23 Provisions

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Provision for employees benefits				
- Provision for gratuity	-	17.11	32.39	1.29
- Provision for compensated absences	75.88	72.14	12.29	11.76
	75.88	**89.25**	**44.68**	**13.05**

24 Deferred tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liability arising on account of:		
Difference between book balance and tax balance of property, plant and equipment	1,413.12	1,236.40
	1,413.12	**1,236.40**
Deferred tax asset arising on account of:		
Brought forward losses and unabsorbed depreciation	-	38.14
Provision for employee benefits	39.15	29.84
Tax impact on allowance under tax exemptions/deductions	(7.05)	(40.28)
Others	-	-
Provision for doubtful debts	5.61	6.44
	37.71	**34.14**
Minimum alternate tax credit entitlement	0.00	-
Net deferred tax liability	**1,375.41**	**1,202.26**

(A) Movement in deferred tax liabilities:

Particulars	As at 1 April 2020	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised in balance sheet	As at 31 March 2021
Deferred tax liability arising on account of:					
Difference between book balance and tax balance of property, plant and equipment	1,587.44	(351.04)	-	-	1,236.40
	1,587.43	**(351.04)**	**-**	**-**	**1,236.40**

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

24 Deferred tax liabilities (net) (Contd.)

Particulars	As at 1 April 2020	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised in balance sheet	As at 31 March 2021
Deferred tax asset arising on account of:					
Provision for employee benefits	30.93	7.07	(8.16)	-	29.84
Provision for doubtful debts	4.28	2.16	-	-	6.44
Tax impact on allowance under tax exemptions/deductions	29.93	(70.21)	-	-	(40.28)
Brought forward losses and unabsorbed depreciation	409.34	(371.20)	-	-	38.14
	474.48	**(432.18)**	**(8.16)**	**-**	**34.14**
Minimum alternate tax credit entitlement	957.48	(712.62)		(244.86)	0.00
Net deferred tax liability	**155.47**	**793.76**	**8.16**	**244.86**	**1,202.26**

Movement in deferred tax liabilities:

Particulars	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised in balance sheet	As at 31 March 2022
Deferred tax liability arising on account of:					
Difference between book balance and tax balance of property, plant and equipment	1,236.40	176.72	-	-	1,413.12
	1,236.40	**176.72**	**-**	**-**	**1,413.12**
Deferred tax asset arising on account of:					
Provision for employee benefits	29.84	9.15	0.16	-	39.15
Provision for doubtful debts	6.44	(0.84)	-	-	5.61
Tax impact on allowance under tax exemptions/deductions	(40.28)	33.22	-	-	(7.05)
Brought forward losses and unabsorbed depreciation	38.14	(38.14)	-	-	-
	34.14	**3.40**	**0.16**	**-**	**37.71**
Minimum alternate tax credit entitlement	0.00	-	-		0.00
Net deferred tax liability	**1,202.26**	**173.32**	**(0.16)**	**-**	**1,375.41**

(B) Unrecognised deferred tax assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	Gross amount	Tax effect	Gross amount	Tax effect
Brought forward long term capital losses	61.67	15.52	95.52	24.04
	61.67	**15.52**	**95.52**	**24.04**

Notes to the Consolidated Financial Statements

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

25 Other non-current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred grant income	901.67	1,042.22
	901.67	**1,042.22**
(i) Reconciliation of deferred income		
Opening balance as at the beginning of the year	1,042.22	1,122.22
Add: Grant received during the year	300.00	-
Less: Released to the Statement of Profit and Loss	(51.7)	(80.00)
Less: Reclassed to other financial liability (Non current & current) (Refer Note-58)	(388.88)	-
Closing balance as at the end of the year	**901.67**	**1,042.22**

26 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Due to :		
Total outstanding dues of micro enterprises and small enterprises*	233.17	93.61
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,640.72	2,602.80
	1,873.89	**2,696.41**

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

*Dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), to the extent identified and information available with the Group pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below:

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year	233.17	93.61
The amount of interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

Trade Payables ageing schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	233.17	-	-	-	233.17
(ii) Others	1,577.85	62.87	-	-	1,640.72
Total					**1,873.89**

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for the year ended 31 March 2022

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

26 Trade payables (Contd.)

Trade Payables ageing schedule as at 31st March 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	93.61	-	-	-	93.61
(ii) Others	2,549.27	55.63	-	-	2,604.90
Total					**2,698.51**

27 Current financial liabilities- others

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	118.80	120.65
TDDP Grant (Current)*	118.61	-
Others		
- towards creditors for capital goods	400.13	391.59
- towards employee related payables	305.03	247.56
- other payables	197.15	155.79
	1,139.72	**915.59**

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Development Corporation (NRDC) an enterprise of Department of Scientific & Industrial Research(DSIR). Refer note-58 for further details.

Note:

Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

28 Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advance received from customers	325.47	93.72
Statutory dues payable	64.58	56.10
	390.05	**149.82**

29 Current tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Current tax liabilities (net of advance tax & TDS)	7.30	-
	7.30	**-**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

30 Revenue from operations (Point in Time)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products	17,635.14	15,766.82
Other operating revenues (refer (a) below)	260.34	568.17
Revenue from operations	**17,895.48**	**16,334.99**
(a) Other operating revenues (Point in Time)		
Export incentives	221.34	525.37
Income from power generation	39.00	42.80
Total	**260.34**	**568.17**
Reconciliation of revenue recognised with contract price:		
Gross Revenue	17,936.26	16,388.02
Less: Rate difference adjustment	40.78	53.04
	17,895.48	**16,334.99**

31 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest		
- from bank deposits valued at amortised cost	15.25	9.83
- from others	-	4.15
Rent Income from Investment property and property plant equipment	45.70	42.64
Supply of Services	55.13	-
Insurance claims received	64.90	0.40
Gain/(loss) on foreign exchange fluctuation (net)	327.95	43.97
Fair value gain/(loss) on investment at fair value through profit or loss (net)	-	1.94
Dividend income(on investments carried at Fair value through Profit & Loss)	0.23	0.14
Mark to market gain on forward contracts measured at Fair value through PL	28.05	160.09
Amortisation of deferred income (refer note-25)	51.67	80.00
Profit on sale of assets	0.13	137.25
Provisions made no longer required written back	-	39.22
Discount Received	3.54	-
Miscellaneous income	35.44	-
	627.99	**519.61**

32 Cost of materials consumed

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw materials at the beginning of the year	1,232.12	832.26
Add: Purchases	5,441.18	4,113.04
Less: Closing stock	1,541.40	1,232.12
	5,131.90	**3,713.18**
Less: Raw material consumed for research and development	65.08	19.13
Cost of material consumed	**5,066.82**	**3,694.05**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

33 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventories at the beginning of the year		
Work-in-progress	3,313.73	3,722.78
Finished goods	45.02	45.02
	3,358.75	**3,767.80**
Inventories at the end of the year		
Work-in-progress	4,073.20	3,313.73
Finished goods	45.02	45.02
	4,118.22	**3,358.75**
Changes in inventories of finished goods and work-in-progress	**(759.47)**	**409.05**

34 Employee benefits expense*

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	1,818.57	1,767.31
Contribution to provident and other funds	114.88	128.37
Gratuity expense (refer note 44)	39.47	35.13
Staff welfare expenses	69.03	65.90
Employee stock option payment expenses	43.21	-
	2,085.16	**1,996.71**

*Employee benefit expenses excludes ₹ 32.09 lakhs (31 March 2022: ₹ 23.50 lakhs) towards research and development expenses (refer note 35)

35 Research and development expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw materials consumed	65.08	19.13
Materials, stores and spares consumed	84.77	138.46
Salary and wages	32.09	23.50
	181.94	**181.09**

36 Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Manufacturing expenses		
Stores and spares consumed*	2,268.22	2,057.76
Power and fuel	1,485.74	1,393.24
Repairs and maintenance		
- plant and machinery	433.86	367.04
- building	34.33	38.34
Packing and general consumables	205.29	207.40
Processing and work charges	1,012.02	984.83
Freight Expenses	30.77	25.47
Outsourced services	102.66	89.67
Testing and inspection charges	308.27	343.30
Sub-total (A)	5,881.16	5,507.06

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

36 Other expenses (Contd.)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Administrative, selling and other expenses		
Rent	23.55	23.79
Rates and taxes	9.15	16.31
Insurance expenses	83.86	67.47
Security expenses	96.43	91.98
Legal and professional expenses	114.83	99.29
Payment to Auditors [refer note 37 (a)]	36.86	23.09
Travelling and conveyance	109.78	96.86
Vehicle running and maintenance	114.40	114.44
Communication expenses	21.80	20.80
Printing and stationery	19.93	13.47
Training and Recruitment	49.18	45.16
Seminar, Conferences &Exhibitions	53.87	14.38
Freight and clearing	145.60	204.04
Claim settlement expenses	226.87	55.36
Advertisement and promotion	6.40	2.85
Donation and charity	0.40	0.41
Computer expenses	32.40	34.56
Corporate social responsibility expenses [refer note 37 (b)]	23.88	21.21
Bad debts written off	-	37.66
Business promotion expenses	12.21	6.74
Provision for doubtful debts	-	10.22
Office upkeep and maintenance charges	37.93	40.61
Miscellaneous expenses	10.38	15.09
Sub-total (B)	1,229.71	1,055.78
Grand total (C=A+B)	**7,110.87**	**6,562.84**

*Stores and spares excludes ₹ 84.77 Lakh (31 March 2021: ₹ 138.46 Lakh) towards research and development expenses (refer note 35)

37 (a) Payment to auditors

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
As auditor:		
- Statutory audit (including limited reviews)	26.00	23.50
In other capacity:		
- Certification	10.86	1.25
- Out of pocket expenses	-	0.40
	36.86	**25.15**

37 (b) Corporate social responsibility expenses

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
Gross amount required to be spent under section 135 of the Act		23.88	21.21
Amount spent during the year ended 31 March 2022:	In cash	Unspent amount	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	23.88	-	23.88
	23.88	**-**	**23.88**

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for the year ended 31 March 2022

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

37 (b) Corporate social responsibility expenses (Contd.)

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
Amount spent during the year ended 31 March 2021:	In cash	Unspent amount	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	21.21	-	21.21
	21.21	**-**	**21.21**

Details of corporate social responsibility expenditure

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Amount required to be spent by the group during the year	23.88	21.21
(ii) Amount of expenditure incurred	23.88	21.21
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Nature of CSR activities	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects
(vii) Details of related party transactions	-	21.21

38 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on borrowings measured at amortised cost		
- on working capital loans	478.35	467.76
- on term loans	857.18	760.20
Interest on others	33.45	20.05
Other borrowing cost	147.60	95.25
	1,516.58	**1,343.26**

39 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment	1,441.28	1,418.41
Depreciation on investment property	1.31	3.09
Amortisation on intangible assets	20.40	16.85
	1,462.99	**1,438.35**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

40 Exceptional items

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Remeasurement of TDDP grant valued at amortised cost*	156.79	-
	156.79	**-**

*TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Development Corporation (NRDC) an enterprise of Department of Scientific & Industrial Research(DSIR). Refer note-58 for further details.

41 Tax expense

(a) Income tax expenses recognised in profit and loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax:		
Current tax	247.32	-
Current tax - earlier years	-	(244.86)
	247.32	**(244.86)**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	173.32	81.14
Remeasurement of deferred tax recoverable on adoption of new tax regime (MAT credit)	-	957.48
	173.32	**1,038.62**
Total tax expense recognised in profit and loss	**420.64**	**793.76**

(b) Income tax expenses recognised in other comprehensive income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax:		
Re-measurement of defined benefit obligations	0.16	(8.16)
Total tax expense recognised in other comprehensive income	**0.16**	**(8.16)**

(c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group at 25.17% (31 March 2021: 25.17%) and the reported tax expense in the statement of profit and loss are as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Accounting profit before income-tax	1,701.79	1,229.25
At India's statutory income-tax rate of 25.17% (31 March 2021: 25.17%)	428.34	309.40
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non deductible expenses	20.78	(5.00)
Tax on income at different rates	(28.48)	(42.42)
Tax earlier years	-	534.24
Others	-	(2.46)
	420.64	**793.76**

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for the year ended 31 March 2022

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

41 Tax expense (Contd.)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Basis of computing Company's statutory income-tax rate:		
Base rate	22.00%	22.00%
Add: Surcharge	2.20%	2.20%
	24.20%	**24.20%**
Add: Education cess	0.97%	0.97%
	25.17%	**25.17%**

42 Earnings per share

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit for the year attributable to equity shareholders	1,281.15	435.49
Weighted average number of equity shares (nos. in Lakh)	52.39	52.39
Nominal value per share (₹)	10.00	10.00
Earnings per share - basic (₹)	24.45	8.31
Weighted average number of equity shares for Diluted (nos. in Lakh)	52.39	52.39
Add:- Potentional Dilutive No.	0.04	-
Total Diluted Equity Share	**52.43**	**52.39**
Earnings per share - diluted (₹)	24.44	8.31

The Group have dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Group are as above.

43 Financial instrument and risk review

(A) Financial instruments

(i) Capital management

The Group manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 21(a) and 21(b); cash and cash equivalents and current investments and equity attributable to equity holders of the Group, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non-current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Group attributable to equity holders of the Group. The Group is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

The following table summarises the capital of the Group:

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for the year ended 31 March 2022

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

43 Financial instrument and risk review (Contd.)

Particulars	As at 31 March 2022	As at 31 March 2021
Equity	16,852.19	15,528.32
Liquid assets (cash and cash equivalent and current investments) (a)	141.97	216.79
Current borrowings [note 21(b)]	10,257.14	8,706.74
Non- current borrowings [note 21(a)]	9,366.08	9,398.23
Interest accrued but not due on borrowings (refer note 27)	118.80	120.65
Total debt (b)	**19,742.02**	**18,225.62**
Net debt (c=(b) - (a))	**19,600.05**	**18,008.83**
Total capital (equity + net debt)	**36,452.24**	**33,537.15**
Gearing ratio		
Debt to equity ratio	1.17	1.17
Net debt to equity ratio	1.16	1.16

Loan Covenants

Under the term of major borrowing facilities, the Group is required to comply with the following covenants:

1. Total debt/ Adjusted Tangible net worth not to exceed 1.3 times.
2. Debt service coverage ratio not to fall below 1.2 times.
3. Asset coverage ratio to not to fall below 1.1 times
4. Interest coverage ratio not to fall below 2.8 times
5. Total debt/Net cash accruals not to exceed 8.0 times
6. Current Ratio to be not less than 1.10
7. Fixed Asset Coverage Ratio>=1.5X

The Group has complied with these covenants throughout the reporting period.

(ii) Category of financial instruments

Particulars	Note no.	As at 31 March 2022			As at 31 March 2021		
		Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI
Financial assets							
Investments	9	-	7.21	-	-	7.72	-
Loans	10	68.56	-	-	73.49	-	-
Trade receivables	15	6,149.82	-	-	6,329.52	-	-
Cash and cash equivalents	16	134.76	-	-	209.07	-	-
Other bank balances	17	260.41	-	-	213.54	-	-
Other financial assets	11(a),11(b)	649.98	28.05	-	802.01	160.09	-
Total financial assets		**7,263.53**	**35.26**	**-**	**7,627.63**	**167.81**	**-**
Financial liabilities							
Borrowings	21(a),21(b)	19,623.22	-	-	18,104.97	-	-
Trade payables	26	1,873.89	-	-	2,696.41	-	-
Other financial liabilities	23, 28	1,454.25	-	-	923.09	-	-
Total financial liabilities		**22,951.36**	**-**	**-**	**21,724.47**	**-**	**-**

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for the year ended 31 March 2022

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

43 Financial instrument and risk review (Contd.)

(iii) Fair value hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Particulars	As at 31 March 2022			As at 31 March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets- measured at fair value						
Financial investment at FVTPL						
- Forward contract	-	28.05	-	-	160.09	-
- Quoted mutual fund	7.21	-	-	7.72	-	-
	7.21	**28.05**	**-**	**7.72**	**160.09**	**-**

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

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: This hierarchy includes financial instruments for which inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) have been used.

Level 3: This hierarchy includes financial instruments for which inputs used are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the years ended 31 March 2022 and 31 March 2021.

Valuation techniques and significant unobservable inputs:

Financial instruments measured at fair value

Type	Valuation technique
Mutual funds	Quoted closing NAV as at the reporting period

Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at 31 March 2022			As at 31 March 2021		
	Level	Carrying Value	Fair Value	Level	Carrying Value	Fair Value
Financial assets						
Loans	Level 3	68.56	68.56	Level 3	73.49	73.49
Trade receivables	Level 3	6,149.82	6,149.82	Level 3	6,329.52	6,329.52
Cash and cash equivalents	Level 3	134.76	134.76	Level 3	209.07	209.07
Other bank balances	Level 3	260.41	260.41	Level 3	213.54	213.54
Other financial assets	Level 3	649.98	649.98	Level 3	802.01	802.01
Total financial assets		**7,263.53**	**7,263.53**		**7,627.63**	**7,627.63**
Financial liabilities						
Borrowings	Level 3	19,623.22	19,623.22	Level 3	18,104.97	18,104.97
Trade payables	Level 3	1,873.89	1,873.89	Level 3	2,696.41	2,696.41
Other financial liabilities	Level 3	1,454.25	1,454.25	Level 3	923.09	923.09
Total financial liabilities		**22,951.36**	**22,951.36**		**21,724.47**	**21,724.47**

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

43 Financial instrument and risk review (Contd.)

The carrying amounts of short-term trade and other receivables, trade payables, cash and cash equivalents, other bank balances, other financial liabilities and other financial assets are considered to be the same as their fair values, due to their short-term nature.

In respect of other long-term financial assets/liabilities stated above as measured at amortised cost, their carrying values are not considered to be materially different from their fair values.

(B) Financial risk management

In the course of its business, the Group is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Group is not engaged in speculative treasury activities but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks."

(i) Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Group is exposed to credit risk from trade receivables, cash and cash equivalents, short term investments, loans and advances and derivative financial instruments.

Trade receivables

The Group primarily sells cast metal components to selected customers comprising mainly in engineering industry in India and outside India. The Group extends credits to customers in normal course of the business. The Group considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Group monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets.

Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Group has a policy of accepting only credit worthy counter parties and defines credit limits for the customer which are reviewed periodically.

The Group does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Group to the counterparty."

Cash and cash equivalents and deposits with bank

The Group considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally the balances are maintained with the institutions with which the Group has also availed borrowings. The Group does not maintain significant deposit balances other than those required for its day to day operations. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Loans and advances

The Group provides loans to its employees and furnishes security deposits to various parties for electricity, communication, etc. The Group considers that its loans have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations or its own employees from whom the risk of default is low.

Investments

The Group has invested in quoted equity instruments and mutual funds. The management actively monitors the performance of the funds which affect investments. The Group does not expect the counterparty to fail to meet its obligations, and has not experienced any significant impairment losses in respect of any of the investments.

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for the year ended 31 March 2022

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43 Financial instrument and risk review (Contd.)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date are:

Particulars	As at 31 March 2022	As at 31 March 2021
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Other non-current financial assets	189.42	148.57
Investments	7.21	7.72
Cash and cash equivalents	134.76	209.07
Other bank balances	260.41	213.54
Current loans	68.56	73.49
Other current financial assets	488.60	813.53
	1,148.96	**1,465.92**
Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)		
Trade receivables	6,149.82	6,329.52
	6,149.82	**6,329.52**

Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The Group has customers with strong capacity to meet the obligations and therefore the risk of default is negligible in respect of outstanding from customers. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectable in full. However, the Group has recognised allowance for expected credit loss on the basis of its assessment of the credit loss from the past trend available with the Group.

Movement in the provision for expected credit loss

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	25.60	15.38
Add: Allowance provided during the year	-	10.22
Balance at the end of the year	**25.60**	**25.60**

Trade Receivables ageing schedule as at 31st March,2022

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3,998.85	1,734.46	331.52	84.99	-	-	6,149.82
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	2.06	13.99	6.54	22.59
Sub total	3,998.85	1,734.46	331.52	87.05	13.99	6.54	6,172.41
Less: Allowance for bad and doubtful debts							22.59
Total							**6,149.82**

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

43 Financial instrument and risk review (Contd.)

Trade Receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	147.73	5,996.99	112.71	62.87	9.22	-	6,329.52
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	16.89	8.71	25.60
Sub total	147.73	5,996.99	112.71	62.87	26.11	8.71	6,355.12
Less: Allowance for bad and doubtful debts							25.60
Total							**6,329.52**

(ii) Liquidity risk

Liquidity risk reflects the risk that the Group will have insufficient resources to meet its financial liabilities as they fall due. The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, cash and cash equivalents and the cash flow that is generated from operations to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits. As at 31 March 2022, the Group had a working capital of ₹ 1567.96 Lakh including cash and cash equivalents of ₹ 134.76 Lakh. As at 31 March 2021, the Group had a working capital of ₹ 1,556.26 Lakh including cash and cash equivalents of ₹ 209.07 Lakh.

(a) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2022	As at 31 March 2021
Non- derivative financial liabilities		
Floating rate borrowings		
- Expiring within one year (bank overdraft and other facilities)	771.78	124.68
- Expiring beyond one year (term loan)	-	695.00
	771.78	**819.68**

(b) Maturities of financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, based on contractual undiscounted cash flows:

As at 31 March 2022

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Non current borrowings	-	9,236.81	129.27	9,366.08
Current borrowings				
- Current maturities of Term Loans	2,298.79	-	-	2,298.79
- Working capital loans	6,939.03	-	-	6,939.03
- Bill discounted	1,019.32	-	-	1,019.32
Trade payables	1,873.89	-	-	1,873.89

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

43 Financial instrument and risk review (Contd.)

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest accrued but not due	118.80	-	-	118.80
Creditors for capital goods	400.13	-	-	400.13
Employee related payable	305.03	-	-	305.03
Other payables non-current	-	7.50	-	7.50
TDDP Grant a/c	130.00	390.00	-	520.00
Other payables	197.15	-	-	197.15
	13,282.14	**9,634.31**	**129.27**	**23,045.72**

As at 31 March 2021

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Non current borrowings	-	8,347.17	1,051.06	9,398.23
Current borrowings				
- Current maturities of Term Loans	1,533.84	-	-	1,533.84
- Working capital loans	7,172.90	-	-	7,172.90
Trade payables	2,696.41	-	-	2,696.41
Interest accrued but not due	120.65	-	-	120.65
Other payables-non current	-	7.50	-	7.50
Other payables-current	794.94	-	-	794.94
	12,318.74	**8,354.67**	**1,051.06**	**21,724.47**

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group. The Group exports finished goods which are denominated in the currency other than the functional currency of the Group which exposes it to foreign currency risk. In order to minimise the risk, the Group executes forward contracts w.r.t sale made in currency other than functional currency."

(a) Currency risk

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuation arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. Exchange rate exposures are managed within approved policy parameters utilising foreign exchange forward contracts.

Particulars	Currency	In foreign currency		In ₹	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Financial assets(Gross)*					
Trade receivables	USD	23.78	27.20	1782.89	1971.67
	EURO	38.74	27.65	3219.15	2339.43
	GBP	2.03	2.84	198.31	282.08
	JPY	0.06	-	0.03	-

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for the year ended 31 March 2022

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43 Financial instrument and risk review (Contd.)

Particulars	Currency	In foreign currency		In ₹	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Financial liabilities(Gross)*					
Letter of credit	JPY	(423.32)	(427.69)	(266.35)	(288.26)
Trade payables	USD	(0.02)	(0.20)	(1.84)	(15.02)
	EURO	(0.03)	(0.03)	(2.65)	(2.69)
	GBP	(0.06)	(0.19)	(6.25)	(19.14)
	JPY	(0.06)	(0.76)	(0.04)	(0.51)
Capital creditors	USD	(1.06)	(1.08)	(81.41)	(80.16)
	GBP	-	(0.36)	-	(37.11)
Foreign currency derivative contracts (Sell foreign currency-Forward contracts)	USD	37.00	5.50	2773.89	398.75
	EURO	-	46.50	-	3,934.37
	GBP	-	8.00	-	794.64
Net Foreign curreny receivable/(payable)**	USD	-	20.41	-	1477.74
	EURO	38.71	-	3216.50	-
	GBP	1.97	-	192.06	-
	JPY	(423.32)	(428.45)	(266.35)	(288.77)

* The amounts disclosed are gross of the exposure covered through forward contracts.

** The amounts disclosed are nett-of the exposure covered through forward contracts.

Sensitivity analysis

The following table demonstrates the sensitivity of profit and equity in USD, EURO, JPY and GBP to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities are given below:

Particulars	Change in currency exchange rate	Effect on profit before tax	
		As at 31 March 2022	As at 31 March 2021
USD	5%	-	73.89
	(5%)	-	(73.89)
EURO	5%	160.83	-
	(5%)	(160.83)	-
JPY	5%	(13.32)	(14.44)
	(5%)	13.32	14.44
GBP	5%	9.60	-
	(5%)	(9.60)	-

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

43 Financial instrument and risk review (Contd.)

(b) Interest rate risk

The Group is exposed to interest rate risk arising mainly from non-current and current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Group's interest-bearing financial liabilities is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate instruments		
Term loan from banks	10,781.07	9,967.82
Vehicle loan	117.35	121.99
Term loans from financial institutions	250.20	307.04
Working capital loan	6,939.03	7,172.90
Letter of credit	516.25	535.22
Fixed rate instruments		
Bill discounted	1,019.32	-
Total	**19,623.22**	**18,104.97**

Sensitivity analysis

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the interest rates is given below :

Particulars	Change in interest rate	Effect on profit before tax	
		As at 31 March 2022	As at 31 March 2021
Borrowings	50 bp	(98.12)	(90.52)
	(50) bp	98.12	90.52

(c) Price risk

Group's exposure to price risk arises from mutual funds and classified in the balance sheet either as fair value through OCI or at fair value through profit and loss.

To manage the price risk from quoted investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity analysis

Group's major quoted investment consists of investment in mutual funds which are measured at fair value through profit and loss. Investments made by the mutual fund includes investment in diversified instruments of Companies included in the market index.

The table below summarises the impact of sensitivity in the market index on the Group's profit for the year with all other variables held constant and the investment moved in line with the index.

Particulars	Change in market index	Effect on profit before tax	
		As at 31 March 2022	As at 31 March 2021
Investment in mutual fund	5%	0.36	0.39
	(5%)	(0.36)	(0.39)

Profit for the period would increase/decrease as a result of gain/loss on investment classified as at fair value through profit and loss.

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for the year ended 31 March 2022

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

44 Employee benefits

(i) Defined benefit plan

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Group makes contribution to recognised funds in India i.e. Life Insurance Corporation of India and Group Gratuity scheme.

Risk exposure:

(a) Discount rate: A decrease in discount rate in subsequent valuations can increase the plan's liability.

(b) Mortality rate: Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(c) Investment risk: In case of funded plans, actual investment return on planned assets lower than the discount rate assumed at the last valuation date can impact the liability.

(d) Attrition: Actual withdrawals proving higher or lower than assumed withdrawals at subsequent valuations can impact plan's liability.

Details of the Group defined benefit plans are as follows:

A. Changes in the present value of obligations

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of the obligation at the beginning of the year	478.31	521.29
Recognised in profit and loss		
- Interest cost	34.68	52.25
- Current service cost	38.21	49.06
Recognised in other comprehensive income		
Remeasurement gains / (losses)		
- Actuarial (gain)/loss from changes in financial adjustments and experience adjustments	(4.68)	(36.44)
Benefits paid	(32.82)	(107.85)
Present value of the obligation at the end of the year	**513.70**	**478.31**

B. Changes in the fair value of planned assets:

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value of plan assets at the beginning of the year	460.31	494.82
Expected return on plan assets	33.42	34.64
Contributions	25.73	42.70
Benefits paid	(32.82)	(107.85)
Actuarial gain/(loss) on plan assets	(5.33)	(4.00)
Fair value of plan asset at the end of the year	**481.31**	**460.31**

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44 Employee benefits (Contd.)

C. Net asset/(liability) recognised in the balance sheet

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of the obligation at the end of the year	513.70	478.31
Fair value of plan assets at end of year	481.31	460.31
Net liability/(asset) recognised in balance sheet (refer note 23)	**32.39**	**18.00**

D. Expenses recognised in profit and loss

Particulars	For the year ended	
	31 March 2022	31 March 2021
Interest cost	34.68	52.25
Current service cost	38.21	49.06
Expected return on plan asset	(33.42)	(34.64)
Amount recognised in profit and loss (refer note 34)	**39.47**	**66.67**

E. Expenses recognised in other comprehensive income

Particulars	For the year ended	
	31 March 2022	31 March 2021
Actuarial (gain)/loss on obligation	(4.68)	(36.44)
Actuarial (gain)/loss on plan assets	5.33	4.00
	0.65	**(32.44)**

F. Major category of plan asset as a % of total plan assets

Category of asset (% allocation)	As at 31 March 2022		As at 31 March 2021	
	(%)	Amount	(%)	Amount
Insurance policies	100	481.31	100	460.31

G. Actuarial assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	7.25%	7.00%
Expected rate of return	7.25%	7.00%
Salary growth rate	6.00%	6.00%
Withdrawal rate (per annum)		
18 - 30 years	5.00%	5.00%
31 - 44 years	3.00%	3.00%
45 - 58 years	2.00%	2.00%
Normal retirement age (years)	58	58
Mortality	IALM 2012-14	IALM 2012-14

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

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for the year ended 31 March 2022

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44 Employee benefits (Contd.)

H. Sensitivity analysis

Category of asset (% allocation)	As at 31 March 2022 Change in assumption	As at 31 March 2022 Effect on obligation	As at 31 March 2021 Change in assumption	As at 31 March 2021 Effect on obligation
Discount rate	1.00%	(31.73)	1.00%	(34.20)
	(1.00%)	36.23	(1.00%)	39.25
Salary growth rate	1.00%	36.31	1.00%	39.25
	(1.00%)	(32.37)	(1.00%)	(34.80)
Withdrawal rate	1.00%	2.39	1.00%	1.97
	(1.00%)	(2.70)	(1.00%)	(2.24)

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the balance sheet."

I. Expected maturity profile of defined benefit obligation (undiscounted cash flows)

Period	31 March 2022	31 March 2021
Less than 1 year	42.65	32.31
Between 1-2 years	40.18	30.50
Between 2-5 years	98.66	78.87
Over 5 years	332.19	336.63

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (as at 31 March 2021 is 10 years). Expected contribution to defined benefit plans in the next year is ₹ 45.51 Lakh (31 March 2021: ₹ 42.18 Lakh)."

(ii) Other long-term benefits

(A) Compensated absences- unfunded

Period	As at 31 March 2022	As at 31 March 2021
Amounts recognised in balance sheet		
Current (refer note 23)	12.29	11.76
Non-current (refer note 23)	75.88	72.14
	88.17	**83.90**

(iii) Defined contribution plan

The Group makes fixed contribution towards Employee provident fund and Employee state insurance(ESI) to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. Similarly, the contribution is made in ESI at a specified percentage of payroll cost. The Group recognised ₹ 114.88 Lakh (31 March 2021: ₹ 128.37 Lakh) in respect of provident fund contributions and ESI contribution in the Statement of Profit and Loss and included in ""Employee benefits expense"" in note 34. The contribution payable to these plans by the Group is at rates specified in the rules of the schemes.

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45 Leases

Group as a lessee

The Group has entered into operating leases for its guest houses and employees' residences that are renewable on a periodic basis and are cancellable at Group option. Total lease payments recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 23.55 Lakh (31 March 2021: ₹ 23.79 Lakh)

A The following are amounts recognised in profit or loss:

Particulars	31 March 2022	31 March 2021
Depreciation expense of right-of-use assets	-	-
Interest expense on lease liabilities	-	-
Rent expense*	23.55	23.79
Total	**23.55**	**23.79**

*Rent expense in case of short term leases

B Total cash outflow for leases for the year ended 31 March 2022 was ₹ 23.55 Lakh (31 March 2021: ₹ 23.79 Lakh) .

C The Group does not have any liability to make variable lease payments.

D The Group has not sublet any of the assets.

E The Group has not entered into any sale and leaseback transactions

F The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset	Carrying amount as at 31 March 2021	Additions during the year	Carrying amount as at 31 March 2022
Nil	-	-	-

Group as a lessor

The Group has entered into operating leases for part of its premises at Plant 1, Lucknow; that is renewable and is cancellable at either party's option. Total lease receipts recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 45.00 Lakh (31 March 2021: ₹ 42.64 Lakh).

46 Contingent liabilities and commitments

(i) Capital commitment:

Period	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	50.31	62.03

(ii) Contingent liabilities

Guarantees excluding financial guarantees:

Period	As at 31 March 2022	As at 31 March 2021
In respect of non fund-based working capital facilities from banks:		
- Bank guarantees	1294.49	1,060.77
- Letter of credit	0.00	307.22
Other contingent liabilities		
Disputed amounts for sales tax and entry tax [gross of amount paid under protest amounting to ₹ .83 Lakh]*	0.83	10.28
Disputed amounts for goods and service tax [gross of amount paid under protest amounting to ₹ 14.89 Lakh]*	16.59	16.59

*In respect of the above matters pending at various authorities (GST cases are pending at appellate authority & sales tax case is pending at sales tax tribunal) represents the demands received under the respective demand / show cause notices / legal claims, wherever applicable. Based on management assessment, the group believes that it has a good chance of success in all the above mentioned cases

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47 Segment information

The Chairman and Managing Director has been identified as the Chief Operating Decision Maker ('CODM') as they monitors the results for the purpose of making decisions about resource allocation and performance assessment and responsible for all major decisions w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisitions, and expansion of new facility. Accordingly, there is only one reportable segment for the Group which is ""Engineering and allied activities"", hence no specific disclosures have been made.

Entity wide disclosures:

(a) Information about products and services

The Group is engaged in the business of manufacturing and selling of high precision metal castings. Group operates in one product line, therefore product wise revenue disclosure is not applicable.

(b) Information about geographical area

The Group's sales to its customers includes sales to customers which are domiciled in India and outside India. Below is the details of Group's revenue from customers domiciled in India and outside India:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from external customers		
- domiciled in India	3,350.68	3,488.23
- domiciled outside India	14,284.46	12,278.59
	17,635.14	**15,766.82**

(c) Information about major customers

Revenues of ₹ 2454.48 Lakh, ₹ 2396.43 Lakh and ₹ 1447.93 Lakh (31 March 2021: ₹ 2016.39 Lakh, ₹ 1992.81 Lakh and ₹ 1417.95 Lakh) are derived from three external customers.

48 Related party disclosures

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 “Related Party Disclosures”, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

(i) Name of the related parties and description of relationship:

Relationship	Name of related party
Entities controlled by KMPs and/or their relatives	PTC Foundation
	Sachin Agarwal HUF
Key Management Personnel ("KMP")	Mr. Sachin Agarwal, Chairman and Managing Director
	Mr. Priya Ranjan Agarwal , Director
	Mr. Alok Agarwal, Director
	Mr. Ashok Kumar Shukla, Director
	Mrs. Smita Agarwal, Chief Financial Officer and Women Director
	Mr. Brij Lal Gupta, Independent Director
	Mr. Ajay Kashyap, Independent Director
	Mr. Rakesh Chandra Katiyar, Independent Director
	Mr. Krishna Das Gupta, Independent Director
	Mr. Vishal Mehrotra, Independent Director
	Mrs. Pragati Gupta Agarwal, Company Secretary
Relatives of Key Management Personnel	Ms. Kanchan Agarwal
	Mrs. Anshoo Agarwal
	Mrs. Reena Agarwal
	Mrs. Sangita Shukla

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

48 Related party disclosures (Contd.)

(ii) Disclosure of related parties transactions#:

Particulars	For the year ended 31 March 2022			For the year ended 31 March 2021		
	Enterprises controlled by KMP/ relatives	Key management personnel (KMP)	Relatives of KMPs	Enterprises controlled by KMP/ relatives	Key management personnel (KMP)	Relatives of KMPs
Transactions during the year						
1. Rent paid	-	-	9.00	-	-	9.00
2. Corporate social responsibility expenses	-	-	-	21.21	-	-
Amounts paid during the year to KMP's and relatives of KMP's						
1. Managerial remuneration *	-	325.85	-	-	318.21	-
2. Salary and allowances	-	-	46.28	-	-	45.79
3. Sitting fees to independent directors	-	2.93	-	-	2.55	-

* Exclusive of provision for future liability in respect of gratuity and leave encashment which is based on actuarial valuation done on group as a whole.

#All the transactions with the related party are at Arm's length price.

(iii) Balance outstanding at the year end:

Period	As at 31 March 2022	As at 31 March 2021
Outstanding balance (Amount payable)		
Key management personnel		
Managerial remuneration	35.01	72.07
Relative of KMP's		
Salary and allowances	10.17	3.86
Rent	0.68	0.68
Entities controlled by KMPs and/or their relatives		
Amount recoverable on sale of property	35.00	35.00

(iv) Compensation to Key Managerial Personnel (KMP)

The details of compensation to the members of key managerial personnel during the year was as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Short-term employee benefits (refer note a)	316.15	309.60
Post-employment benefits		
- Defined contribution plan (refer note b)	12.63	11.16
- Defined benefit plan	*refer note (c)	*refer note (c)
- Other long-term benefits	*refer note (c)	*refer note (c)
	328.78	**320.76**

Note (a) Includes salary, commission, sitting fees and any other perquisites on accrual basis.

Note (b) Including contribution to provident fund and any other benefit

Note (c) As the liability for gratuity and leave encashment are provided on actuarial basis for the Group as a whole, amounts accrued pertaining to key managerial personnel are not included above.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

49 Assets pledged as security:

Period	As at 31 March 2022	As at 31 March 2021
Non-current borrowings:		
Equitable mortgage		
Land	1,254.25	1,202.62
Building	3,891.05	3,769.29
First charge		
Other movable property, plant and equipment	16,711.25	14,689.75
	21,856.55	**19,661.66**
Current borrowings:		
First charge		
Current assets*	15,280.73	13,862.44
Second charge		
Land	1,254.25	1,202.62
Building	3,891.05	3,769.29
Other movable property, plant and equipment	16,711.25	14,689.75
	37,137.28	**33,524.10**
	58,993.83	**53,185.76**

*The quarterly returns or statements of current assets filed with banks or financial institutions are in agreement with the books of accounts.

50 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

i) Identify the contract(s) with customer;

ii) Identify separate performance obligations in the contract;

iii) Determine the transaction price;

iv) Allocate the transaction price to the performance obligations; and

v) Recognise revenue when a performance obligation is satisfied

a) Disaggregation of revenue

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Revenue from operations	31-Mar-22			31-Mar-21		
	Goods	Other operating revenues	Total	Goods	Other operating revenues	Total
Revenue by geography						
Domestic	3,350.68	39.00	3,389.69	3,488.23	42.80	3,531.03
Export	14,284.46	221.34	14,505.79	12,278.59	525.37	12,803.96
Total	**17,635.14**	**260.34**	**17,895.48**	**15,766.82**	**568.17**	**16,334.99**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

50 Revenue from Contracts with Customers (Contd.)

b) Assets and liabilities related to contracts with customers

Particulars	31-Mar-22		31-Mar-21	
	Non Current	Current	Non Current	Current
Trade receivables	-	6,149.82	-	6,329.52
Advance from customers	-	325.47	-	93.72
Total	**-**	**6,475.29**	**-**	**6,423.24**

51 Particulars of investments made/guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013:

Name	Nature	Amount outstanding as at 31 March 2022	Amount outstanding as at 31 March 2021	Rate of interest (p.a.)	Purpose for which the loan/security/ guarantee is utilized
Aerolloy Technologies Limited	Guarantee	-	215.52	11.00%	Capital Expenditure

52 Key Financial Ratios

Particulars	Formula	2021-22	2020-21	Percentage Change	Reasons where change more than 25%
(i) Debtors Turnover	Net Credit Sales/ Average Account Receivable	1.92	1.92	0.30%	
(ii) Inventory Turnover	Cost of goods sold/ Average Inventory	2.56	2.71	-5.55%	
(iii) Interest Coverage Ratio*	EBITDA/ Total Interest	3.53	3.21	9.97%	
(iv) Current Ratio	Current Asset/ Current Liability	1.1	1.12	-0.92%	
(v) Debt Equity Ratio	Total Liability/ Shareholders fund	1.16	1.17	-0.13%	
(vi) Operating Profit Margin*** (%)	Operating Profit/ Total Sales Revenue	17.98	15.75	14.20%	
(vii) Net Profit Margin (%)	Net Income/ Total Sales Revenue	7.16	2.67	168.53%	Due to increase in defense business having higher operational profit and due to effective utilisation of material, manpower and resources.
(viii) Debt Service Coverage Ratio**	EBITDA/ Total Interest+Principal	1.66	1.78	-6.61%	
(ix) Return on Equity Ratio (%)	EBIT/Capital employed	19.18	16.65	15.18%	
(x) Net Capital turnover ratio	Revenue from operation/ Total Current assets-total current liabilities	11.41	10.50	8.74%	
(xi) Creditor turnover ratio	Purchase of materials & stock-in-trade/Average trade payables	2.38	1.51	57.23%	Higher purchase of materials and stock-in-trade by 32% due to increase in sales level

*EBIT= Earning before Interest and tax

**EBITDA= Earning before Interest Tax Depreciation and amortization

***Operating Profit=Revenue-Cost of goods sold-Operating expenses-Depreciation and Amortization

*** Capital employed = Tangible net worth*+deferred tax liabilities

*Tangible net worth= Total equity-intangible assets

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

53 Share based payments

(a) Scheme details

The Group had adopted 'PTC Employees Stock Option Scheme 2019 ('Plan') in shareholders Annual General Meeting on September 28, 2019, and obtained an in-principal approval from BSE limited on 7 September 2021. The Compensation Committee (Nomination & Remuneration Committee) at its meeting held on September 15, 2021, had approved grant of 10,965 Stock Options (convertible into 10,965 Equity shares of the Group, upon exercise) to certain Eligible Employees in terms of the Plan. Vesting will be made in maximum of four years (FY 2023 to FY 2026), after the statutory period of one year from the date of grant of option. During the year, the group has recognized stock option expense of ₹ 43,20,587.

Particulars	Number of options outstanding	Grant date	Vesting date	Exercise period	Exercise price	Fair value on grant date
Category A	4,075	15-Sep-21	15-Oct-23	1 Month from the date of vesting	990.00	1,877.21
	4,075	15-Sep-21	15-Oct-24		990.00	1,962.69
Category B	513	15-Sep-21	15-Oct-23	1 Month from the date of vesting	990.00	1,877.21
	513	15-Sep-21	15-Oct-24		990.00	1,962.69
	1,001	15-Sep-21	15-Oct-25		990.00	2,053.37
Category C	132	15-Sep-21	15-Oct-23	1 Month from the date of vesting	990.00	1,877.21
	132	15-Sep-21	15-Oct-24		990.00	1,962.69
	262	15-Sep-21	15-Oct-25		990.00	2,053.37
	262	15-Sep-21	14-Sep-26		990.00	2,143.90

(b) Compensation expenses arising on account of the share based payments

Period	31 March 2022	31 March 2021
Expenses arising from equity – settled share-based payment transactions	43.21	-
Total	**43.21**	**-**

(c) Fair value on the grant date

The fair value at grant date is determined using "Black Scholes Pricing Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.The following inputs were used to determine the fair value for options granted on 15 September 2022.

Description	Vest 1	Vest 2	Vest 3	Vest 4
Number of options outstanding	4,720.00	4,720.00	1,263.00	262.00
Grant date	15-Sep-21	15-Sep-21	15-Sep-21	15-Sep-21
Financial year of vesting	2023-24	2024-25	2025-26	2026-27
Share price on grant date (in ₹)	2,755.95	2,755.95	2,755.95	2,755.95
Expected life (in years)	2.1	3.1	4.1	5
Price volatility of company's share *	60.36%	59.18%	60.51%	62.85%
Risk free interest rate	4.39%	4.88%	5.28%	5.61%
Exercise price (in ₹)	990.00	990.00	990.00	990.00
Dividend yield	0.00%	0.00%	0.00%	0.00%
Fair value of option (in ₹)	1,877.21	1,962.69	2,053.37	2,143.90

* The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on BSE over these years.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

53 Share based payments (Contd.)

(d) Fair value on the grant date

Description	Number of options	Weighted average exercise price
Outstanding as on 01 April 2021	-	-
Options granted during the year	10,965	990.00
Options forfeited/lapsed/expired during the year	-	-
Options exercised during the year	-	-
Options outstanding as at 31 March 2022 ^#	10,965	990.00
Exercisable at the end of the period.	-	-

^ The weighted average remaining contractual life of the share options outstanding at the end of year is 2.27 years.

The weighted average fair value of share options outstanding at the end of year is ₹ 1,940.64 per share option.

54 Group Information

The Parent's subsidiary at 31 March 2022 and 31 March 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Parent, and the proportion of ownership interests held equals the voting rights held by the Parent. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal activities	Country of Incorporation	Ownership interest held by the Group		Ownership interest held by Non-controlling interest	
			31 March 2022 %	31 March 2021 %	31 March 2022 %	31 March 2021 %
Aerolloy Technologies Limited	Manufacture of Metal and Components for critical and super critical applications	India	100	100	-	-

55 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

As on 31st March 2022

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹)	As % of Consolidated Profit & Loss	Amount (₹)	As % of Consolidated other comprehensive income	Amount (₹)	As % of Consolidated net assets	Amount (₹)
Parent								
PTC Industries Limited	98.05%	16,522.75	74.12%	949.65	334.69%	-1.64	74.02%	948.01
Subsidiary								
Aerolloy Technologies Limited	14.95%	2,518.93	25.84%	330.99	-261.22%	1.28	25.95%	332.27
Add/(Less) : Intra group eliminations	-12.99%	(2,189.9)	0.04%	0.51	26.53%	(0.13)	0.03%	0.39
Total		**16,852.19**		**1,281.15**		**(0.49)**		**1,280.66**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

55 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.(Contd.)

As on 31st March 2021

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹)	As % of Consolidated Profit & Loss	Amount (₹)	As % of Consolidated other comprehensive income	Amount (₹)	As % of Consolidated net assets	Amount (₹)
Parent								
PTC Industries Limited	100.02%	15,531.53	100.74%	438.70	100%	24.28	100.70%	462.98
Subsidiary								
Aerolloy Technologies Limited	5.37%	834.25	-0.74%	(3.21)	0.00%	0	-0.70%	(3.21)
Add/(Less) : Intra group eliminations	-5.39%	(837.46)	-	-	-	-	-	-
Total		**15,528.32**		**435.49**		**24.28**		**459.77**

56 (a) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Group has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

57 The Code on Social Security, 2020 ('Code') relating to employee benefits, during employment and post-employment benefits, has received the Presidential assent in September 2020. This Code has been published in the Gazette of India. However, the effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. The Group will evaluate the impact of the Code and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

58 The Group had received a grant in September 2011 with some conditions. During the year, the Group has received request from National Research Development Corporation for the repayment of the original amount of grant along with Royalty of 26% of original grant amount. The Group has computed present value of grant and royalty liability and the difference between carrying value of grant and present value has been charged to profit and loss account and disclosed as Exceptional Items.

59 Consequent to the outbreak of Covid-19 pandemic, the Indian government had announced lockdown in March 2020 and subsequently, the lockdown was lifted by the government in a phased manner. However, the second wave of Covid-19 in April 2021 has significantly increased the number of Covid cases in India, resulting in re-imposition of localised lockdowns / restrictions in various states. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of these consolidated financial results and believes that the impact of Covid-19 is not material to these consolidated financial results and expects to recover the carrying amount of its assets. The impact of Covid-19 on the consolidated financial results may differ from that estimated as at the date of approval of these consolidated financial results owing to the nature and duration of Covid-19.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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

60 Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1 April 2021.

For Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/N500013)

Sandeep Mehta
Partner
Membership No. 099410

Place: Chandigarh
Date: 28 May 2022

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

Alok Agarwal
Director (Quality & Technical)
DIN No. : 00129260

Smita Agarwal
Director and Chief Financial Officer
DIN No. : 00276903

Pragati Gupta Agarwal
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 28 May 2022

Notes to the Financial Statements
for the year ended 31 March 2022

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

Five Years at a Glance

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Revenue from Operations (Net)	17,893.51	16,334.99	16,812.69	15,124.80	10,106.78
Earnings Before Interest, Depreciation, Exceptional Items & Taxes	**4,413.05**	**4,014.08**	**3,549.98**	**2,835.02**	**1,827.26**
Finance Costs	1,505.52	1,343.26	1,138.93	921.36	401.53
Depreciation	1,453.93	1,438.35	1,021.23	909.42	576.68
Profit Before Tax	**1,296.82**	**1,232.48**	**1,389.82**	**942.43**	**849.05**
Taxes, Net of Mat Credit Entitlement	347.16	793.76	339.23	-149.11	105.04
Net Profit	**949.65**	**438.72**	**1,050.59**	**1,091.54**	**744.01**
Share Capital	523.91	523.91	523.91	523.91	523.91
Reserve & Surplus	15,998.84	15,007.62	14,544.64	13,515.71	12,427.97
Net Worth	**16,522.75**	**15,531.53**	**15,068.55**	**14,039.62**	**12,951.88**
Earnings Per Share	**18.13**	**8.37**	**20.05**	**20.83**	**14.20**
Book Value (₹)	**315.38**	**296.46**	**287.62**	**267.98**	**247.22**
Total Outside Liabilities/ Tangible Net Worth	1.51	1.53	1.35	1.42	1.39
Current Assets/Current Liabilities	1.09	1.11	1.07	0.98	1.01
Operating Profit Margin	24.66%	24.57%	21.11%	18.74%	18.08%
Net Profit Margin	5.31%	2.69%	6.25%	7.22%	7.36%

Notice of the Annual General Meeting

Notice is hereby given that the 59th Annual General Meeting of the members of PTC Industries Limited will be held on Friday, the 30th day of September 2022 at 03.00 P.M through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility to transact following business: to transact the following businesses:

ORDINARY BUSINESS

To consider and, if thought fit, to pass, the following resolutions, as an Ordinary Resolution:

1. **To consider and adopt (a) the audited financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors' and Auditors' thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of the Auditors thereon and in this regard and if thought fit, to pass, the following resolutions as an Ordinary Resolutions:**

   (a) **"RESOLVED THAT**, the audited standalone financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors' and Auditors' thereon laid before this meeting, be and are hereby considered and adopted."

   (b) **"RESOLVED FURTHER THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of the Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. **To appoint a director in place of Ms. Smita Agarwal, who retires by rotation and being eligible, offers himself for re-appointment and if thought fit, to pass, the following resolutions as an Ordinary Resolutions:**

   "RESOLVED THAT Ms. Smita Agarwal (DIN: 00276903), who retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and being eligible, be and is hereby re-appointed as director of the Company and is liable to retire by rotation."

SPECIAL BUSINESS

3. **Re-appointments of Mr. Sachin Agarwal as Chairman and Managing Director**

   "RESOLVED THAT, pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as 'the Act') and rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, and subject to the approval of such other authorities including Central Government, as may be required, consent of the shareholders of the Company, be and is hereby accorded to the re-appointment of Mr. Sachin Agarwal (DIN- 00142885) as the Chairman & Managing Director of the Company for a period of five (5) years with effect from October 01, 2022 till September 30, 2027 on the terms and conditions as set out in the explanatory statement.

   "RESOLVED FURTHER THAT, in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the period of appointment, the Chairman & Managing Director shall be paid the remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force and as may be agreed to by and between the Board and the Chairman & Managing Director."

   RESOLVED FURTHER THAT approval of the shareholders be and is hereby accorded for payment of remuneration as set out above for any financial year during the tenure of his office (i) notwithstanding inadequacy of profits or loss in the respective financial year; or (ii) even if the above payment or aggregate managerial remuneration of Executive Directors or aggregate managerial remuneration of all directors exceeds the limits as specified in Section 197(1) of the Companies Act, 2013 and / or the second proviso thereunder; or (iii) even if the above payment exceeds the limits specified in Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   "RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Chairman & Managing Director in accordance with the provisions of the Act and rules made there under and to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be necessary, proper or expedient and for matters concerned therewith or incidental thereto for the purpose of giving effect to this resolution."

   RESOLVED FURTHER THAT Mr. Alok Agarwal, Director (Quality & Technical), Mrs. Pragati Gupta Agarwal, Company Secretary and Ms. Smita Agarwal, Director & Chief Financial Officer of the company be and are hereby authorized severally to file, requisite forms and other documents, with the Registrar of Companies (U.P.) and take such actions as may be necessary to give effect to this resolution."

4. **Re-appointment of Mr. Alok Agarwal as Director (Quality and Technical)**

   "RESOLVED THAT, pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as 'the Act') and rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, and subject to the approval of such other authorities including Central Government, as may be required, consent of the shareholders of the Company, be and is hereby accorded to the re-appointment of Mr. Alok Agarwal (DIN- 00129260) as the Director (Quality and Technical) of the Company for a period of five (5) years with effect from October 01, 2022 till September 30, 2027 on the terms and conditions as set out in the explanatory statement.

"RESOLVED FURTHER THAT, in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the three year period starting from the date of appointment, the Director shall be paid the remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force and as may be agreed to by and between the Board and the Director."

RESOLVED FURTHER THAT approval of the shareholders be and is hereby accorded for payment of remuneration as set out above for any financial year during the tenure of his office (i) notwithstanding inadequacy of profits or loss in the respective financial year; or (ii) even if the above payment or aggregate managerial remuneration of Executive Directors or aggregate managerial remuneration of all directors exceeds the limits as specified in Section 197(1) of the Companies Act, 2013 and / or the second proviso thereunder; or (iii) even if the above payment exceeds the limits specified in Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Director (Quality and Technical) in accordance with the provisions of the Act and rules made there under and to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be necessary, proper or expedient and for matters concerned therewith or incidental thereto for the purpose of giving effect to this resolution."

RESOLVED FURTHER THAT Mr. Sachin Agarwal, Chairman & Managing Director, Mrs. Pragati Gupta Agarwal, Company Secretary and Ms. Smita Agarwal, Director and Chief Financial Officer of the company be and are hereby authorized severally to file, requisite forms and other documents, with the Registrar of Companies (U.P.) and take such actions as may be necessary to give effect to this resolution."

5. **Re-appointment of Mr. Priya Ranjan Agarwal as Director (Marketing)**

"RESOLVED THAT, pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as 'the Act') and rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, and subject to the approval of the members of the Company, the appointment of Mr. Priya Ranjan Agarwal (DIN- 00129176) as the Director (Marketing) of the Company for a period of five (5) years with effect from October 01, 2022 till September 30, 2027 on the terms and conditions as set out in the explanatory statement, subject to the restrictions, if any, contained under the applicable provisions of the Act or otherwise as may be applicable in law as follows:

"RESOLVED FURTHER THAT, in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the three years period starting from the date of appointment, the Director shall be paid the remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force and as may be agreed to by and between the Board and the Director."

RESOLVED FURTHER THAT approval of the shareholders be and is hereby accorded for payment of remuneration as set out above for any financial year during the tenure of his office (i) notwithstanding inadequacy of profits or loss in the respective financial year; or (ii) even if the above payment or aggregate managerial remuneration of Executive Directors or aggregate managerial remuneration of all directors exceeds the limits as specified in Section 197(1) of the Companies Act, 2013 and / or the second proviso thereunder; or (iii) even if the above payment exceeds the limits specified in Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Director (Marketing) in accordance with the provisions of the Act and rules made there under and to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be necessary, proper or expedient and for matters concerned therewith or incidental thereto for the purpose of giving effect to this resolution."

RESOLVED FURTHER THAT Mr. Sachin Agarwal, Chairman & Managing Director, Mrs. Pragati Gupta Agarwal, Company Secretary and Ms. Smita Agarwal, Director and Chief Financial Officer of the company be and are hereby authorized severally to file, requisite forms and other documents, with the Registrar of Companies (U.P.) and take such actions as may be necessary to give effect to this resolution."

6. **Re-appointment of Mr. Ashok Kumar Shukla as whole Time Director**

"RESOLVED FURTHER THAT, pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as 'the Act') and rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, and subject to the approval of such other authorities including Central Government, as may be required, consent of the shareholders of the Company, be and is hereby accorded to the appointment of Mr. Ashok Kumar Shukla (DIN-08053171) as the Whole time Director of the Company for a period of five (5) years with effect from October 01, 2022 till September 30, 2027 on the terms and conditions as set out in the explanatory statement.

"RESOLVED FURTHER THAT, in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the three years period starting from the date of appointment, the Director shall be paid the remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force and as may be agreed to by and between the Board and the Director."

RESOLVED FURTHER THAT approval of the shareholders be and is hereby accorded for payment of remuneration as set out above for any financial year during the tenure of his office (i) notwithstanding inadequacy of profits or loss in the respective financial year; or (ii) even if the above payment or aggregate managerial remuneration of Executive Directors or aggregate managerial remuneration of all directors exceeds the limits as specified in Section 197(1) of the Companies Act, 2013 and / or the second proviso thereunder; or (iii) even if the above payment exceeds the limits specified in Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Shri Ashok Kumar Shukla in accordance with the provisions of the Act and rules made there under and to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be necessary, proper or expedient and for matters concerned therewith or incidental thereto for the purpose of giving effect to this resolution."

"RESOLVED FURTHER THAT Mr. Sachin Agarwal, Chairman & Managing Director, Mr. Alok Agarwal, Director (Technical and Quality), Ms. Smita Agarwal, Director and Chief Financial Officer and Mrs. Pragati Gupta Agarwal, Company Secretary of the company be and is hereby severally authorised to e-sign and file e-form DIR 12 and to take all such steps as may be necessary to give effect to this resolution."

7. **Re-appointment of Ms. Smita Agarwal, as Director and Chief Financial Officer**

"RESOLVED FURTHER THAT, pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as 'the Act') and rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, and subject to the approval of such other authorities including Central Government, as may be required, consent of the shareholders of the Company, be and is hereby accorded to the appointment of Ms. Smita Agarwal (DIN-00276903) as the Director and Chief Financial Officer Of the Company for a period of five (5) years with effect from October 01, 2022 till September 30, 2027 on the terms and conditions as set out in the explanatory statement.

"RESOLVED FURTHER THAT, in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the three years period starting from the date of appointment, the Director shall be paid the remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force and as may be agreed to by and between the Board and the Director."

RESOLVED FURTHER THAT approval of the shareholders be and is hereby accorded for payment of remuneration as set out above for any financial year during the tenure of his office (i) notwithstanding inadequacy of profits or loss in the respective financial year; or (ii) even if the above payment or aggregate managerial remuneration of Executive Directors or aggregate managerial remuneration of all directors exceeds the limits as specified in Section 197(1) of the Companies Act, 2013 and / or the second proviso thereunder; or (iii) even if the above payment exceeds the limits specified in Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Ms. Smita Agarwal in accordance with the provisions of the Act and rules made there under and to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be necessary, proper or expedient and for matters concerned therewith or incidental thereto for the purpose of giving effect to this resolution."

"RESOLVED FURTHER THAT Mr. Sachin Agarwal, Chairman & Managing Director, Mr. Alok Agarwal, Director (Technical and Quality), Ms. Smita Agarwal, Director and Chief Financial Officer and Mrs. Pragati Gupta Agarwal, Company Secretary of the company be and is hereby severally authorised to e-sign and file e-form DIR 12 and to take all such steps as may be necessary to give effect to this resolution."

8. **Appointment of Independent Woman Director**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ('Act'), if any, read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors), Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, and the Articles of Association of the Company, as well as based on the recommendation of the Nomination and Remuneration Committee, Ms. Prashuka Jain (DIN 06412915) who was appointed as an additional Director of the Company and who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director, be and is hereby appointed as a Woman Independent Director of the Company, not liable to retire by rotation, to hold office for the term of five years, i.e., from September 05, 2022 to September 04, 2027 (both days inclusive)."

9. **Increase in Borrowing Powers**

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

   "RESOLVED THAT in supersession to the resolution passed by the members of the Company in the 54th Annual General Meeting of the company held on September 27, 2017 and pursuant to the provisions of 180(1)(c) of the Companies Act, 2013, subject to such other provisions as may be applicable from time to time, the company be and is hereby authorized to borrow money by way of loan, debentures, bonds or other instruments, from time to time at its discretion either from the Company's bankers or from other banks, financial institutions or persons or foreign lender and/or any body corporate/ entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any committee which the Board may constitute to exercise its powers including the powers conferred by this resolution) on such terms and conditions as may be considered suitable by the Board for the business of the company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital and its free reserves i.e., reserves not set apart for any specific purpose provided that the outstanding aggregate borrowings of the company shall not exceed ₹ 350 crores (Rupees Three hundred and fifty Crores only)".

   "RESOLVED FURTHER THAT the board be and is hereby authorized to do, perform and execute all such acts, deeds and things and to settle all questions arising out of and incidental thereto, and to give such directions that may be necessary or which arise in regard to or in connection with any such matter as it may, in its absolute discretion, deem fit to give effect to this resolution".

10. **Creation of Charge for securing borrowings up to limit of ₹ 350 crores**

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

   "RESOLVED THAT in supersession to the resolution passed by the members in the 50th Annual General Meeting of the company held on 16th July, 2013 and pursuant to the provisions of 180(1)(a) of the Companies Act, 2013, the consent of the shareholders be and is hereby accorded to create charges and/or mortgage and/or hypothecation in addition to the existing charges and/or mortgage and/or hypothecation created by the Company on all the movable / immovable properties of the Company wherever situated, present or future, whether by first charge / mortgage or subsequent charges / mortgages, as the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any committee which the Board may constitute to exercise its powers including the powers conferred by this resolution) may direct together with power to take over the management / undertaking of the Company in certain events to or in favour of all or any of the financial institutions, bankers to the Company or other bankers, other bodies corporate and other lenders(hereinafter collectively referred to as "the Lending Agencies") and/or trustees for the holders of the debentures / bonds / other instruments to secure borrowings of Company by way of loan /issue of debentures / bonds / other instruments which may be issued on pari passu basis or otherwise not exceeding ₹ 350 crores (Rupees Three hundred and fifty crores only), which have been obtained or may be obtained from or privately placed with the lending agencies together with interest thereon at the agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses and all other monies payable by the Company, to the trustee under the trust deeds entered into or to be entered into by the company in respect of the said borrowings".

   "RESOLVED FURTHER THAT the mortgage / charge created / to be created and /or all agreement(s) / documents executed /to be executed and all acts done in terms of the above resolution by and all acts done in terms of the above resolution by and with the authority of the Board to be and hereby confirmed and ratified"

11. **To consider and approve Alteration of Article of Association (Special Resolution)**

   "RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the rules made thereunder, the consent of the shareholders be and is hereby accorded for altering the Articles of Association of the Company by way of deletion of the following clauses of the Articles of Association in conformity with the Companies Act, 2013 and rules made thereunder –

(i) Deleting the article 199 of Articles of Associations of the Company reading as under:

XXVIII. SEAL

199. (1) The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereto and the Directors shall provide for the safe custody of the seal for the time being. The seal of the Company shall never be used except by the authority of a resolution of the Board of Directors and in presence of one of Directors or such other persons as the Board may authorise who will sign in token thereof and countersigned by such officers or persons at the Directors may from time to time resolve.

(2) Any instrument bearing the Common Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

RESOLVED FURTHER THAT *Board of Directors of the Company be and are hereby severally authorized to file all the necessary forms and other necessary documents as may be required by the statutory authorities including the Registrar of Companies (ROC) and to do such acts, deeds and things as are necessary to give effect to the resolution."*

For PTC Industries Limited

Pragati Gupta Agrawal
Company Secretary and Compliance Officer

Date: September 05, 2022

General Instructions for Accessing and Participating in the 59th AGM through VC/OAVM Facility

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circular No.14/2020 dated April 8, 2022, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No.02/2021 dated January 13, 2021, No.21/2021 dated December 14, 2021and No.02/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars'). The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020 the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ptcil.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

(i) The voting period begins on September 27, 2022 at 09:00 AM and ends on September 29, 2022 at 05:00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 23, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method **for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form**.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(ii) After entering these details appropriately, click on "SUBMIT" tab.

(iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(viii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(x) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only**.

i. Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

iv. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

v. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

vi. Alternatively, non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; companysecretary@ptcil.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.

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

6. 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.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at companysecretary@ptcil.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at companysecretary@ptcil.com. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

By order of the Board for
PTC INDUSTRIES LIMITED

Place: Lucknow
Date: September 05, 2022

Pragati Gupta Agarwal
Company Secretary and Compliance Officer

EXPLANATORY STATEMENT UNDER SECTION 102

Item No. 3, 4, 5, 6, and 7:

The tenure of Mr. Sachin Agarwal as CMD, Mr. Alok Agarwal as Director (Quality & Technical), Mr. Priya Ranjan Agarwal as Director (Marketing), Mr. Ashok Kumar Shukla as Executive Director and Ms. Smita Agarwal as Director and CFO is expiring on 30th of September 2022.

The Chairman & Managing Director is responsible for implementation of the functions assigned by the Board from time to time, including but not limited to making recommendations to the Board with respect to the investments/disinvestments decisions, senior level appointments, retrenchments and increments, collaborations/joint ventures/ further capital issues, borrowings, appointment of internal auditors/statutory auditors/ other intermediaries as may be required under laws as applicable to the Company and to take all extraordinary decisions and undertake activities, which are necessary to run the day to day operations of the Company and to carry out other supervisory and regulatory functions, including delegation/assignment of duties in the manner as may be required from time to time. He is a promoter director holding 28,55,491 equity shares in the share capital of the Company.

Mr. Alok Agarwal, Director (Quality & Technical) is responsible for operations, engineering, quality, R&D and procurement activities of the Company. He is also responsible for undertaking activities as assigned to him by CMD/Board from time to time. He is a promoter director holding 5,51,799 equity shares in the share capital of the Company.

Mr. Priya Ranjan Agarwal, Director (Marketing) is responsible for marketing activities of the Company. He is also responsible for undertaking activities as assigned to him by CMD/Board from time to time. He is a promoter director holding 9,87,914 equity shares in the share capital of the Company.

Mr. A K Shukla is responsible for the management of day-to-day operations of the Mehsana Plant of the Company. In this regard, he looks after the implementation of the Company's business plan directives; framing of policy related to the Mehsana Plant; preparation of growth and action plans for this plant; and works on increasing production, asset capacity and flexibility, while minimizing unnecessary costs and maintaining current quality standards. He holds 2,08,253 equity shares in the share capital of the Company. He is not related to the promoters, directors or key managerial personnel of the Company and shall be designated as a non-promoter executive director.

Ms. Smita Agarwal, Director and Chief Financial Officer, is responsible for taxation, finance and HR functions of the Company. She is also responsible for undertaking activities as assigned to her by CMD/Board from time to time. She is a director holding 3,35,276 equity shares in the share capital of the Company.

Brief terms of appointment are as under:

Sr. No.	Name	Terms and Conditions	
1	**Sachin Agarwal**	Designation: Period of Appointment: Remuneration:	Chairman & Managing Director w.e.f. October 1, 2022 to September 30, 2027 Basic Salary: 2,65,500-25,000-365,500 per month

Allowances / Perquisites: (it will be effective from October 1, 2022 to September 30, 2027)

i.) Commission @ 3% of the profits of the Company subject to approval of Central Government in this regard.

ii.) House Rent Allowance equal to 50% of the Basic Salary or Leased Accommodation.

iii.) Other Allowances of ₹ 1,90,000/- per month such as House Maintenance Allowance, Gas, Electricity & Water Allowance, Entertainment Allowance, Children Education Allowance, Magazine & Books Allowance and Special Allowance.

iv.) Contribution to Provident Fund @ 12% of Basic Salary, Superannuation fund @ 5% of Basic Salary or Annuity Fund (subject to Superannuation Fund Rules of the Company), will not be included in the computation of the ceiling on remuneration to the extent these either singly or put together are not taxable under the Income Tax Act

iv.) Medical Expenses and Leave Travel Concession incurred by Whole Time Director and his family subject to a ceiling limit of two months' salary in a year or six months' salary over a period of three years subject to Company's rules, if any, specified by the company in this regard. Family means spouse, dependent children and dependent parents of the appointee.

v) Gratuity shall not exceed half month's Basic Salary for each completed year of service and will not be included in computation of the ceiling of the remuneration.

vi.) Encashment of Leave as per rules of the Company.

vii.) Personal accidental/ Medical Insurance of an amount, the annual premium of which will not exceed ₹ 5000/-.

Sr. No.	Name	Terms and Conditions
		viii) Club Fees: Subscription or reimbursement of membership fees for clubs in India and/ or abroad, including admission and life membership fees. ix.) Use of car for Company's business and telephone, mobile and internet facility at residence will not be considered as perquisites. However, personal long distance calls for private purposes shall be billed by the Company to Shri Sachin Agarwal, Managing Director and use of car for private purposes shall be billed as specified under Rules 3C of the Income Tax Rules. **Other Terms:** i) Chairman & Managing Director shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee(s) thereof; ii) The appointment may be terminated by either party giving the other party three months' notice or paying three months' salary in lieu thereof; iii) If at any time the Chairman & Managing Director ceases to be a director of the Company for any reason whatsoever, he shall cease to be the Chairman & Managing Director of the Company; and iv) The office of the Chairman & Managing Director will not be subject to retirement by rotation."
2	**Alok Agarwal**	Designation: Director (Quality and Technical) Period of Appointment: w.e.f. October 1, 2022 to September 30, 2027 Remuneration: Basic Salary: ₹ 171,500-12,500- 221,500 per month **Allowances / Perquisites: (it will be effective from October 01, 2022 till September 30, 2027)** i.) House Rent Allowance equal to 50% of the Basic Salary or Leased Accommodation. ii.) Contribution to Provident Fund @ 12% of Basic Salary, Superannuation fund @ 5% of Basic Salary or Annuity Fund (subject to Superannuation Fund Rules of the Company), will not be included in the computation of the ceiling on remuneration to the extent these either singly or put together are not taxable under the Income Tax Act iii.) Medical Expenses and Leave Travel Concession incurred by Whole Time Director and his family subject to a ceiling limit of two months' salary in a year or six months' salary over a period of three years subject to Company's rules, if any, specified by the company in this regard. Family means spouse, dependent children and dependent parents of the appointee. iv) Gratuity shall not exceed half month's Basic Salary for each completed year of service and will not be included in computation of the ceiling of the remuneration. v.) Encashment of Leave as per rules of the Company. vi.) Personal accidental/ Medical Insurance of an amount, the annual premium of which will not exceed ₹ 5000. vii.) Club Fees: Subscription or reimbursement of membership fees for clubs in India and/ or abroad, including admission and life membership fees. viii.) Use of car for Company's business and telephone, mobile and internet facility at residence will not be considered as perquisites. However, personal long distance calls for private purposes shall be billed by the Company to Shri Alok Agarwal, Director (Quality and Technical) and use of car for private purposes shall be billed as specified under Rules 3C of the Income Tax Rules. **Other Terms:** i) Director (Quality and Technical) shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee(s) thereof; ii) The appointment may be terminated by either party giving the other party three months' notice or paying three months' salary in lieu thereof; iii) If at any time the Director (Quality and Technical) ceases to be a director of the Company for any reason whatsoever, he shall cease to be the Director (Quality and Technical). iv) The office of the Director will be subject to retirement by rotation."

<table>
<tr><th>Sr. No.</th><th>Name</th><th>Terms and Conditions</th></tr>
<tr><td>3</td><td>Priya Ranjan Agarwal</td><td>
Designation: Director (Marketing)
Period of Appointment: w.e.f. October 1, 2022 to September 30, 2027
Remuneration: Basic Salary: ₹ 225,750- 15,000- 285,750 per month

Allowances / Perquisites: (it will be effective from October 1, 2022 to September 30, 2027)

i.) House Rent Allowance equal to 50% of the Basic Salary or Leased Accommodation.

ii.) House Maintenance/Other Allowances shall be 17% of the Basic Salary.

iii.) Medical Expenses and Leave Travel Concession incurred by Whole Time Director and his family subject to a ceiling limit of two months' salary in a year or six months' salary over a period of three years subject to Company's rules, if any, specified by the company in this regard. Family means spouse, dependent children and dependent parents of the appointee.

iv) Superannuation Benefit will be payable at the rate of 5% of the Basic Salary for each completed year of service, payable at the end of the service.

v.) Encashment of Leave as per rules of the Company.

vi.) Personal accidental/ Medical Insurance of an amount, the annual premium of which will not exceed ₹ 5000.

vii.) Club Fees: Subscription or reimbursement of membership fees for clubs in India and/ or abroad, including admission and life membership fees.

viii.) Use of car for Company's business and telephone, mobile and internet facility at residence will not be considered as perquisites. However, personal long distance calls for private purposes shall be billed by the Company to Shri P.R Agarwal, Director (Marketing) and use of car for private purposes shall be billed as specified under Rules 3C of the Income Tax Rules.

Other Terms:

i) Director (Marketing) shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee(s) thereof;

ii) The appointment may be terminated by either party giving the other party three months' notice or paying three months' salary in lieu thereof;

iii) If at any time the Director (Marketing) ceases to be a director of the Company for any reason whatsoever, he shall cease to be the Director (Marketing).

iv) The office of the Director will be subject to retirement by rotation."
</td></tr>
<tr><td>4</td><td>Ashok Kumar Shukla</td><td>
Designation: Whole Time Director
Period of Appointment: w.e.f. October 1, 2022 to September 30, 2027
Remuneration: Basic Salary: ₹ 264,500-25,000- 364,500 per month

Allowances / Perquisites: (it will be effective from October 1, 2022 to September 30, 2027)

i.) Commission @ 7% of the Net Profit of Mehsana unit, subject to certain adjustments as approved by Chairman and Managing Director, net after Tax.

ii.) House Rent Allowance equal to three month's Basic Salary.

iii.) Contribution to Provident Fund @ 12% of Basic Salary, will not be included in the computation of the ceiling on remuneration is not taxable under the Income Tax Act.

iv.) Medical Expenses and Leave Travel Concession incurred by Whole Time Director and his family subject to a ceiling limit of two months' salary in a year or six months' salary over a period of three years subject to Company's rules, if any, specified by the company in this regard. Family means spouse, dependent children and dependent parents of the appointee.

v.) Gratuity shall not exceed half month's Basic Salary for each completed year of service as per the Rules of the company and will not be included in computation of the ceiling of the remuneration.

vi.) House Maintenance/Other Allowances shall be 5% of the Basic Salary or ₹ 7,000 per month, whichever is more.
</td></tr>
</table>

Sr. No.	Name	Terms and Conditions
		vii.) Encashment of Leave as per rules of the Company. viii.) Personal accidental/ Medical Insurance of an amount, the annual premium of which will not exceed ₹ 5000. ix.) Club Fees: Subscription or reimbursement of membership fees for clubs in India and/ or abroad, including admission and life membership fees. x.) Use of car for Company's business and telephone, mobile and internet facility at residence will not be considered as perquisites. However, personal long distance calls for private purposes shall be billed by the Company to Shri Ashok Kumar Shukla, Director and use of car for private purposes shall be billed as specified under Rules 3C of the Income Tax Rules. **Other Terms:** i) Director shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee(s) thereof; ii) The appointment may be terminated by either party giving the other party three months' notice or paying three months' salary in lieu thereof; iii) If at any time the Shri Ashok Kumar Shukla ceases to be a director of the Company for any reason whatsoever, he shall cease to be the Director. iv) The office of the Director will be subject to retirement by rotation."
5	**Smita Agarwal**	Designation: Director and Chief Financial Office Period of Appointment: w.e.f. October 1, 2022 to September 30, 2027 Remuneration: Basic Salary: ₹ 172,500-12500- 222,500 per month **Allowances / Perquisites: (it will be effective from October 1, 2022 to September 30, 2027)** i.) House Rent Allowance equal to 50% of the Basic Salary. ii.) Contribution to Provident Fund @ 12% of Basic Salary, Superannuation fund @ 5% of Basic Salary or Annuity Fund (subject to Superannuation Fund Rules of the Company), will not be included in the computation of the ceiling on remuneration to the extent these either singly or put together are not taxable under the Income Tax Act. iii.) Medical Expenses and Leave Travel Concession incurred by Appointee and her family subject to a ceiling limit of two months' salary in a year or six months' salary over a period of three years subject to Company's rules, if any, specified by the company in this regard. Family means spouse, dependent children and dependent parents of the appointee. iv.) Gratuity shall not exceed half a month's Basic Salary for each completed year of service and will not be included in computation of the ceiling of the remuneration. v.) Encashment of Leave as per rules of the Company. vi.) The Company will provide one mobile for office use. vii.) Use of car for Company's business and telephone, mobile and internet facility at residence will not be considered as perquisites. However, personal long distance calls for private purposes shall be billed by the Company to Smt. Smita Agarwal, Chief Information Officer and use of car for private purposes shall be billed as specified under Rules 3C of the Income Tax Rules. **Other Terms:** i) Director shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee(s) thereof; ii) The appointment may be terminated by either party giving the other party three months' notice or paying three months' salary in lieu thereof; iii) If at any time the Ms. Smita Agarwal ceases to be a director of the Company for any reason whatsoever, he shall cease to be the Director. iv) The office of the Director will be subject to retirement by rotation."

Pursuant to Section 197(1) of the Act, the total managerial remuneration payable by a public company, to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the company for that financial year computed in the manner laid down in Section 198 of the Act. However, pursuant to first proviso to Section 197(1) of the Act, the company in general meeting may, authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V to the Act.

Further, pursuant to second proviso to Section 197(1) of the Act, except with the approval of the company in general meeting, by a special resolution, the remuneration payable to any one managing director or whole-time director or manager shall not exceed five percent of the net profits of the company and if there is more than one such director remuneration shall not exceed ten percent of the net profits to all such directors and manager taken together.

Further, pursuant to Regulation 17(6)(e) of Listing Regulations, approval of the shareholders of the company by way of a special resolution is required for (i) payment of annual remuneration to executive director, who is a promoter or member of the promoter group of the company, exceeding ₹ 5 crore or 2.5 per cent of the net profits (computed as per the provisions of Section 198 of the Act) of the company, whichever is higher; or (ii) where there is more than one such director, payment of aggregate annual remuneration to such directors exceeding 5 percent of the net profits (computed as per the provisions of Section 198 of the Act) of the company.

In the event of inadequacy of profits or losses in the respective financial year, the payment of aforesaid remuneration shall be made, in terms of the provisions of Schedule V to the Act, for a period of three years from October 01, 2022 to September 20, 2025.

The Board has considered the parameters given under Section 200 of the Act and the rules made thereunder read with Schedule V to the Act for the above revision in remuneration. Details of the proposed appointee in terms of provisions of (i) Listing Regulations (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (iii) Schedule V to the Act are given as Annexure to the Explanatory Statement. The above may be treated as a written memorandum (addendum), setting out the terms of remuneration of the proposed appointee, under Section 190 of the Act.

The Board, accordingly, recommends the resolution set out under item number 3, 4, 5, 6 & 7 for approval of the members of the Company as a Special Resolution.

None of the Promoters, Directors, Key Managerial personnel or their relatives, except Mr. Sachin Agarwal, Chairman and Managing Director and Ms. Smita Agarwal are related as spouse, and respective director himself, is concerned or interested, financially or otherwise, in passing of the aforesaid Resolution except to the extent of his shareholding as a member of the Company.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013 (in respect of business proposed at item no. 3, 4, 5, 6 & 7):

I. General Information					
Nature of Industry	Engineering with foundry, machining, forging & fabrication as key activities				
Date or expected date of commencement of commercial production	PTC Industries Limited has legacy of more than 59 years with its date of incorporation being March 20, 1963.				
Financial performance based on given indicators	The details of financial performance of the Company for the years 2019-20 and 2020-21 are provided separately in the Annual Report.				
Foreign investments or collaborations, if any	Foreign investors, mainly comprising NRIs.				
II. Information about the appointees					
Background details	Mr. Sachin Agarwal is the Chairman & Managing Director of the Company.	Mr. Alok Agarwal is the Director – Quality & Technical of the Company.	Mr. Priya Ranjan Agarwal is Director - Marketing of the Company	Mr. Ashok Kumar Shukla is an Executive Director - Mehsana Plant	Ms. Smita Agarwal is the Director and Chief Financial Officer of the Company
Past remuneration	Details of past remuneration are as follows:				

(₹ In lakhs)

Year	Remuneration				
	Sachin Agarwal	Alok Agarwal	Priya Ranjan Agarwal	Ashok Kumar Shukla	Smita Agarwal
2019-20	1,13,73,593	36,14,524	42,01,059	63,94,869	26,52,592
2020-21	1,28,60,143	35,47,006	49,98,052	70,10,050	31,50,592
2021-22	1,20,17,631	33,25,984	45,22,980	91,28,090	34,05,650

Recognition or awards	Sachin Agarwal	Alok Agarwal	Priya Ranjan Agarwal	Ashok Kumar Shukla	Smita Agarwal
	Under the leadership of Mr. Sachin Agarwal, the Company has won many awards and recognitions, including the TIME India Award, National Award for R&D Efforts in the Industry, by the Department of Science and Industrial Research, Government of India; approval from the Department of Scientific & Industrial Research under their Technology Development and Demonstration Programme; being recognized as one of the 16 Hidden Gems by Forbes India, and numerous export and supplier awards by State departments and customers.	Mr. Alok Agarwal has done extensive work in improving the quality standards in the Plant and obtaining various ISO and other quality certifications for the Company. His responsibilities also include Environment, Health and Safety compliances for the Company. Under this able guidance, the Company has been bestowed with many awards including the Exporter Award from the Government of Uttar Pradesh.	Mr. Priya Ranjan Agarwal is primarily responsible for business development in key infrastructure projects and marketing activities and has contributed largely for PTC to become a well-known and respected name in the country. He has been instrumental in the execution of several large project orders received by PTC from domestic companies. His hard work and perseverance have led to the recognition of the Company as a vendor in various Public Sector Undertakings and government agencies.	Mr. Ashok Kumar Shukla has done extensive work in improving the operations of the Mehsana Plant and successfully establishing the production line at the plant to deliver quality production in an efficient and competent manner.	Ms. Smita Agarwal has led many projects and assigments during her tenure notably the management of a foreign direct investment into the company, BSE Listing for PTC and its recent Rights Issue. She is the winner of the 2017 Women Achiever Awards by LMA in the corporate category. She was also recognised by NITI Aayog as one of the top 60 women entrepreneurs in the country at their Women Transforming India Awards 2018.
Job profile and suitability	Mr. Sachin Agarwal is an MBA in Operations from the University of Tulsa, USA and has pursued M.S. in Finance from Boston College, USA. He has also worked for American Airlines in the field of operations. He has over 24 years of professional experience in the overall managerial areas. Taking this into consideration, the Board bestowed the task of managing the overall operations of the Company, international business development, day to day management of the Company and	Mr. Alok Agarwal is a B. Tech from IIT, Kanpur. He has been working with PTC Industries for the past 28 years. He is a Whole-time director designated as Director (Quality & Technical). Over the years, he has held various senior positions in the Production, Quality and Technical areas. He spent a number of years at the Ahmedabad Plant, and was deeply involved in the design, project management and commissioning of the unit. Being a person with a strong penchant for analytical work	Mr. Priya Ranjan Agarwal joined PTC in 1992 and has been working with company for the last 30 years. He is a Whole-time director on the Board of the Company. Mr. Priya Ranjan Agarwal is a Bachelor of Engineering (Mechanical). He has made a substantial contribution in creation of a wide base of customers for the Company. He has significant experience in the casting industry spanning more than 30 years and has been instrumental in making PTC a recognized name in the country.	Mr. Ashok Kumar Shukla joined PTC IN 2003 and has been working with the Company for the last 18 years in various capacities. He is a Bachelor of Technology (Mechanical). He has made a substantial contribution for the implementation and achievement of PTC's business plan directives, implementation of policy matters, charting growth plans, increasing production, assets capacity and flexibility, while minimizing unnecessary costs and maintaining current quality	Ms. Smita Agarwal has joined PTC in 2009, and has been working with company for the last 13 years in various capacities. She is the Director and CFO of the Company. She is a qualified Chartered Accountant with an experience of over 23 years and has worked in various capacities at PwC in their offices in New Delhi and London. During her tenure at PTC, she has led various initiatives including the listing of the company's shares at BSE, the implementation of various business processes, ERP systems,

implementation of Board policies and decisions. Under Mr. Sachin Agarwal's leadership, the Company has achieved new heights and attained remarkable growth. Sachin's exceptional entrepreneurship skills have succeeded in transforming the Company to one of the most technologically advanced companies in the world with capabilities to partner with organisations like Rolls Royce, GE, Siemens, etc for the manufacture of highly critical parts and sub-systems. He is Chairman of the Society for Indian Defence Manufacturers, Uttar Pradesh and is leading the effort to align industry and government initiatives to build a strong ecosystem for Defence manufacturing in the State. He is also the Past Co-chairman of the CII Northern Region Defence and Aerospace Committee and Past

and high technology skills, he was chosen to head Lucknow Plant 1 and the Quality & Technical divisions of the Company. Mr. Alok Agarwal also looks after the operational, engineering, quality, R&D and procurement activities of the Company. He has all the requisite qualifications and rich experience for a person in his position.

With the establishment of the AMTC Plant of the Company, his immense skill, knowledge and capability in marketing and sales is of great significance for the overall operations of the Company especially at a stage when the Company has increased its capacity four times and shall require new business to efficiently utilize this capacity.

standards in respect of Company's Mehsana Plant.

compliance and reporting systems, etc. She has a strong financial background with a fluency in Business Processes. She is also a competent public speaker conducting many training sessions and speaking engagements on many platforms.

She is the Chairperson for the Indian Women Network and the CII National Committee on Women Empowerment. She is also the Immediate Past National Chairperson of CII Young Indians, India's premiere youth organisation with over 4,500 members in 57 cities across India and in this role worked to create widespread impact towards nation building and youth leadership in the country. During her tenure as National Chairperson, her work was commended by the Honourable Prime Minister, Shri Narendra Modi for the impact created by CII Young

	Chairman for CII in UP and in this role he has worked tirelessly to showcase UP in many parts of the country. He was recognized for his achievements in a publication 'Small Big Bang' by Indian Institute of management (IIM) where he was recognized for his significant contribution to industry and his leadership qualities				Indians through their programs and community initiatives. She has served as Chairperson for the CII Yi Lucknow Chapter and is also a member of the CII UP State Council.
Remuneration proposed	As recommended by the Board, the proposed remuneration will exceed the limit prescribed under Section 197 & 198 of the Companies Act, 2013 read with Schedule V.				
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of Chief Executive Officer /Managing Director levels of similar sized companies.				
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration, Mr. Sachin Agarwal holds 28,55,491 equity shares of the Company. Further, he is the son of Late Mr. Satish Chandra Agarwal, Ex-Chairman of the Company and husband of Ms. Smita Agarwal, Director and Chief Financial Officer of the Company.	Besides the remuneration receivable, Mr. Alok Agarwal holds 5,51,799 equity shares of the Company and his spouse is appointed to office of profit in the Company pursuant to the provision of Section 188(1) of the Companies Act, 2013. He does not have any other relationship directly or indirectly with the Company or any relationship with managerial personnel.	Besides the remuneration receivable, Mr. Priya Ranjan Agarwal holds 9,87,914 equity shares of the Company and his spouse is appointed to office of profit in the Company pursuant to the provision of Section 188(1) of the Companies Act, 2013 He does not have any other relationship directly or indirectly with the Company or any relationship with managerial personnel.	Besides the remuneration receivable, Mr. Ashok Kumar Shukla holds 2,08,253 equity shares of the Company and his spouse is appointed to office of profit in the Company pursuant to the provision of Section 188(1) of the Companies Act, 2013 He does not have any other relationship directly or indirectly with the Company or any relationship with managerial personnel.	Besides the remuneration receivable, Ms. Smita Agarwal, holds 3,35,276 equity shares of the Company. She is wife of Mr. Sachin Agarwal, Chairman and Managing Director of the Company.

III. Other Information	
Reasons of loss or inadequate profits	The Company is a phase of capital expansion and augmenting its technology portfolio and infrastructure. At this time, significant amount of its resources are being used in the development of new technologies and processes which are expected to yield substantial revenue growth and operational improvements in the future. Additionally, the significant amount of depreciation and interest being charged to the Profit & Loss Account have affected the current profitability. With the growth in sales and shift to higher realisation product range, this trend shall be reversed.
Steps taken or proposed to be taken for improvement	The Company has already successfully established its Advanced Manufacturing & Technology Centre, a state-of-the-art facility for manufacture of critical components for industrial applications. The commissioning and operationalisation of this plant has brought in significant improvement in the efficiency and profitability of industrial operations. In addition, the Company, through its subsidiary Aerolloy Technologies Limited, has commenced the manufacture of Titanium Castings becoming the very first company in the country to do so. It's manufacturing facility in Lucknow was recently inaugurated by the Honourable Defence Minister, Shri Rajnath Singh ji and this is the first fully operationalised plant in the UP Defence Industrial Corridor. Further, the Company has successfully completed the acquisition of the Electron Beam Cold Hearth Remelting (EBCHR) furnace with a capacity of 5,000 tonnes per annum. With this, the world's largest single site Titanium recycling facility shall now be set up in India, and make PTC one of the very few companies in the world with the manufacturing capacity and technology for remelting and recycling Titanium scrap within the country and producing aviation-grade Titanium alloy ingots indigenously.
Expected increase in productivity and profits in measurable terms	The aforesaid steps taken and to be taken by the Company are expected to improve the Company's performance and profitability in the future by 25-30% in the next 2-3 years.
IV. Disclosures:	As required, the information is provided under Corporate Governance Section of Annual Report 2022.

Register pursuant to section 190 of the Companies Act, 2013 is open for inspection to any member without payment of any fee at the office hours at the registered office of the Company.

Item No. 8

The Board of Directors, on the recommendation of the Nomination & Remuneration Committee, had appointed Ms. Prashuka Jain (Din: 06412915), as an Additional Director (Non-Executive Independent) in its meeting held on September 05, 2022, who is not liable to retire by rotation, pursuant to Section 161 of the Companies Act, 2013 to hold office up-to the date of ensuing Annual General Meeting of the Company. The Board noted that Ms. Prashuka Jain skills, knowledge and experience are aligned to the role and capabilities and that he is eligible for appointment as an Independent Director.

Ms. Prashuka Jain has confirmed: (a) her eligibility and criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"); (b) he is not disqualified or debarred from holding the office of directors by virtue of any SEBI order or any other such authority; (c) he has undertaken registration in the Independent Director's data bank; and (d) he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence. Further, he has given his consent to be appointed as an Independent Director of the Company. In terms of Section 160 of the Companies Act, 2013, the Company has received a Notice in writing from a Member of the Company signifying his intention for proposing the candidature of Ms. Prashuka Jain, for the office of Women Independent Director of the Company.

The Board of Directors thus recommends the Resolution at Item No. 8 of this Notice for your approval.

Item No. 9 & 10

The shareholders in their 54th Annual General Meeting held on 29th September 2017 had authorised the Board of Directors of the Company to borrow money to the extent of ₹ 250 crores (Rupees Two hundred fifty crores only) excluding working capital credit facility granted by bankers in ordinary course of business u/s 180(1)(c) of the Companies Act, 2013. Considering the business plans of the Company, it is proposed to get fresh delegation of powers regarding proposed enhancement in borrowing/creation of charges from shareholders in terms of the provisions of section 180 of the Companies Act, 2013. Accordingly, the matter is proposed to be placed before the shareholders at ensuing 59th Annual General meeting to approve the increase in limits for borrowing power from ₹ 250 Crores (Rupees Two hundred fifty crores only) to ₹ 350 Crores (Rupees Three hundred fifty crores only).

Further as per terms of sanction, the borrowings made by the Company by taking term loan/working capital/other credit facilities from banks, financial institution etc. are secured by first charge/second charges in favour of the lenders, on the assets of the Company. The shareholders in their 54th Annual General Meeting held on 29th September 2017 had authorised the Board of Directors of the Company for creation of Charge on assets of the Company to the extent of ₹ 250 crores (Rupees Two hundred fifty crores only). Now as it is proposed to increase the limits of borrowing power/creation of charge from ₹ 250 Crores to 350 Crores, it is considered necessary to get authorization from shareholders u/s 180(1)(a) and 180(1) (c) of the Companies Act, 2013 for delegation of powers to the Board for making borrowings/creation of Charge on assets of the Company for securing borrowings up to the extent of ₹ 350 crores (Rupees Three hundred fifty crores only).

None of the Directors/Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in these resolutions. The Board commends the Special Resolution set out at Item Nos. 9 & 10 of the Notice for approval by the shareholders.

Item No. 11

It is proposed to amend the existing Articles of Association (hereinafter referred to as 'the Articles') of the Company to align them with the amendments brought out vide the Companies (Amendment) Act, 2015 with effect from 25th May, 2015 in the Companies Act, 2013 read with the Rules framed thereunder with regard to some by amending section 9, 12 and 223 of the Companies Act, 2013 about the requirement of Common Seal. Pursuant to these Amendments, requirement of common seal has become optional for the Companies. Accordingly, the clauses of the Articles of Association as mentioned in the Resolution are proposed to be deleted. These amendments are procedural in nature and for smooth working of activities.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations would be available for inspection by the members at the Registered Office of the Company. The Board of Directors recommend passing of the Special Resolution as contained in the Notice.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 11.

Note

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