



PM/BSE/20/2024-25

August 14,2024

To,  
The Manager  
BSE Limited  
Bombay Stock Exchange,  
P. J. Towers, Dalal Street,  
Mumbai-400001.

Script Code: 522105

**Subject.: Notice of 37th Annual General Meeting and Annual Report for Financial Year 2023-24 - Compliance under Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").**

Dear Sir/Madam,

This is further to our letter dated August 07, 2024 intimating that the 37th Annual General Meeting ('AGM') of the Company will be held on Friday, September 06, 2024 at 12 p.m. (IST) through Video Conferencing/Other Audio Visual Means.

Pursuant to Regulations 30 and 34 of the SEBI Listing Regulations, we enclose herewith the following:

1. Annual Report of the Company for the Financial Year 2023-24.
2. Notice of the 37th Annual General Meeting of the Company.

The aforesaid documents are being dispatched electronically to those Members whose email addresses are registered with the Company/the Registrar and Share Transfer Agent/Depositories and physical copies of the same will be provided to the Members on request.

You are requested to take the above on record

**For Birla Precision Technologies Limited**

**Ishu Jain**  
Company Secretary & Compliance Officer  
M. No.: F10679

**Birla Precision Technologies Limited**

**Regd. Office:** 23, Birla Mansion No. 2, 1<sup>st</sup> Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai 400 004

**Tel.:** +91 022-23867498

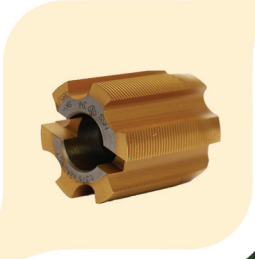
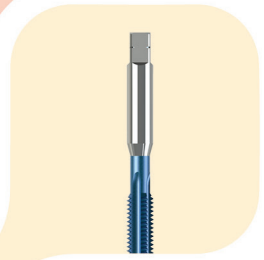
**E-mail :** [info@birlaprecision.com](mailto:info@birlaprecision.com) **Website :** [www.birlaprecision.com](http://www.birlaprecision.com)

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



Precision  
**Engineering.**  
Ethical  
**Leadership.**  
Strategic  
**Growth.**

Annual Report **2023-24**



# Across the Pages

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For more investor-related information, please visit:

<https://www.birlaprecision.com/investor-section.php>

Or simply scan



### Investor Information

Market Capitalisation as of March 31, 2024	₹ 386.86 Cr.
CIN	L29220MH1986PLC041214
BSE Code	522105/BIRLAPREC
AGM Date	September 06, 2024
AGM Mode	Video Conferencing (VC) and Other Audio-Visual Means (OAVMs)

### Disclaimer

This document contains statements about expected future events of Birla Precision Technologies Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. The numbers presented in this report pertain to FY 2023-24 unless specifically mentioned otherwise. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

# Precision Engineering. Ethical Leadership. Strategic Growth.

Birla Precision Technologies Limited stands at the forefront of the drill industry, commanding over 25% of the market share in India. The Company's tagline, 'Legacy of Diverse Engineering', captures the essence of **Precision Engineering**—where every product reflects the Company's commitment to unrivalled accuracy and innovation.

The Company's **Ethical Leadership** is at the core of the operations. The Company conducts business with integrity, ensuring transparency and building trust with the stakeholders. This commitment to ethical practices drives the Company to make responsible decisions that benefit both the industry and the community. In terms of **Strategic Growth**, the Company invests significantly in capital and automation, continually enhancing manufacturing capabilities. By embracing cutting-edge technologies and innovative solutions, the Company adds exceptional value to its products and services, securing its competitive edge.

BPTL focuses on '**Precision Engineering. Ethical Leadership. Strategic Growth.**' this isn't just a theme—it is the Company's blueprint for success. These core principles resonate throughout the Company's operations, driving it to uphold its leadership position and perpetuate its legacy of excellence.





Corporate Snapshot

# Discovering BPTL's Corporate Core

Founded in 1937, Birla Precision Technologies Limited (referred to as 'BPTL', or 'The Company') stands at the forefront of industrial innovation, spearheading breakthroughs across its triad of core divisions: Cutting Tools, Tool Holders, and Automotive Precision Components. As a distinguished affiliate of the esteemed Birla Group of Companies, the Company is steered by the foresighted leadership of Mr. Vedant Birla, a seventh-generation scion of the venerable Birla family. With a storied tradition of ingenuity and mastery, BPTL perpetually sets new paradigms of engineering excellence, pushing the boundaries of what's achievable in its domain.



## Vision

- To be a growing, reputed & profitable business entity.
- Satisfying customer needs with superior products and services.
- Through continuously improving process and thereby attaining cost leadership.



## Mission

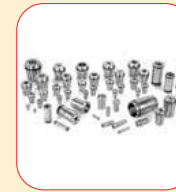
To be a world class organisation and a global supplier of a wide range of precision CNC tooling's and high-precision machined components with unwavering focus on our customers and industry at large.

## Three Primary Product Segments



### Cutting Tools

BPTL's subsidiary, Indian Tools Manufacturer (ITM), once the trailblazer in India's cutting tool industry, continues to dominate the market with unrivalled authority. Today, ITM wields a substantial market share across an array of product categories, featuring well-known brands such as 'Dagger,' 'Carbomach,' and 'Hathyar.' These revered marques exemplify excellence and durability, solidifying ITM's status as a pre-eminent force in precision tools.



### Tool Holders

Established in 1986 through a joint venture with Kennametal Inc., USA, our Tool Holder division—formerly Birla Kennametal—represents the zenith of precision engineering. This cutting-edge division excels in crafting a diverse suite of top-tier components, from tool holders and collets to workholding solutions and production boosters. By relentlessly pushing the envelope of innovation, the Company doesn't just meet industry standards; it redefines them, setting the stage for the future of advanced manufacturing.



### Precision Components for Automotive and Industrial Applications

Founded in 1998 through a visionary technical alliance with Italy's prestigious Perucchini spa, BPTL's Precision Components division stands as a beacon of engineering prowess. This division is dedicated to crafting exceptional 'built to print' machining products and meticulously engineered components for critical applications in Automotive, Hydraulics and Construction Equipment industries. With a focus on unparalleled quality, cost and delivery, the Company transforms industry standards and delivers solutions that propel the future.

## Our Stature

5

Manufacturing Plants

500

Distributor Network

30+ Countries

(Overseas Markets)

60,000+

SKUs

747

Employees

11

Sales Branch Offices

25%

Its Average Market Share

Solid

Balance Sheet & Negligible Debt

Pioneer

In India's Tool Manufacturing Industry

9

Decades of Legacy in the Field of Machine Engineering (Since 1937)

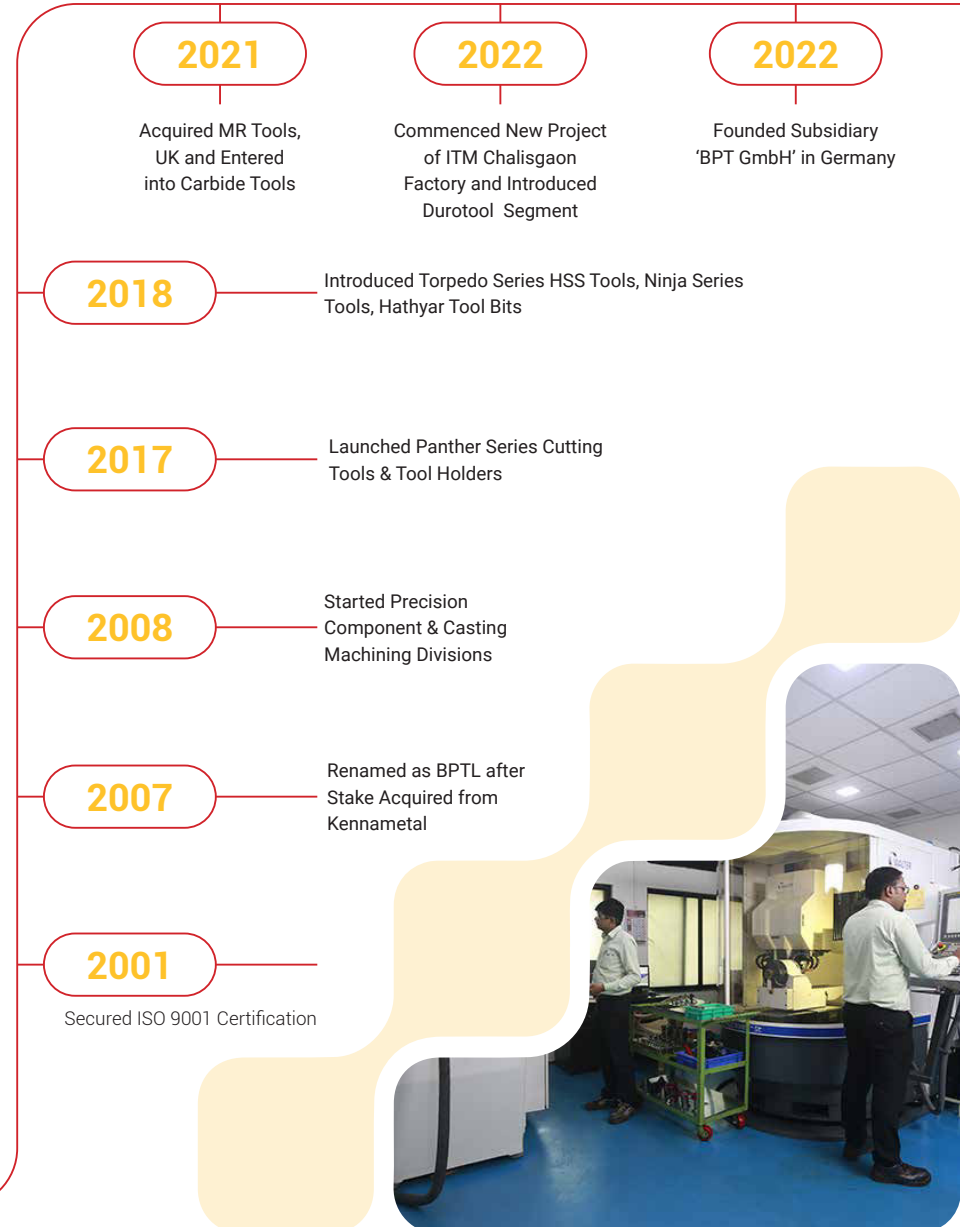
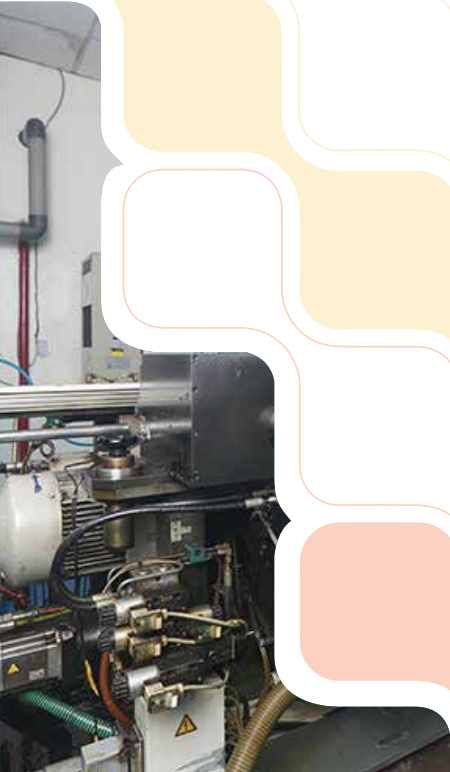
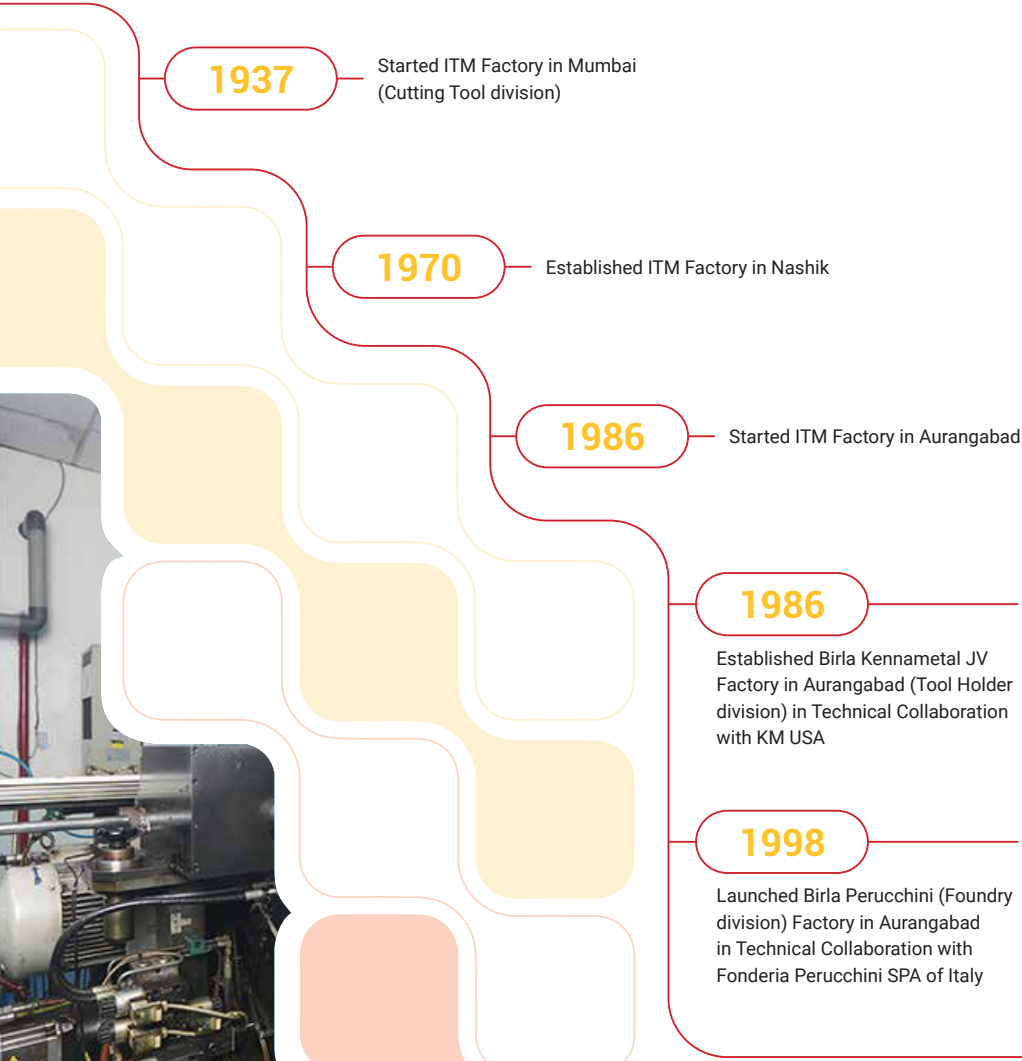
Experienced

Management Team Led by Mr. Vedant Birla



Our Milestones

# Revisiting Major Achievements



Our Product Diversity

# Exploring Product Assortment

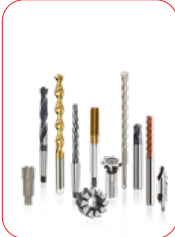
BPTL stands as a world-class leader in the arena of global manufacturing, excelling in the manufacturing of precision-engineered AT3 class tool holders, advanced work holding solutions, versatile expanding mandrels, high-efficiency production boosters, cutting-edge capital equipment, precision boring bars, and tailored tooling solutions. As a paragon of industry leadership, the Company provides a broad spectrum of top-tier products and services, offering a unified, all-inclusive tooling solution under one roof. The Company's persistent pursuit of perfection guarantees that it not only meets but surpasses the most stringent standards of accuracy and performance, setting unprecedented benchmarks in the field.

## Tool Holder Division



The Tool Holder division, a joint venture between the Birla Group and Kennametal Inc., focusses on manufacturing precision tool holders for CNC machines. Key products include collet chucks, End mill adaptors, shell mill adaptors on different tapers like BT/SK/CAT & HSK, work holdings, rotary coolant adaptors, right angle heads, multi-spindle heads, all manufactured at their Aurangabad plant. Recently, BPTL has expanded its offerings to include advanced Shrink Fit and Hydro-Grip series tool holders.

## ITM (Cutting Tool)



The Company is a leading manufacturer of High-Speed Steel (HSS) cutting tools in India. In CY 2021, BPTL acquired MR Tools, UK, to enter the high-precision carbide cutting tool market, relocating the machinery to its Nashik plant. The Company's extensive product range of High-Speed Steel and Carbide tools includes over 60,000 SKUs, such as twist drills, reamers, and taps, sold through 500+ distributors and 11 branch offices nationwide under brands like Dagger, Hathyar, Ninja, Panther and Carbomach. Additionally, the new 'Birla Durotool' division offers a DIY range, including Engineering Files, Abrasive Cutting, Grinding, Polishing Disc, Hammer Drills, Masonry Drills, and Wood Cutting/Marble Cutting saw blades.

## Birla Durotool (PTA)



Birla Durotool offers high-quality power tool accessories and abrasives, crafted from premium materials through extensive research and testing. Launched to serve industries like carpentry, masonry, construction and hardware, Birla Durotool provides a comprehensive range of products, ensuring customers get all necessary accessories in one place, at affordable prices.

## BPTL's Cutting Tools

### Drills

- BPTL is the leader in the Indian drill market.
- Over 4,000 SKUs of drills are manufactured, which vary in length, geometry, and spirals, among others.

#### Product Range

Parallel shank, taper shank, long/extra-long, core, centre, and masonry, among others.

#### Size Range

0.5 mm to 70 mm diameter.

### Taps

- BPTL provides a wide range of taps.

#### Product Range

Straight, spiral flute, spiral point & fluteless (roll form) supplied in non-serial or serial form.

#### Size Range

2mm to 100mm

### Milling Cutters

- BPTL offers milling cutters for various types of milling operations, which are faster than the drilling process.

#### Product Range

Cylindrical & annular milling cutters, side and face cutters, shell end mills and single angle cutters, among others.

#### Size Range

3mm-95mm with upto 12 deg angles.

### Reamers

- Reamers are a type of rotary cutting tool used in metal working to enlarge previously formed holes with a high degree of accuracy to leave a smooth surface.

#### Product Range

Hand & machine reamers, chuck reamer, shell & socket reamer, and hole mills, among others.

#### Size Range

3mm-75mm

### Tool Bits and Steel Files

- Tool bits are a non-rotary cutting tool used in metal lathes, shapers, and planers.
- Files are a multipoint hand tool made of high carbon steel which cuts the material from work piece in the form of dust.

#### Product Range

Saw, machinist files, special files along with new series of needle and diamond files.

## Automotive and Industrial



Established in 2010, BPTL launched a Precision Components division, manufacturing high-precision machined components such as Spools, Fuel System Shafts, Rocker Levers, Bearing & Turbine Housings and various Sub-Assemblies. The division exports to Brazil, Mexico, China, Germany, Czech Republic and the US, and is expanding into domestic markets.

Our Global Footprint

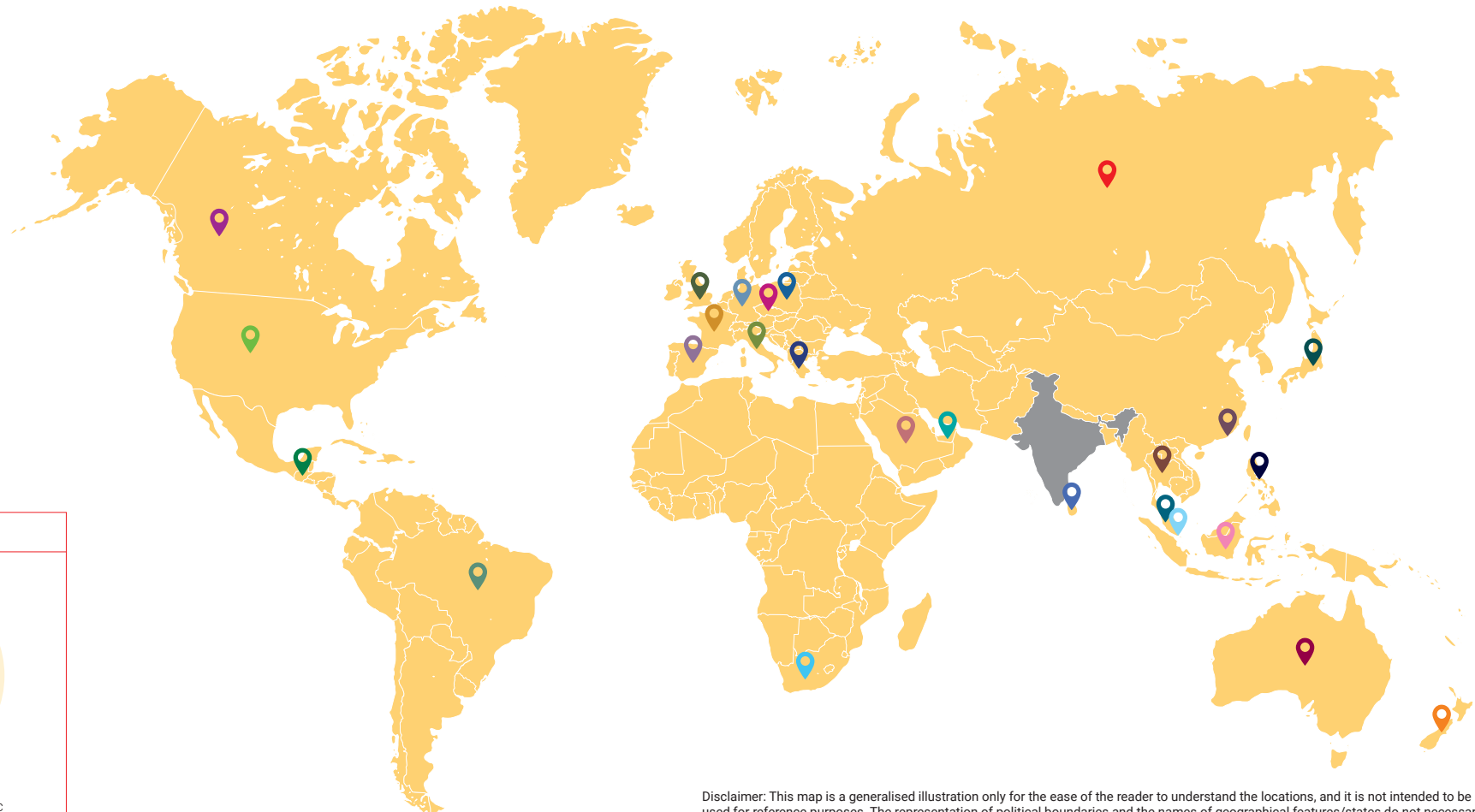
# Mapping Global Footprint

BPTL proudly extends its reach across the globe, embodying a commitment to excellence that transcends borders. As a leading name in precision engineering, the Company has established a dynamic international presence through strategic expansion and innovative solutions.

- |              |              |             |         |
|--------------|--------------|-------------|---------|
| Poland       | The UK       | Philippines | Germany |
| Greece       | The UAE      | Malaysia    | Italy   |
| Russia       | The US       | New Zealand | France  |
| Czech        | South Africa | Sri Lanka   | Spain   |
| Guatemala    | Thailand     | Indonesia   | Brazil  |
| Saudi Arabia | Japan        | Singapore   |         |
| Canada       | Australia    | Hong Kong   |         |

## Global Footprint

Stocking Point in Germany for Distribution in EU



### Geographical Presence



International Domestic

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.



Our Operational Excellence

# Driving Innovation and Efficiency

To achieve peak production efficiency and maximise capacity, BPTL has executed a series of transformative measures and ongoing enhancement strategies. The Company has embraced lean manufacturing principles to eradicate waste, instituted rigorous maintenance and upgrades to bolster equipment reliability, and invested in extensive training programmes to elevate staff and operator performance. The Company's commitment to excellence is further demonstrated through meticulous Overall Equipment Effectiveness (OEE) analyses, which refine equipment performance. BPTL champions cross-functional collaboration to enhance operational synergy and utilise adaptive production scheduling to meet shifting demands and optimise resource utilisation. Through these initiatives, the Company ensures its operations remain at the forefront of innovation and efficiency.

BPTL has implemented several immediate improvements to enhance operations, including:



Effective batch management and workflows have streamlined repetitive tasks in material handling and inventory management, significantly reducing cycle times and labour costs.



Established a feedback mechanism through daily GEMBA sessions, documenting operational insights on a whiteboard in the shop, and ensuring persistent follow-ups until problems are resolved.

In partnership with CII, BPTL drives the frontier of manufacturing excellence through a comprehensive suite of strategic initiatives. The Company's focus includes robust maintenance management, meticulous quality control, and relentless productivity enhancement. The Company excels in advanced equipment management and operator development, nurturing a lean culture, embracing Total Employee Involvement (TEI), and leveraging KPI management alongside 6S and visual management practices to elevate operational standards.

At the CarboMach Division, BPTL is a specialist in solid carbide tools, including high-performance end mills, drills, and reamers. The Company's recent acquisition of a UK-based company's plant and cutting-edge machinery has integrated state-of-the-art technology and precision metrological instruments to guarantee superior product quality. Moreover, the Company's dedication to design and application engineering ensures it delivers tool solutions tailored to meet exacting specifications and customer needs.

## Blueprints for Strategic Success



Expanding capacity to meet the growing demand as new high-performance CNC machines increasingly feature HSK spindle tapers.



Utilising a Mazak turn-mill machine to produce HSK tapers, separating hard turning operations to other CNC lathes, and increasing HSK shank tool holder capacity by at least 20%.



Stocking essential spare parts and planning to add additional machines in FY 2024-25 to minimise breakdowns.



Operating all BPTL's machines in CNC mode, planning to incorporate multitasking machines to boost productivity and enhance quality.



Upgrading the ERP system and implementing the Production Planning and FICO modules, monitoring production outputs, rejections, and reworks more effectively.



Tailoring production planning to replenish finished goods based on their consumption frequency.

## BPTL's Technological Advancements

BPTL's ITM Division oversees its machine-building operations, including the in-house construction of CNC machines for drill production. The Company is gradually replacing old manual machines with CNC models and is integrating auto-loading and unloading systems into the manual machines. Additionally, the Company invested INR 15 Cr. in a high-performance tap production line equipped with state-of-the-art technology.

## Current Operations



**South America**  
Brazil, Guatemala



**North America**  
The UK, Canada, Mexico



**Africa**  
South Africa



**Europe**  
Spain, France, Germany, Italy, the UK, Poland, Czech, Greece, Russia, Belgium, Netherlands, Denmark, Turkey, Norway, Sweden



**Asia & Australia**  
Saudi, the UAE, Thailand, Malaysia, China, Japan, Australia, New Zealand, Philippines, Vietnam, Sri Lanka, Singapore, Indonesia, Taiwan, Bangladesh, Nepal.

## Our Overseas Prowess

BPTL has concentrated its efforts on key markets including the US, Germany, Poland, Russia, New Zealand, Thailand and Saudi Arabia. The Company has actively participated in exhibitions in Germany, Poland, Mexico, Vietnam and Russia to enhance brand awareness and seek new distributors to boost sales and market penetration. BPTL has successfully expanded its customer base into regions such as Vietnam, Italy, the Czech Republic, Israel, Spain, Indonesia, the Philippines, Thailand, New Zealand, and Poland. In response to market demands, new products tailored for the US market include NAS Standard drills, DIY drills in various steel grades, brazed tool bits, partial-coated drills, and double-ended drills. Furthermore, BPTL has completed successful factory audits with clients from the US, Italy, Germany, and Australia.

## Our Manufacturing Facilities



### Plant: 1, 2 & 3

#### Capacity

14 Lakh Pieces/Month

#### Products Manufactured

Cutting tools, Tool Holders, and Precision Components

#### Location

B-15/3 & 4, MIDC Waluj, Aurangabad - 431 133, Maharashtra, India

#### Area

25 Acres



### Plant: 4

#### Capacity

4.87 Lakh Pieces/Month

#### Products Manufactured

Specialty Cutting Tools

#### Location

8-62/63, MIDC Satpur, Nashik - 422 007, Maharashtra, India

#### Area

6 Acres



### Plant: 5

#### Capacity

4 Lakh Pieces/Month

#### Products Manufactured

Cutting Tools, Drills

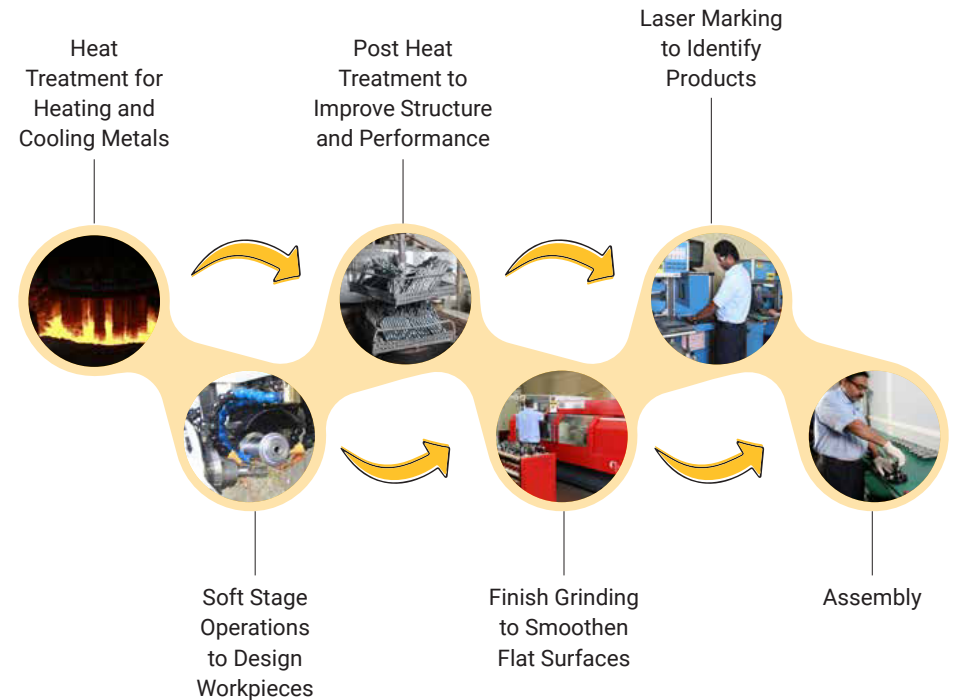
#### Location

Plot ae E-2/1, E-2/2, E-3, E 4/1 MIDC, Chalisgaon - 424 101, Maharashtra, India

#### Area

10 Acres

## Manufacturing Process



MD's Message

# Channelling the MD's Insights



**As we advance into the future, our commitment to unparalleled quality remains firm. We are poised to navigate and excel amid industry advancements and innovations, integrating sophisticated management methodologies and ensuring unparalleled customer satisfaction.**



**Dear Shareholders,**

At Birla Precision Technologies Limited, our journey began with an ambitious vision to become a global powerhouse in high-precision tooling and engineered machined components. Fuelled by an unflinching commitment to excellence and value, we have evolved from a product-centric model to a value-driven approach. Today, we are dedicated to crafting high-end solutions tailored precisely to our customers' needs, propelled by rigorous and innovative R&D processes.

Embracing our theme, '**Precision Engineering. Ethical Leadership. Strategic Growth.**', we tirelessly pursue excellence in every aspect of our operations. **Precision Engineering** is the bedrock of our commitment, ensuring that every product we create meets the highest thresholds of precision and quality. **Ethical Leadership** directs our principles, upholding the highest standards of transparency and integrity in all our endeavours. **Strategic Growth** propels our ambitions, driving us to the forefront of industry innovation while consistently delivering exceptional value and embracing transformative advancements.

The global business landscape has grappled with formidable challenges this fiscal year, marked by surging inflation and geopolitical upheavals, including the ongoing Ukraine conflict and the recent Middle East tensions.

Against this backdrop, the Indian economy for FY 2023-24 has demonstrated remarkable strength. Emerging robustly from the pandemic's shadow, the economy has surged forward, driven by vigorous domestic demand, sweeping structural reforms, and supportive monetary policies. Key sectors such as manufacturing, services, and agriculture have proven their durability, contributing to a comprehensive recovery. The government's strategic focus on infrastructure development, digital transformation, and healthcare has strengthened long-term growth prospects.

Yet, the battle with inflation, particularly concerning food and fuel prices, remains a significant challenge. Moving forward, the path to sustainable and inclusive growth hinges on continuing reforms, investing in human capital, and boosting productivity. These elements will be pivotal in navigating future challenges and securing enduring economic advancement.

Globally, the Cutting Tools market is growing, primarily driven by increasing demand from the Automotive sector. Carbide tools lead in global sales volumes, thanks to their extensive application in precision manufacturing and tool shops. The South Asia-Pacific region is poised for explosive growth, fuelled by the 'China+1' strategy embraced by European and American manufacturers. In response to this dynamic expansion, we are sharpening our focus on scaling operations, broadening our geographic reach, and refining our marketing strategies to amplify our market share and extend our business influence.

For FY 2023-24, BPTL reported total sales and other income of INR 22,755.82 Lakhs, compared to INR 26,364.42 Lakhs in the previous year. Our Profit after Tax (PAT) was INR 943.30 Lakhs, down from INR 1,407.32 Lakhs last year. This decrease primarily reflects the closure of our foundry business. Despite this change, we have made significant improvements in our overall operations. We remain focussed on leveraging our strategic initiatives to drive future growth and strengthen our market position.

Our core strengths lie in our diversified product portfolio, which includes cutting tools, tool holders, work holding solutions, and precision components. We leverage state-of-the-art salt bath heat treatment technology for our cutting tools, ensuring superior performance. Our team, from top management to the shop floor, is young, dynamic, and eager to embrace transformational challenges. We proudly partner with major OEMs and maintain our own robust distribution network across India, across 500 distributor and 11 branch offices reinforcing our market presence and reliability.

Our Company is committed to excellence through significant investments in advanced quality measurement and metrological instruments, which drive our application engineering and new product development efforts. By strengthening these areas, we provide top-notch tooling solutions for both domestic and international clients. We prioritize continuous, hands-on training for our sales team, celebrate success stories, and reward outstanding performance in application engineering. Additionally, we integrate customer feedback into our product development process to ensure our solutions meet evolving needs with faster response times, enhanced customization options, and adherence to the highest precision standards.

Our growth strategy is focused on expanding into under-penetrated geographies such as the US, Russia, Japan, Australia, Southeast Asia, the UK, and Europe. We see significant potential in untapped segments, including DIY products and PTA, and aim to leverage competitor benchmarking to capture additional market opportunities. We also recognize strong organic growth potential in High-Performance Taps, Center drills, and Solid Carbide tools across industries like Super Alloys, Die & Mold, Aerospace, Defense, and 3C. Furthermore, we are shaping our Birla Durotool business vertical to become a trusted name in the power tools accessory market by delivering reliable products in categories such as abrasive wheels, construction drills, wood cutting, stone cutting, and steel files.

Our strategic priorities lie on embracing digital transformation through the implementation of smart solutions such as ERP, CRM, HRMS, and AI/ML-based production planning to enhance operational efficiencies. We are committed to building additional manufacturing facilities to meet global business expectations, ensuring quick turnaround times, sustainable quality, and consistent supply. Achieving cost competitiveness is a key goal, which we will accomplish by integrating advanced technology, automating processes, and reallocating non-value-added operations to increase capacity for new product lines. Additionally, we are dedicated to diversification and innovation, aiming to expand our presence in markets where we have limited visibility.

For FY 2024-25, we anticipate robust revenue and profit growth driven by new product launches, market expansion, and increased demand fuelled by the Make in India initiatives. Key sectors such as the automotive industry, domestic hardware segment, and the expansion of our export markets will be instrumental in this growth. However, we face challenges in rapidly producing specialized tools and contend with price competition from local manufacturers and imported substitutes. Despite these challenges, the market outlook remains positive, particularly in sectors with rising demand for precision components and high-performance tools, especially within emerging industries.

We extend our deepest gratitude for your enduring support and trust in Birla Precision Technologies. Your confidence invigorates our drive and propels us towards ever-greater achievements.

Sincerely,

**Vedant Birla**

Chairman & Managing Director



ESG (Environment, Social, and Governance)

# Championing Sustainability and Integrity

BPTL's commitment to Environmental, Social, and Governance (ESG) principles is at the heart of its vision for a sustainable and ethical enterprise. In an ever-evolving global landscape, the Company understands that true success hinges on its capacity to operate with environmental mindfulness, drive meaningful social impact, and adhere to the highest standards of governance. The Company's commitment to these principles is not just a strategy but a fundamental pillar in shaping a responsible and forward-thinking business.

## BPTL's Environment Commitment

BPTL is fiercely committed to reducing its environmental footprint through transformative practices and sustainable operations. The Company's approach includes cutting-edge waste reduction, revolutionary energy efficiency, and the adoption of green technologies. By utilising innovative processes and eco-friendly materials, the Company is dedicated to slashing emissions and championing resource conservation. BPTL's growth trajectory is seamlessly intertwined with its pledge to environmental sustainability, ensuring that every advancement it makes supports a greener, more responsible future.



### Initiatives

- Conducts regular waste audits to identify types and volumes of waste, aiming to reduce, reuse, and recycle through effective waste management strategies.
- Works with suppliers to minimise packaging waste and explore reusable packaging options.
- Engages employees in waste reduction efforts through dedicated training sessions.
- Negotiates with green energy partners to implement solar power across our plants.
- Manages scrap created during processing by recycling it in the ITM Division. This scrap is sold to aggregators, who convert it into high-speed steel ingots. These ingots are subsequently utilised by steel producers to create new virgin steel.

## BPTL's Social Commitment

BPTL enshrines employee benefits and engagement as the very essence of its vibrant corporate spirit. Driven by an unshakeable commitment to ethical excellence and sustainable advancement, the Company fosters an environment where every team member feels profoundly appreciated and dynamically inspired. The Company nurtures a stimulating atmosphere that kindles passion and empowers its workforce to surpass their limits, ensuring they are both valued and empowered in their pursuit of outstanding achievements.



## Employee Benefits



### 1 Open Communication

Nurtures a vibrant culture of open dialogue where employees are encouraged to voice their ideas, provide feedback, and raise concerns. BPTL's commitment to transparency is reinforced through regular quarterly meetings and feedback sessions, fostering an environment of trust and collaboration.

### 2 Employee Wellness Programmes

Enhances employee well-being with a range of wellness initiatives, including Art of Living courses, wellness challenges, yoga sessions, stress management workshops, and virtual wellness experiences, all designed to promote holistic health and vitality.

### 3 Social Responsibility

Engages employees actively in meaningful social responsibility efforts, participating in impactful events such as National Safety Week, Environmental Day, and No Smoking Day. These activities not only boost community involvement but also instil a deep sense of pride and purpose.

### 4 Recognition and Rewards

Honours exceptional performance and notable achievements with formal appreciation programmes, including prestigious Employee of the Quarter/Year awards and public accolades, celebrating those who set new standards of excellence.

### 5 Team Building Activities

Strengthens team cohesion and foster a sense of unity through regular team-building events and vibrant cultural celebrations, creating opportunities for employees to bond, collaborate, and thrive together.

### 6 Monthly Guided Meditation

Every month, employees participate in a 30-minute guided meditation session led by the CMD, fostering mindfulness and relaxation.

### 7 Silence Programme

Twice a year, employees engage in a four-day Silence Programme at an ashram, disconnecting from the material world for a profound experience of physical, mental, and spiritual renewal.

### 8 Pranayama & Sudarshan Kriya

Employees practice Pranayama and Sudarshan Kriya both independently and in weekly group sessions of 100, using yogic breathing techniques to balance the nervous system and manage stress.

### 9 Sahaj Samadhi Dhyana Yoga

Daily individual practice of Sahaj Samadhi Dhyana Yoga helps employees achieve calming alpha brain waves. Once a month, the entire company participates in a group session with the CMD to enhance collective relaxation and well-being.

### 10 Nadi Parikshan and Free Medicines

Annually, an Ayurveda workshop on Nadi Parikshan is held for employees, who also receive free Ayurvedic medicines based on individual prescriptions.

### 11 Satsang

During Diwali, a Satsang programme is organised to foster love and harmony among employees, reminding everyone of their shared connections and community.

## Comprehensive Safety Training



BPTL's ongoing commitment in ensuring a safe and secure work environment, a series of essential safety training sessions are conducted for its employees.

### 1 CPR (Cardiopulmonary Resuscitation)

Employees are trained in life-saving CPR techniques essential for responding to cardiac emergencies. This includes correct CPR procedures and the use of automated external defibrillators (AEDs).

### 2 Fire Safety

This training covers vital information on preventing, detecting, and responding to fire emergencies. It includes fire prevention strategies, evacuation protocols, and the proper use of fire extinguishers.

### 3 First Aid

Employees receive hands-on training in basic first aid to handle common injuries and medical emergencies. This session covers wound care, fracture treatment, and how to manage health situations until professional medical assistance is available.

### 4 General Safety

The Company's general safety training encompasses a broad range of workplace safety protocols, including hazard identification, safe equipment handling, and emergency response procedures, ensuring a secure and well-protected working environment.

These trainings are designed to equip them with vital skills and knowledge to handle emergencies effectively and promote overall workplace safety.

## CSR Initiative: Talent Search Programme by the Sports Foundation

The Sports Foundation is proud to launch its Talent Search Programme as a key component of its Corporate Social Responsibility (CSR) efforts. This initiative is dedicated to uncovering and nurturing underprivileged students who show promise in sports, giving them the chance to hone their skills and pursue athletic careers.



### Programme Overview

The Talent Search Programme is scheduled to operate four times a year, ensuring consistent and thorough scouting. This initiative targets talented individuals from disadvantaged backgrounds who may not have access to quality training and resources. The programme's scouting process will include:

#### 1 Schools

Partnering with educational institutions to identify potential young athletes.

#### 2 Academies

Collaborating with local sports academies to find promising talent.

#### 3 Local Sports Events

Engaging with community sports events to spot emerging athletes.



### Selection and Training

After identifying promising students, a rigorous selection process will determine the individuals who will join the Pre-Development Squad. This squad is dedicated to foundational training across various sports disciplines.

Pre-Development Squad Details

#### 1 Duration

Training in the Pre-Development Squad will last one year.

#### 2 Training

Participants will receive fundamental instruction in their chosen sports, focussing on essential skills and techniques.

#### 3 Mentorship

Experienced coaches and mentors will offer guidance, support, and motivation to help students achieve their potential.

#### 4 Facilities

Students will have access to high-quality training facilities and equipment to enhance their development.

## Impact and Objectives

The Talent Search Programme aims to create a sustainable platform for underprivileged students to explore and excel in sports. The programme's objectives include:

- 1 Empowering Youth**  
Providing opportunities for underprivileged students to succeed in sports and build confidence.
- 2 Talent Development**  
Identifying and nurturing young talent to pave the way for professional sports careers.
- 3 Promoting Inclusivity**  
Ensuring that students from diverse backgrounds have access to sports opportunities.
- 4 Engaging Communities**  
Strengthening ties with local schools, academies, and sports events to foster community involvement.

## Conclusion

The Talent Search Programme by the Sports Foundation represents a meaningful CSR commitment to promoting sportsmanship and inclusivity. By focussing on underprivileged students, the programme aims to not only develop future sports stars but also to instil important values such as discipline, teamwork, and perseverance. Through this initiative, the Sports Foundation is dedicated to making a lasting impact on young athletes and the broader community, fostering a culture of opportunity and excellence in sports.

## Way Forward



### Plant Infrastructure Upgradation

The Company will enhance plant infrastructure by incorporating eco-friendly materials to reduce environmental impact.



### Ongoing Well-Being Initiatives

The Company will continue to support and expand our employee well-being programmes to promote a healthy and fulfilling work environment.



### Effluent Treatment Enhancement

The Company are committed to upgrading our effluent treatment facilities to improve waste management and minimize environmental pollution.



### Enhanced Safety Measures

The Company will maintain and strengthen our safety initiatives to ensure a secure and safe workplace for all employees.



### Flexible Work Options

The Company will implement flexible working hours and expand work-from-home options to support employee work-life balance and productivity.



### Increased Tree Plantations

The Company is dedicated to increasing tree plantation efforts to enhance environmental sustainability and contribute to a greener planet.

## Our Governance Commitment

Governance is a fundamental pillar of the Company's framework at BPTL, reflecting its firm commitment to principled leadership, openness, and accountability. The Company's governance protocols are carefully designed to uphold the loftiest standards of rectitude, ensuring that the organisation functions with unyielding equity and conscientiousness at every tier. Through these rigorous practices, BPTL constantly steers towards unmatched excellence and enduring success.



## Our Policies

### 1 Whistleblower Policy

BPTL upholds transparency and integrity by implementing a robust whistleblower policy, enabling employees to report unethical behaviour or misconduct confidentially.

### 2 Corporate Social Responsibility

The Company's commitment to ethical practices is reflected in its CSR initiatives, which ensure responsible and sustainable business practices while positively impacting the community.

### 3 Code of Conduct

BPTL's Code of Conduct sets clear expectations for ethical behaviour, guiding employees in maintaining integrity and professionalism in all business activities.

### 4 Training and Capability Building

The Company provides ongoing awareness sessions and training programmes to enhance employee understanding of ethical standards and compliance requirements.

### 5 Compliance with Labour Laws

BPTL adheres to all relevant labour laws, including the Industrial Disputes Act and Factories Act, to ensure fair and legal employment practices.



Board of Directors

# Our Board of Directors



**Mr. Vedant Birla**  
Chairman & Managing Director



**Ms. Raji Vishwanathan**  
Non-Executive Women Independent Director



**Mr. Paramasivan Angala Srinivasan**  
Non-Executive Independent Director



**Mr. Santhosh Kumar**  
Executive Director



**Ms. Tulsi Jayakumar**  
Non-Executive Independent Director



**Mr. Kaleginanaoor Chandrashekhhar Sharma**  
Non-Executive Independent Director



**Mr. Sanjay Kothari**  
Non-Executive Non-Independent Director



**Mr. Vikas Thapa**  
Non-Executive Independent Director

# Our Senior Leadership Team

## Key Managerial Personnel



**Mr. Pankaj Kumar**  
Chief Financial Officer (CFO)



**Ms. Ishu Jain**  
Company Secretary & Compliance Officer (CS)

## Senior Leadership Team



**Mr. Jagat Singh Dangi**  
Vice President - HR & IR



**Mr. Anil Choudhari**  
Vice President - Operations (Toolholder & Machining Division)



**Mr. Ajit Ashok Vaishnav**  
Sr. General Manager - Operations (ITM Division)



**Mr. Rakesh Kumar Uppal**  
Assistant Vice President - Domestic Sales & Marketing Head (ITM)



**Mr. Ajith Nair**  
Assistant Vice President - National Sales Head (Durotool Division)



**Mr. Pratish Pradhan**  
General Manager - Sales & Marketing Head (Carbomech Division)



**Mr. Mazhar D Mhate**  
Deputy General Manager - Sales & Marketing Head (Machining Division)



**Mr. Naresh Kumar Choudhary**  
Assistant General Manager - Domestic Sales & Marketing Head (Toolholder Division)

Key Risks and Mitigation

# Navigating Risks with Preparedness

At BPTL, risk management is a pivotal element of its strategic framework, empowering it to adeptly navigate uncertainties and fortify its business operations. The Company's robust risk management strategy is thoughtfully crafted to identify, evaluate, and mitigate potential threats, safeguarding its assets, ensuring operational resilience, and driving it towards its strategic goals with confidence.

Some of the risks identified by BPTL include:

Risks	Mitigation Measures
<p><b>Production Risks</b></p> <p>Production risks are potential issues that can affect the efficiency, cost, and output of manufacturing processes.</p>	<p>Implements regular preventive and predictive maintenance schedules to minimise equipment failures. BPTL invests in advanced technologies and automation to enhance efficiency and reduce reliance on manual labour and develops robust disaster recovery and business continuity plans to address environmental risks.</p>
<p><b>Supply Chain Risks</b></p> <p>Supply chain risks such as supplier disruptions, logistics challenges, and global events can significantly impact BPTL by causing delays in the availability of critical materials, increasing production costs, and disrupting manufacturing schedules.</p>	<p>The Company diversifies suppliers, leveraging advanced supply chain management tools for better forecasting, and builds strong relationships with logistics partners to ensure flexibility and quick response.</p>
<p><b>Market Risks</b></p> <p>Demand fluctuations, price volatility, and intense competition can impact the Company by causing unpredictable revenue streams, affecting profitability, and pressuring market share.</p>	<p>BPTL deploys flexible production systems to adapt to demand fluctuations, using hedging strategies and long-term contracts to manage price volatility and investing in continuous innovation and market analysis to stay competitive.</p>

## Risk Identification & Assessment

BPTL's approach to risk identification and assessment is both exhaustive and proactive. The Company orchestrates strategic war room discussions that involve employees, suppliers, and customers, harnessing a broad spectrum of insights to pinpoint potential risks. This collaborative process is strengthened by a rigorous analysis of historical data, including past incidents, production downtimes, and supply chain disruptions, to reveal recurring patterns and vulnerabilities.

BPTL's vigilance extends to continuous monitoring of industry trends, current events, and regulatory shifts, allowing it to anticipate and address emerging risks. Risks are meticulously classified and assessed using advanced statistical techniques to gauge their financial implications, such as downtime costs and revenue losses. Additionally, BPTL engages in comprehensive scenario planning and 'what if' analyses to evaluate the potential impact of various risks, ensuring the Company is prepared for any eventuality.

# Corporate Information

## Board of Directors

- Mr. Vedant Birla**  
Chairman & Managing Director
- Mr. Santhosh Kumar**  
Executive Director
- Mr. Sanjay Kothari**  
Non-Executive Non-Independent Director
- Ms. Raji Vishwanathan**  
Non-Executive Women Independent Director
- Ms. Tulsii Jayakumar**  
Non-Executive Independent Director
- Mr. Vikas Thapa**  
Non-Executive Independent Director
- Mr. Paramasivan Angala Srinivasan**  
Non-Executive Independent Director
- Mr. Kaleginanaoor Chandrashekar Sharma**  
Non-Executive Independent Director

## Statutory Committees

- Audit Committee**
  - Ms. Raji Vishwanathan**  
Chairperson, Non-Executive Independent Director
  - Mr. Vedant Birla**  
Executive Director
  - Mr. K. Chandrashekar Sharma**  
Non-Executive Independent Director
  - Mr. Sanjay Kothari**  
Non-Executive Non Independent Director
  - Ms. Tulsii Jayakumar**  
Non-Executive Independent Director
  - Mr. Paramasivan Angala Srinivasan**  
Non-Executive Independent Director
- Nomination & Remuneration Committee**
  - Mr. Vikas Thapa**  
Chairman & Non-Executive Independent Director
  - Mr. Vedant Birla**  
Executive Director
  - Ms. Raji Vishwanathan**  
Non-Executive Independent Director
  - Ms. Tulsii Jayakumar**  
Non-Executive Independent Director

## Stakeholders Relationship Committee

- Mr. Sanjay Kothari**  
Chairman, Non-Executive Non Independent Director
- Mr. Vedant Birla**  
Executive Director
- Mr. Paramasivan Angala Srinivasan**  
Non-Executive Independent Director
- Ms. Raji Vishwanathan**  
Non-Executive Independent Director
- Corporate Social Responsibility Committee**
  - Ms. Tulsii Jayakumar**
  - Ms. Tulsii Jayakumar**
  - Mr. Vedant Birla**  
Executive Director
  - Mr. Sanjay Kothari**  
Non-Executive Non Independent Director
  - Mr. Vikas Thapa**  
Non-Executive Independent Director

## Chief Financial Officer

**Mr. Pankaj Kumar**

## Company Secretary & Compliance Officer

**Ms. Ishu Jain**

## Banker

**Bank of Baroda**  
SME Branch, 1<sup>st</sup> Floor, 10/12, Horniman Circle, Mumbai Samachar Marg, Fort, Mumbai, Maharastra - 400 023, Email: smebranch.mumbai@bankofbaroda.com

## Statutory Auditors

**M/s. Valawat & Associates**  
Chartered Accountant  
432-433, 2<sup>nd</sup> Floor,  
S.M. Lodha Complex,  
Near Shastri Circle,  
Udaipur - 313 001(Raj.)

## Internal Auditors

**M/s Samp & Co.**  
Chartered Accountants  
We Work DLF Forum,  
DLF Cyber City,  
DLF Phase III,  
Gurugam, Haryana - 122 002

## Secretarial Auditors

**M/s Vijay S. Tiwari & Associates**  
Practising Company Secretaries  
601, A Wing, Gayatri CHS Ltd  
Opp. Rajda School,  
Borivali West,  
Mumbai - 400 092.

## Cost Auditor

**Mr. Jayant B. Galande**  
Cost Accountant  
Gayatri, 62 - Mayurban Colony,  
Shahnoorwadi,  
Aurangabad - 431 005.

## Registrars & Transfer Agents

**KFin Technologies Limited**  
Selenium Building, Tower B.  
Plot No. 31-32, i  
Financial District, Nanakramaguda,  
Serilingampally  
Hyderabad - 500 008  
Telangana, India  
Phone: 1800 3094 001  
Email: einward.ris@kfintech.com

## Registered Office

23, Birla Mansion No. 2,  
1<sup>st</sup> Floor, D. D. Sathe Marg,  
Prarthana Samaj,  
Mumbai, Maharashtra - 400 004  
CIN: L29220MH1986PLC041214

# Management Discussion and Analysis Report

## Economic Overview

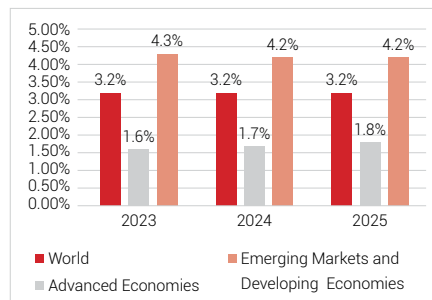
### Global

The global economy demonstrated remarkable resilience in 2023-24, characterised by steady growth and a rapid slowdown in inflation. This journey was marked by significant challenges such as post-pandemic supply-chain disruptions, an energy and food crisis triggered by the Russia-Ukraine conflict, and a surge in inflation. Notably, the rise in inflation was followed by synchronised monetary policy tightening.

Global growth, which reached 3.2% in 2023, is forecasted to remain steady through 2024 and 2025. However, this falls short of the historical average of 3.8%, owing to restrained monetary policies, diminished fiscal aid, and sluggish productivity growth. On the other hand, global headline inflation is expected to moderate, decreasing from the annual average of 6.8% in 2023 to 5.9% in 2024, and further to 4.5% in 2025. This decline can be attributed to a more front-loaded reduction in advanced economies. In fact, inflation in these economies is expected to return to near pre-pandemic levels sooner than in emerging markets and developing economies.

Advanced economies are poised for a slight uptick, primarily driven by the recovery in the Euro Zone. The growth rates in these economies are projected to climb from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025. In contrast, emerging markets and developing economies are expected to sustain stable growth at 4.2% during 2024 and 2025. However, regional disparities still exist, with the growth moderation in Asia counterbalanced by growth in the Middle East, Central Asia, and Sub-Saharan Africa.

### Global Economic Growth



(Source: *World Economic Outlook – April 2024*)

### Indian Economy

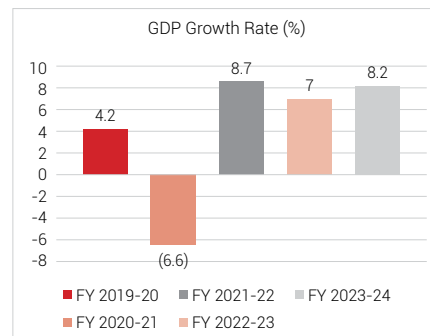
India's economy has been remarkably resilient to global economic challenges, exhibiting sustained growth over the past three years. Strict policy measures, regulations, and the gradual recovery of the private sector have supported this growth. Currently, the country is positioned for further progress, driven by several factors. These include significant investments in emerging sectors, ongoing Government expenditures, and efficiency improvements due to advancements in digitalisation and infrastructure.

In FY 2023-24, India grew at provisional estimates of 8.2%, surpassing the previous forecasts, which indicates a strong trajectory of economic advancement. Furthermore, government statistics underscore that India's GDP growth rate surpassed that of major economies, such as Russia, the USA, China, and Japan.

The nation has solidified its position as the world's third-largest fintech economy, rising to fourth place in global stock markets. This growth is fuelled by continuous IPO activity and strengthened investor confidence. Initiatives like the Skill India Mission, Start-Up India, and Stand-Up India are encouraging greater female participation in human capital development.

The government's economic policy agenda is laser-focussed on revitalising India's growth potential. This encompasses efforts to rejuvenate the financial sector, streamline business conditions, and enhance both physical and digital infrastructure to strengthen connectivity and manufacturing competitiveness. Furthermore, ongoing economic reforms aim to foster a more business-friendly environment, improve quality of life, and fortify governance systems to align with this overarching vision.

### Indian Economy GDP Growth Rate



(Source: *Press Information Bureau (pib.gov.in)*)

## Management Discussion and Analysis Report (Contd.)

## Industry Overview

### Global Auto Component Industry

The global auto components market was valued at US\$ 1,964.51 Billion in CY 2023 and is projected to expand at a CAGR of 5.73% from CY 2023 to CY 2033, reaching US\$ 3,429.54 Billion by CY 2033. North America is expected to maintain the largest share of the market, while Asia Pacific is poised to experience the fastest growth during the forecast period.

The North American auto components market has thrived due to the region's escalating industrial expansion and various key factors that have enhanced sector potential. As the principal market for these products, North America has seen a surge in demand from both OEMs and the aftermarket. Additionally, rapid urbanisation is set to further propel the market's growth.

Asia Pacific's swift growth is fuelled by robust industrialisation, urbanisation, and an expanding automotive sector, establishing it as the world's largest car market. The region is a critical manufacturing hub, benefiting from lower production costs, a skilled workforce, and a robust supply chain ecosystem. Additionally, a growing middle-class population, rising disposable incomes, and enhancements in transport infrastructure are key drivers behind the expansion of the automotive components manufacturing industry in Asia Pacific.

(Source: <https://www.sphericalinsights.com/reports/automotive-components-market>)

### Indian Auto Component Industry

India's auto component sector is the fourth largest in the world by production and the third largest by sales volume. The market size of India's auto component industry is expected to expand by US\$ 115.79 billion, with an impressive CAGR of 25.7% from CY 2023 to CY 2028. This growth is propelled by the expanding middle-class population, increasing demand for compact SUVs, and government initiatives that streamline regulations in the automotive industry.

According to the Automobile Component Manufacturers Association (ACMA), India's automobile component exports are set to reach US\$ 30 Billion by CY 2026. Investment in India's auto component industry is poised for significant growth, with expected capital expenditures (capex) ranging between INR 20,000-25,000 Cr. for FY 2024-25. These investments will focus on expanding production capacities and enhancing technological capabilities. Capex is projected to account for about 8-10% of operational income over the medium term, supported by the Production Linked Incentive (PLI) scheme, which promotes advanced technology and electric vehicle (EV) components. Meanwhile, imports

have increased notably, rising by 11% to US\$ 20.3 Billion, approximately 30% of which originate from China.

The sector has also drawn substantial foreign direct investment (FDI), with inflows reaching US\$ 36.26 Billion from April 2000 to March 2024. Importantly, 100% FDI is allowed in the automotive parts industry under the automatic route, enhancing the attractiveness of investment opportunities.

The Union Cabinet approved the PLI-Auto Scheme with a budget of INR 25,938 Cr. for a five-year period from FY2022-23 to FY2026-27. This scheme aims to boost the production of Advanced Automotive Technology (AAT) Products, with a particular emphasis on Zero Emission Vehicles (ZEVs) such as Battery Electric Vehicles and Hydrogen Fuel Cell Vehicles. The PLI-AUTO Scheme aims to promote extensive localisation of AAT products, contributing to the growth of both domestic and international supply chains. Incentives under the scheme will be in effect from FY 2022-23 to FY 2026-27, with pay-outs scheduled for the subsequent fiscal year from FY 2023-24 to FY 2027-28.

(Source: <https://www.technavio.com/report/india-auto-component-market-industry-analysis>,

<https://bwautoworld.com/article/accelerating-growth-indias-automotive-component-industry-outlook-514030>,

<https://www.investindia.gov.in/sector/auto-components#:~:text=The%20FDI%20inflow%20into%20Indian,allowed%20under%20the%20automatic%20route>,

<https://auto.economictimes.indiatimes.com/news/industry/auto-component-industrys-revenue-to-grow-by-5-7-in-fy25-icra/111664380>

[https://www.business-standard.com/industry/auto/indian-auto-component-industry-saw-highest-ever-jump-at-33-in-fy23-acma-123080700531\\_1.html](https://www.business-standard.com/industry/auto/indian-auto-component-industry-saw-highest-ever-jump-at-33-in-fy23-acma-123080700531_1.html)

[https://heavyindustries.gov.in/pli-scheme-automobile-and-auto-component-industry#:~:text=Union%20Cabinet%20approved%20the%20PLI,Automotive%20Technology%20\(AAT\)%20Products.](https://heavyindustries.gov.in/pli-scheme-automobile-and-auto-component-industry#:~:text=Union%20Cabinet%20approved%20the%20PLI,Automotive%20Technology%20(AAT)%20Products.))

### Global Cutting Tools Industry

The global cutting tools market is forecasted to expand at a CAGR of 6.2% from FY 2023-24 to FY 2028-29, with the market size anticipated to rise from US\$ 24.59 Billion in FY 2023-24 to US\$ 33.21 Billion by FY 2028-29. This expansion is anticipated to be driven by rising demand across key sectors, including automotive, aerospace, manufacturing, and construction.

Advancements in material science are improving the durability and efficiency of cutting tools, thereby fuelling

Management Discussion and Analysis Report (Contd.)

market growth. Moreover, the increasing integration of automation within manufacturing processes globally is expected to further boost demand for cutting tools. These developments are likely to sustain the positive growth trajectory of the global cutting tools market over the next few years.

Leading this growth, the Asia-Pacific region is poised to dominate the global market this year, spurred by its expanding industrial base, rising disposable incomes, and ongoing urbanisation. This boosts demand for consumer goods, automobiles, and infrastructure projects. Within the Asia-Pacific region, China maintains the largest market share, while India is quickly becoming a significant player, showing substantial growth and emerging as a key regional market.

(Source: <https://www.marketdataforecast.com/market-reports/cutting-tools-market>

<https://www.marketresearchfuture.com/reports/cutting-tools-market-4027>)

**Indian Cutting Tools Industry**

The cutting tool industry in India is expected to achieve a market size of US\$ 101.48 Billion by CY 2027, with a CAGR of 4.2% from CY 2019 to CY 2027. This growth will be fuelled by increasing demand for metal-cutting equipment across diverse sectors such as aerospace, defence, automotive, and industrial machinery. As manufacturing sectors continue to expand, the use of cutting tools is expected to increase significantly to meet evolving customer needs. Over the next five years, the market share of cutting tools is projected to grow steadily, driven by the rising demand for efficient tools capable of meeting the intricate needs of critical and complex machine components.

(Source: <https://www.theindustryoutlook.com/machinery-and-equipment/panorama/how-cutting-tools-market-is-evolving-in-india-nwid-2645.html>)

**Company Overview**

Birla Precision Technologies Limited ('BPTL' or 'The Company') is a pioneering tool manufacturing company in India, boasting a rich legacy spanning over 8 decades. As part of the esteemed Birla Group of Companies, it is led by Mr. Vedant Birla, a seventh-generation member of the illustrious Birla family. BPTL operates across three primary product segments:

- Cutting Tools:** BPTL's subsidiary, Indian Tools Manufacturer (ITM), holds a significant market position as India's first cutting tool company. Renowned brands under this segment include 'Dagger', 'Panther',

'Carbomach', and 'Hathyar', offering a wide array of cutting tool solutions.

- Tool Holders:** Established in 1986 through a joint venture with Kennametal Inc., USA, initially known as Birla Kennametal, this division specialises in manufacturing tool holders, collets, work holding solutions, and production boosters.
- Automotive Precision Components:** Formed in 1998 in collaboration with Perucchini Spa of Italy, this division focuses on machining products and precision components for the automotive industry.

BPTL's commitment to quality, innovation, and strategic partnerships has positioned it as a leader in the Indian tool manufacturing sector. The Company caters to diverse industrial needs with a portfolio of high-performance products across cutting tools, tool holders, and automotive precision components.

**SWOT Analysis**

**Strength**

- Extensive coverage across diverse customer segments.
- Well-established and respected brand presence.
- Commitment to superior quality and innovative design.
- Strong associations and partnerships within the industry.
- Skilled team with a track record of successful marketing strategies.
- Capable and experienced HR professionals at the top level.

**Weaknesses**

- Existing distribution network may require enhancements for better efficiency.
- Inadequate promotional strategies that need to be re-evaluated and improved.
- Requirement for investment in new machinery and technology to replace obsolete equipment.
- Reliance on manual processes that could benefit from automation.
- Need for modernisation and upgrade of existing infrastructure.
- Insufficient recognition and presence in global markets.

**Opportunities**

- Potential for growth in key markets including India, Europe, and the USA.

Management Discussion and Analysis Report (Contd.)

- Exploring alternatives to sourcing or manufacturing in China to mitigate risks and leverage new opportunities.
- Expanding efforts to attract and serve customers across global markets.
- Investing in new technologies and innovations to stay competitive and meet evolving market demands.
- Building relationships with educational institutions to develop a pipeline of skilled graduates and improve employee capability.

**Threats**

- Established competitors with scalable business models pose significant competitive pressure.
- Increased competition due to suppliers in casting and forging moving into manufacturing.
- Traders engaging in brand labelling and sourcing from China intensify market competition.
- Market challenges due to regional preferences for local suppliers.

- Growing competition from international players in the global market.

**Financial Overview**

**Standalone Overview:**

The Sales and Other Income of the Company for the Financial Year 2023-24 stood at INR 22,778.26 Lakhs as against INR 26,370.74 Lakhs of previous year. Profit after tax stood at INR 1,066.14 Lakhs as against INR 1,538.32 Lakhs in the previous year.

**Consolidated Overview:**

The Sales and Other Income of the Company for the Financial Year 2023-24 stood at INR 22,755.82 Lakhs as against INR 26,364.42 Lakhs of previous year. Profit after tax stood at INR 943.30 Lakhs as against INR 1,407.32 Lakhs in the previous year.

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

**INR In Lakhs except for per share data**

Particular	Standalone		Consolidated	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Revenue from Operation (₹ in Lakhs)	22,577.18	25,336.53	22,553.69	25,330.41
EBITDA (₹ in Lakhs)	2,797.79	2,858.24	2,677.87	2,737.85
PAT (₹ in Lakhs)	1,066.14	1,528.32	943.30	1,407.32
EPS	1.62	2.34	1.43	2.16

**Key Ratios**

The key financial ratios for the FY 2023-24 and a comparison thereof with the FY 2022-23 have been stated in the financial statement for the period ended March 31 2024.

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

Particulars	Consolidated		Standalone	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Debt-Equity Ratio (In times)	0.29	0.24	0.29	0.24
Interest Service Coverage Ratio (In times)	5.79	6.84	6.16	7.22
Current Ratio (In times)	1.68	1.62	1.70	1.62
Current Liability Ratio (In times)	0.41	0.42	0.41	0.42
Total Debts to Total Assets (In times)	0.16	0.13	0.16	0.13
Debtors Turnover (In times)	5.39	6.29	5.17	6.28
Inventory Turnover (In times)	1.60	2.19	1.68	2.20
Debt Service Coverage Ratio	5.31	5.57	5.64	5.87
Long term debt to Working Capital Ratio	0.04	0.04	0.04	0.04
Operating Margin (%)	0.08	0.05	0.09	0.05
Net Profit Margin (%)	0.04	0.05	0.05	0.06



Management Discussion and Analysis Report (Contd.)

**Risk Management**

Effective risk management is indispensable for any business to identify and mitigate potential hazards that could jeopardise its operations and reputation. To ensure proper implementation and monitoring of the risk management plan, the Board of Directors has established a dedicated Risk Management Committee. This underscores BPTL's commitment to managing risks and operating safely and sustainably.

Risk	Impact	Mitigation
<b>Market Risk</b>	Dependence on automotive, aerospace, and industrial sectors for revenue exposes the Company to market fluctuations and sector-specific downturns.	<ul style="list-style-type: none"> <li>Diversification of customer base across industries and geographical regions to reduce dependency on any single market segment.</li> <li>Continuous market research and monitoring of industry trends to anticipate changes and adapt strategies accordingly.</li> </ul>
<b>Technology and Innovation Risk</b>	Rapid technological advancements in cutting tools and precision components require ongoing investment in research and development to maintain competitiveness.	<ul style="list-style-type: none"> <li>Commitment to R&amp;D investment to develop new products</li> <li>Enhance existing technologies and stay ahead of industry trends.</li> </ul>
<b>Operational Risk</b>	Manufacturing complexities, supply chain disruptions, and quality control issues can impact production efficiency and product delivery of the Company.	<ul style="list-style-type: none"> <li>Implementing robust operational management systems and lean manufacturing practices to optimise production processes and minimise downtime.</li> <li>Strengthening supplier relationships and diversify suppliers to mitigate supply chain risks.</li> </ul>
<b>Regulatory and Compliance Risk</b>	Regulatory and compliance risk affects the company by potentially increasing operational costs due to the need for stringent adherence to regulations and standards.	<ul style="list-style-type: none"> <li>Regular monitoring of regulatory changes and updates to ensure compliance.</li> <li>Investment in compliance management systems and training programmes for employees to uphold regulatory standards effectively.</li> </ul>
<b>Financial Risk</b>	Exposure to currency fluctuations, liquidity challenges, and financial market volatility can impact profitability and financial stability of the Company.	<ul style="list-style-type: none"> <li>Implementation of robust financial risk management strategies, including hedging against currency risks, maintaining adequate liquidity reserves, and prudent financial planning and budgeting.</li> <li>Regular financial audits and assessments to monitor financial health and identify potential risks early.</li> </ul>
<b>Talent and Human Resource Risk</b>	Skills shortage, talent retention challenges, and succession planning gaps could affect the Company's growth and continuity.	<ul style="list-style-type: none"> <li>Investment in talent acquisition strategies, employee development programmes, and competitive compensation packages to attract and retain skilled professionals.</li> <li>Implementation of succession planning initiatives to ensure leadership continuity and knowledge transfer.</li> </ul>

Management Discussion and Analysis Report (Contd.)

Risk	Impact	Mitigation
<b>Competitive Risk</b>	Intense competition from global and domestic players in the cutting tools and precision components industry affects the company by pressuring it to continuously innovate and improve product quality while managing cost efficiency.	<ul style="list-style-type: none"> <li>Differentiation through product innovation, quality excellence, and customer service excellence.</li> <li>Continuous benchmarking against competitors and adaptation of agile marketing strategies to maintain market leadership.</li> </ul>

**Human Resources**

The Company is intensifying its commitment to employee welfare and their overall development by nurturing a supportive work culture. BPTL's strategy places a strong emphasis on qualitative growth through the creation of a hassle-free and constructive work environment, positioning employee welfare at the heart of its corporate growth strategy. The Company frequently holds interactive sessions with employees, which have led to positive outcomes. Additionally, it provides formal training conducted by both internal and external experts to deepen domain knowledge and promote a culture of corporate excellence. It is also important to highlight that none of the Company's Senior Management Personnel have been involved in any material, financial, or commercial transactions that could potentially conflict with the broader interests of the Company.

**Internal Control Systems and Their Adequacy**

The Company has been constantly upgrading its systems which helps minimise inefficiency and establishes a smoothly controlled internal system. This improvement helps the Company organise and increase its productivity and overall efficiency.

**Cautionary Statement**

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

## Boards' Report

To,

The Members of Birla Precision Technologies Limited

Your Directors take pleasure in presenting the 37<sup>th</sup> Annual Report on the Audited Financial Statements of the Company for the year ended March 31, 2024.

### 1. Financial Performance:

The Company's Financial performance for the Year ended March 31, 2024 as compared to the previous Financial Year ended March 31, 2023 is summarised below:

Particulars	Standalone		Consolidated	
	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Total Income	22,778.26	26,370.74	22,755.82	26,364.62
EBITDA	2797.79	2858.24	2677.87	2737.85
Less: Depreciation	649.02	462.01	649.02	462.01
EBIT	2148.77	2396.23	2028.85	2,275.84
Less: Finance Cost	348.80	331.21	350.12	331.82
<b>Profit Before Exceptional Items and Tax</b>	<b>1799.97</b>	<b>2065.02</b>	<b>1678.73</b>	<b>1944.02</b>
Less: Exceptional Items	-	-	-	-
<b>Profit Before Tax</b>	<b>1799.97</b>	<b>2065.02</b>	<b>1678.73</b>	<b>1944.02</b>
Less: Tax Expenses	586.60	480	588.20	480
Less: MAT Credit Entitlement	147.23	56.70	147.23	56.70
<b>Profit or Loss After Tax</b>	<b>1066.14</b>	<b>1528.32</b>	<b>943.30</b>	<b>1407.32</b>

#### a) OVERVIEW OF COMPANY'S PERFORMANCE

##### Standalone Performance of the Company:

During the Financial Year under review, total revenue declined to INR 22,778.26 Lakhs as against INR 26,370.74 Lakhs in the corresponding previous Financial Year on the account of closure of the Foundry Business.

The EBIDTA margin as a percentage of sales in the previous year was 11.28% as against 12.39% in the reporting Financial Year. Net Profit (before tax) of INR 1,799.97 Lakhs as against INR 2,065.02 Lakhs in the previous Financial Year and Net profit (after tax) is INR 1,066.14 Lakhs as against INR 1,528.32 Lakhs in the previous Financial Year.

##### Consolidated Performance of the Company:

During the Financial Year under review, total revenue declined to INR 22,755.82 Lakhs as against INR 26,364.62 Lakhs in the corresponding previous Financial Year on the account of closure of the Foundry Business.

The EBIDTA margin as a percentage of sales in the previous year to 10.80% as against 11.88% in the

reporting Financial Year. Net Profit (before tax) of INR 1,678.73 Lakhs as against INR 1,944.02 Lakhs in the previous Financial Year and Net profit (after tax) is INR 943.30 Lakhs as against INR 1,407.32 Lakhs in the previous Financial Year.

Your Company's management shall endeavor to continue to focus on cutting costs and concentrate on better productivity so as to overcome these uncertain and difficult times.

#### b) Cash Flow Statement:

The Cash Flow statement for the Financial Year 2023-2024 is attached as part of the Financial Statement.

#### c) Dividend:

The Board of Directors at their meeting held on February 19, 2024 had declared Interim Dividend of INR 0.05 per equity share (i.e. 2.5%) on a Face Value of INR 2/- each which was duly distributed.

The Board has further recommended Final Dividend of INR 0.05 per equity shares (i.e. 2.5%) on face value of INR 2/- each. The same shall be

## Boards' Report (Contd.)

paid on the approval of the Shareholders at the forthcoming Annual General Meeting.

#### d) Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

#### e) Transfer to Reserves:

The Company proposes to transfer Nil amount to the General Reserve Account during the Financial Year ended March 31, 2024.

## 2. Finance

a) Your Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through a process of continuous monitoring.

b) Deposits: In terms of sections 73 and 74 of the Companies Act, 2013 read with relevant Rules, your Company has not accepted any fixed deposits during the year under review.

c) Particulars of Loans, Guarantees and Investments: Details of Loans, Guarantees and Investments made by your Company and covered under the provisions of Section 186 of the Act are appended as notes to the Financial Statements.

## 3. SHARE CAPITAL:

#### a) Authorised Share Capital:

During the Financial Year 2023-2024, there has been no change in the Authorised Share Capital of the Company.

#### b) Preferential Allotment of Equity shares:

During the Financial Year 2023-2024, Company has issued 7,16,500 (Seven Lakhs Sixteen Thousand Five Hundred) fully paid-up equity shares of face value of INR 2/- (Rupees Two) each at a price of INR 64/- (Rupees Sixty-Four) per equity share (including premium of INR 62/- (Rupees Sixty-Two) per equity share, aggregating to INR 4,58,56,000/- (Rupees Four Crore Fifty Eight Lakhs and Fifty Six Thousand only) ("Subscription Shares") to preferential allottees on a preferential

basis for which Special Resolution was passed by the members of the Company on March 20, 2024 by Postal Ballot.

On the Account of Issuance of Equity Shares on Preferential Basis, the Paid up Share Capital of the Company has been Increased from INR 13,05,42,274 (Thirteen Crore Five Lakh Forty Two Thousand Two Hundred and Seventy Four only) Divided in to 6,52,71,137 (Six Crore Fifty-Two Lakhs Seventy-One Thousand One Hundred and Thirty-Seven) equity shares of INR 2/- each to INR 13,19,75,274 (Thirteen Crore Nineteen Lakh Seventy Five Thousand Two Hundred and Seventy Four Only) Divided in to 6,59,87,637 (Six Crore Fifty-Nine Lakhs Eighty-Seven Thousand Six Hundred and Thirty-Seven) equity shares of INR 2/- each.

#### 4. Preferential Allotment of Fully Convertible Warrants:

During the Financial Year 2023-2024, the Company has issued 34,50,000 Fully Convertible Warrants at the Face Value of INR 2 each for cash at an issue price of INR 64/- (Rupees Sixty-Four) Per Warrants (including premium of INR 62/- (Rupees Sixty-Two) Per Warrants on a preferential and Private Placement basis to promoter Group of the Company and Identified Non Promoters.

#### 5. Utilisation of funds from proceeds of Preferential Issue

As on March 31, 2024, no amount has been utilised from the proceeds of Preferential Issue towards the objects for which the same were raised, as the allotment of the preferential issue was done on March 27, 2024.

#### 6. Subsidiaries, Associates & Joint Ventures:

As on March 31, 2024, the Company has Five subsidiaries in the name and style of "Birla Accucast Limited", "Birla Engineering Private Limited", "Birla Durotool Private Limited" and foreign subsidiaries in the name and style of "Birla Precision USA Limited" incorporated in USA and "Birla Precision Technologies GmbH" incorporated in Germany.

Your Company does not have any, Associate & Joint Venture Company as on March 31, 2024. Furthermore, a statement containing the salient features of the Financial Statements of the Company's subsidiaries in the prescribed 'Form AOC-I' is attached as 'Annexure - I', forms part of the Board's report.

Boards' Report (Contd.)

**7. Management Discussion and Analysis Report:**

The detailed review of the operations, state of affairs, performance and outlook of the Company and its business as stipulated under Regulation 34(2)(e) of SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of Annual Report under the head 'Management Discussion and Analysis'.

**8. Directors & Key Managerial Personnel(KMP):**

**a. Board of Directors**

Sr. No	DIN	Name	Designation
1.	03327691	Mr. Vedant Birla	Chairman & Managing Director
2.	08686131	Mr. Santhosh Kumar	Executive Director
3.	00258316	Mr. Sanjay Kothari	Non-Executive Non-Independent Director
4.	02680148	Ms. Raji Vishwanathan	Non-Executive Women Independent Director
5.	09562207	Ms. Tulsi Jayakumar	Non-Executive Independent Director
6.	07804776	Mr. Vikas Thapa	Non-Executive Independent Director
7.#	07619879	Mr. Paramasivan Angala Srinivasan	Non-Executive Independent Director
8.#	09505130	Mr. Kaleginanaoor Chandrashekhar Sharma	Non-Executive Independent Director
9.*	00628373	Mr. Srinivasa Raghavan Dorai Rajan	Non-Executive Independent Director

During the Year under review following changes have taken place:

\*Mr. Srinivasa Raghavan Dorai Rajan tendered his resignation w.e.f. May 26, 2023 as Independent Director of the Company citing reason of his inability to devote much time due to his Advanced Age & Health Issue.

#Mr. Paramasivan Angala Srinivasan and Mr. Kaleginanaoor Chandrashekhar Sharma are appointed as Non- Executive Independent Directors of the Company w.e.f May 26, 2023 and were regularised through postal Ballot dated June 25, 2023.

**b. Key Managerial Personnel:**

In terms of Section 203 of the Act, the KMPs of the Company during the Financial Year 2023-24 are as follows:

Sr. No	Name of the KMP'S	Designation
1.	Mr. Vedant Birla	Chairman & Managing Director
2.	Mr. Harish Kumar Pareek	Chief Financial Officer
3.	Ms. Ishu Jain *	Company Secretary & Compliance Officer

During the Year under review following changes have taken place:

# Mr. Parth Matolia, Company Secretary & Compliance Officer has tendered his resignation w.e.f. September 08, 2023.

\* Ms. Ishu Jain was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. February 10, 2024.

**c. Retires by Rotation:**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Santosh Kumar (DIN -08686131) Executive Director, retires by rotation at the ensuing Annual General Meeting ("AGM") and being eligible offers himself for re-appointment.

**d. Declaration Given by the Independent Directors:**

The Company has received declarations from all the Independent Directors of the Company confirming that they met the criteria of independence as prescribed under Section 149 (6) of the Act and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Board of Directors of the Company is of the view that all the Independent Directors fulfill the criteria of independence and they are independent from the management of the Company. All Independent Directors of the Company have confirmed that they have registered themselves with Independent Directors' Database of IICA and

Boards' Report (Contd.)

will appear for the online proficiency test of IICA, if applicable.

During the Financial Year 2023-24 a separate meeting of Independent Director was held on March 26,2024 without the presence of Executive Directors or management representatives.

**e. Board Effectiveness:**

**Independent Directors' Familiarisation Policy:**

In compliance with the requirements of Regulation 25(7) of the SEBI Listing Regulations, the Company has put in place a Familiarisation Program for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, etc. The details of the training and familiarisation program have been provided under the Corporate Governance Report. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties, and responsibilities. Details of the Familiarisation Program conducted are available on the Company's website: <https://www.birlaprecision.com/documents/investor/Policies/Independent%20Director%20Familiarization%20Programme.pdf>

The Familiarisation Policy of the Company seeks to familiarise the Independent Directors with the working of the Company, their roles, rights and responsibilities with respect to the Company, the industry in which the Company operates, business model, etc.

**f. Board and Committee Evaluation:**

The Companies Act, 2013 and SEBI Listing Regulations contains broad provisions on Board Evaluation i.e. evaluation of the performance of (i) the Board as a whole, (ii) individual Directors (including Independent Directors and Chairman) and (iii) various Committees of the Board.

Pursuant to the said provisions, the Board has carried out the annual performance evaluation of the entire Board, its Committees and all the Directors based on the parameters specified in the Report of Corporate Governance.

A separate meeting of Independent Directors was held to discuss the performance of Non-Independent Directors, Board as a whole and the

Chairman after considering the views of Executive Directors and Non-Executive Directors.

**g. Criteria for selection of Directors, KMPs and Senior leadership positions and their remuneration**

On the recommendation of the Nomination and Remuneration Committee, the Board of the Company has adopted a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The policy is available on the Company's website at the below mentioned weblink:

<https://www.birlaprecision.com/documents/investor/Policies/Policy-Nomination-%20&-Remuneration-Policy.pdf>

The policy contains, inter-alia, principles governing Directors', KMPs, Senior Management Personnel appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of Directors, etc.

**9. Meetings of The Board**

During the Financial Year, eight meetings of the Board of Directors were held, the details of which are given in the Corporate Governance Report of the Company, which forms part of this Report. The maximum interval between any two meetings did not exceed 120 days as prescribed under the Act.

**10. Committees of Board:**

**a. Audit Committee**

During the Financial Year 2023-24, 7 (seven) Audit Committee meetings were convened. The composition of the Audit Committee is given in the Corporate Governance Report, forming part of this Annual Report. The Board has accepted all recommendations of the Audit Committee during the year under review.

**b. Nomination and Remuneration Committee:**

During the Financial Year 2023-24, 4 (Four) Nomination and Remuneration Committee meetings were convened. The composition of the Nomination and Remuneration Committee is given in the Corporate Governance Report, forming part of this Annual Report.



Boards' Report (Contd.)

**c. Stakeholders' Relationship Committee:**

During the Financial Year 2023-24 1(One) Stakeholders' Relationship Committee meeting were convened. The composition of the Stakeholders' Relationship Committee is given in the Corporate Governance Report, forming part of this Annual Report.

**d. Corporate Social Responsibility Committee:**

During the Financial Year 2023-24, 1 (One) Corporate Social Responsibility Committee meeting was convened. The composition of the Corporate Social Responsibility Committee is given in the Corporate Governance Report, forming part of this Annual Report.

**11. Particulars of Contracts with Related Parties / Related Party Transactions:**

In accordance with the relevant provisions of the Act and rules framed thereunder and Regulation 23 of the SEBI Listing Regulations, the Company has in place a Related Party Transaction ("RPT") Policy. All related party transactions ("RPT") entered into during the Financial Year 2023-24 were in accordance with the Company's RPT Policy and on an arms' length basis and in the ordinary course of business. All RPTs are placed before the Audit Committee and the Board for their approval.

Further, since the transactions with the related parties were in the ordinary course of business and at arm's length pricing, not material in nature and in accordance with the Related Party Transactions Policy, the particulars of such transactions with the related parties are not required to be reported by the Company in Form AOC-2.

RPT Policy as approved by the Board is uploaded on the Company's website and is available at the weblink <https://www.birlaprecision.com/documents/investor/Policies/Policy-Related-Party-Transaction.pdf>

**12. Internal Financial Controls and their adequacy:**

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

The Company has an established Internal Financial Control framework including internal controls over financial Reporting, operating controls and anti-fraud framework. The framework is reviewed regularly by the

management and presented to the Audit Committee. Based on the review, the framework is Strengthened and amended to incorporate the continuously evolving practices, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls.

The adequacy of the internal control system as well as the internal audit report is reviewed by the audit committee of the Board of Directors. The adequacy of the internal control system has also been reported by the statutory auditors of the Company in their report as required under the Companies (Auditors Report) Order, 2020.

**13. Auditors' Report:**

**a) Statutory Auditors & their Report:**

The Company's Statutory Auditors, M/s. Valawat & Associates, Chartered Accountants (ICAI Firm Registration No. 003623C) were appointed as Statutory Auditors of the Company for a period of five consecutive years at the 33<sup>rd</sup> Annual General Meeting held on December 29, 2020 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

M/s. Valawat & Associates, Chartered Accountants have confirmed that they are eligible and are in compliance with the provisions specified under Section 141(3)(g) of the Act and they are not disqualified to act as Statutory Auditors in terms of the provisions of Sections 139 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2014. The Report of the Statutory Auditor forming part of the Annual Report, does not contain any qualification, reservation, adverse remark or disclaimer. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

**b) Secretarial Auditor & their Report:**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Mr. Vijay Tiwari, Proprietor of Vijay S. Tiwari & Associates, Company Secretary in Practice, to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2024.

The Secretarial Audit Report for the Financial Year ended March 31, 2024 is enclosed to this report as "Annexure II".

Boards' Report (Contd.)

**c) Internal Auditor:**

The Company has appointed, M/s. Samp & Co. Chartered Accountants bearing Firm Registration Number: 023782N, as Internal Auditors of the Company. During the year, the Internal Auditor has carried out Company audit on significant areas affecting the Company's business.

The Audit Committee reviews its findings and recommendations at periodic intervals.

**d) Cost Auditor:**

The Company is required to maintain cost records for certain products as specified by the Central Government under sub-section (1) of Section 148 of the Act, and accordingly such accounts and records are prepared and maintained in the prescribed manner.

Further, the Company has received Cost Audit Report on the cost accounts of the Company for the Financial Year ended on March 31, 2024 from Mr. Jayant Galande, Cost Accountants (Membership No: 5255) and the same shall be filed with the Registrar of Companies (ROC)

During the Financial Year 2023-24, no fraud was reported by the Cost Auditor of the Company in their Report.

The Board of Directors of the Company, based on the past experience and on a recommendations given by the Audit Committee, has appointed Mr. Jayant Galande, Cost Accountants, (Membership No: 5255) as Cost Auditors for conducting the audit of Cost Records maintained by the Company for the Financial Year 2024-25, subject to ratification of remuneration by the members in the ensuing AGM.

**14. Conservation of Energy, Technology Absorption Foreign Exchange Earnings and Outgo:**

In accordance with the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, required information relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the "Annexure -III" to the Board's Report.

**15. Corporate Governance**

Your Company is committed to maintain the highest standards of ethics and governance, resulting in enhanced transparency for the benefit of all stakeholders. The Report on Corporate Governance

as stipulated under Regulation 27 of the SEBI Listing Regulations forms part of Corporate Governance Report.

The Company is in full compliance with the requirements and disclosures made in this regard. The requisite Certificate from M/s. Vijay Tiwari & Associates, Company Secretaries in Practice, confirming compliance of the Corporate Governance requirements is annexed to the Corporate Governance Report, forming part of this Board's Report.

**16. Corporate Social Responsibility (CSR):**

The Company's guiding principle for CSR is to build its relationship with stakeholders and the community at large, and to contribute to their long term social good and welfare. Your Company, as a matter of duty, has been carrying out the CSR activities since long even when there were no statutory requirements in this regard. In compliance of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility (CSR) Committee. The Corporate Social Responsibility ('CSR') Committee of the Board is responsible for evaluation and implementation of CSR Projects. Salient features of the CSR Policy are as follows:

- o It lays down CSR Philosophy, Vision and Commitment of the Company.
- o It specifies guidelines for implementation of CSR Projects through CSR Partners including eligibility criteria for CSR Partners.
- o It also lays down roles and responsibilities of the CSR Committee.

The initiatives undertaken by the Company during the Financial Year 2023-24 are annexed as "Annexure – IV" to this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy), Rules, 2014. "The Company has committed to allocate the unspent amount towards an ongoing project as and when necessary".

During the year under review, no change was made in the CSR Policy. This Policy is disclosed on the Company's website at <https://www.birlaprecision.com/documents/investor/Policies/Policy-Corporate-Social-Responsibility.pdf>

**17. Vigil Mechanism /Whistle Blower Policy:**

Your Company has in place a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or

## Boards' Report (Contd.)

violation of your Company's Code of Conduct. Under the vigil mechanism of the Company, which also incorporates a Whistle Blower Policy in terms of Regulation 22 of the SEBI Listing Regulations, protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Chairman of the Audit Committee. Adequate safeguards are provided against victimisation to those who avail of the vigil mechanism.

The Whistle Blower Policy is available on the Company's website at the weblink: <https://www.birlaprecision.com/documents/investor/Policies/Whistleblower%20Policy.pdf>

### 18. Prevention of Sexual Harassment at Workplace:

As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has implemented a policy on prevention, prohibition and redressal of sexual harassment at workplace. This has been widely communicated internally. Your Company has constituted 'Internal Complaints Committee' to redress complaints relating to sexual harassment at its workplaces.

The Company has not received any complaints relating to sexual harassment during Financial Year 2023-24.

### 19. Significant and Material Orders Passed by Regulators or Courts:

There are no significant or material orders passed by any Regulators / Courts which would impact the going concern status of the Company and its future operations.

### 20. Annual Return:

The Annual Return of the Company as of March 31, 2024, in Form MGT - 7 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at <https://www.birlaprecision.com/investor-section-financial-result.php> By virtue of an amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide an extract of the Annual Return (form MGT- 9) as part of the Board's Report.

### 21. Particulars of Employees:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 are annexed as "Annexure –V" to this Report.

### 22. Compliance of Accounting Standards:

As per requirements of the SEBI Listing Regulations and applicable Accounting Standards, your Company has made proper disclosures in the Financial Statements.

The applicable Accounting Standards have been duly adopted pursuant to the provisions of Sections 129 and 133 of the Act.

### 23. Compliance of Secretarial Standards:

The Company has complied with the Secretarial Standards (SS-1 and SS-2), issued by the Institute of Company Secretaries of India and forming part of the Act, on meetings of the Board of Directors and General Meetings.

### 24. Directors' Responsibility Statement:

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 as amended, the Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had 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 and of the profit and loss of the Company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 25. Reporting of Frauds by Auditors:

During the year under review, neither the statutory auditors nor the secretarial auditors reported to the

## Boards' Report (Contd.)

Audit Committee, of any instances of fraud committed in the Company by its officers or employees, as required under Section 143(12) of the Act.

### 26. Material Changes affecting the Financial position of the Company:

Mr. Harish Pareek has resigned from the position of Chief Financial Officer of the Company w.e.f April 30, 2024.

Mr. Pankaj Kumar has been appointed as Chief Financial Officer of the Company w.e.f May 22, 2024.

No material changes and commitments other than in the normal course of business have occurred after the close of the year till the date of this Report, which may affect the financial position of the Company.

### 27. Change in the Nature of Company's Business:

There has been no change in the nature of business of the Company.

### 28. Statement for Development and Implementation of Risk Management Policy U/S 134:

As per Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 the top 1000 listed entities needs to adopt Risk Management Policy.

Therefore, the Company is not required to adopt Risk Management Policy as the Company does not come under Top 1000 listed companies.

### 29. Acknowledgement:

Your directors would like to express their sincere appreciation for the assistance and co-operation received from various stakeholders including financial institutions and banks, Government authorities and other business associates who have extended their valuable support and encouragement during the year under review.

Your directors take this opportunity to place on record their appreciation for the committed services rendered by the employees of the Company at all levels, who have contributed significantly towards the Company's performance and for enhancing its inherent strength.

Your Directors also acknowledge with gratitude the encouragement and support extended by our valued shareholders.

### 30. Miscellaneous:

- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016;
- There was no instance of onetime settlement with any Bank or Financial Institution

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

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

Place: Mumbai  
Date: August 14, 2024

## Annexure - I

### Form AOC-1

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

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

#### Part "A": Subsidiaries

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

Sr. No	Particulars	Details				
		Birla Precision USA Ltd	Birla Precision Technologies GmbH	Birla Engineering Private Limited	Birla Accucast Limited	Birla Durotool Private Limited
1.	Name of the subsidiary					
2.	The date since when subsidiary was acquired	October 08, 2020	November 25, 2021	December 07, 2021	August 12, 2021	December 20, 2022
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Dollar	Euro	Rupees	Rupees	Rupees
5.	Share capital	736.2	21,49,847.50	1,00,000	1,00,000	1,00,000
6.	Reserves & surplus	(89,96,203.74)	(1,53,93,268.53)	(1,61,532.66)	(1,74,825.00)	3,43,040.49
7.	Total assets	1,27,882.95	51,28,338.94	1,52,142.34	1,05,472.10	3,27,21,177.96
8.	Total Liabilities	9123350.49	18371759.97	213675	180297.1	32278137.47
9.	Investments	-	-	-	-	-
10.	Turnover (Gross)	-	79,58,220.44	-	-	2,75,52,734.23
11.	Profit/Loss before taxation	(32,50,455.00)	(91,94,067.52)	(82,857.66)	(99,883.00)	5,02,540.49
12.	Provision for taxation	-	-	-	-	1,59,500.00
13.	Profit after taxation	(32,50,455.00)	(9,194,067.52)	(82,857.66)	(99,883.00)	3,43,040.49
14.	Proposed Dividend	-	-	-	-	-
15.	% of shareholding	100%	100%	100%	100%	100%

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

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

There is no Associate or Joint Venture Companies.

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

#### For and on behalf of Board of Directors

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

**Pankaj Kumar**  
Chief Financial Officer

**Ishu Jain**  
Company Secretary

Place: Mumbai  
Date: August 14, 2024

## Annexure - II

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To,

The Members,

#### Birla Precision Technologies Limited

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BIRLA PRECISION TECHNOLOGIES LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

#### Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards."

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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment.
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. **Not Applicable during the year under review.**
  - The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the year under review.**
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)



## Annexure - II (Contd.)

Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

- i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the year under review.**
  - j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the period under review.**
- (vi) As confirmed by the management, there are no sector/ Industry-specific laws that are applicable specifically to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Circulars, Notifications, Directions, Guidelines, Standards, etc. mentioned above subject to the following observation:

- As per Regulation 24A (LODR) Annual Secretarial Compliance Report is not uploaded on time for the year ended March 31, 2023 there is delay by a day.
- Total promoters and promoter Group shareholding of the listed entity as on March 31, 2024 not holding 100% in dematerialised form. - With respect to 0.03% equity shares held by a person in the promoter group continue to be in physical form and cannot be dematerialised as subject matter of pendency of legal proceedings and sub-judicial, Hence there is no Non-Compliance.

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda

were sent in compliance with the provisions of the Act and Rules made thereunder and Secretarial Standards on Board Meetings, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

During the period under review, decisions were carried out with unanimous approval of the Board and no dissenting views were observed, while reviewing the minutes.

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

**I further report that** during the audit period the Company has undertaken following event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, acts, rules, regulations, circulars, notifications, directions, guidelines, standards:

1. Resignation of Mr. Srinivasa Raghavan Dorai Rajan and Appointment of Mr. Kaleginanaoer Chandrashekhar Sharma and Mr. Paramasivan Angala Srinivasan as Directors of the Company.
2. Allotment of 7,16,500 Equity Shares and 34,50,000 Fully Convertible Warrants ("Warrants/Convertible Warrants") having face value of INR 2/- each at a premium of INR 62/- per share, aggregating to INR 64/- per Equity Share to Promoters and Non-Promoters, further in pursuance of resolution for preferential issue passed by the members through postal ballot on March 20, 2024.

**For Vijay S. Tiwari & Associates  
Practicing Company Secretaries**

**Vijaykumar Tiwari  
Proprietor**

**COP No. 12220**

**M. No. A33084**

**Date: August 06, 2024**

**Place: Mumbai**

**UDIN: A033084F000907122**

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

## Annexure - II (Contd.)

**Annexure**

To,

The Members,

**Birla Precision Technologies Limited**

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

My 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. My responsibility is to express an opinion on these Secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Vijay S. Tiwari & Associates  
Practicing Company Secretaries**

**Vijaykumar Tiwari  
Proprietor**

**COP No. 12220**

**M. No. A33084**

**Date: August 06, 2024**

**Place: Mumbai**

**UDIN: A033084F000907122**

## Annexure - III

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

### A. CONSERVATION OF ENERGY:

- a) Energy conservation measures taken.

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

- Avoidance of wastage of compressed air and electricity during idle time of machine, saving of enormous units.
- Planning to install Solar Panel in all plants so that power cost can be reduced.
- Installation of efficient LED lighting systems at all units of the Company more particularly streets of the plants.
- Electric Motors converted star to Delta to reduce power consumption.
- STP installed and treated water re-used for gardening purpose this results in saving water.

The above measures have resulted in energy saving and consequent decrease in the cost of production

### B. TECHNOLOGY ABSORPTION: Research & Development.

#### 1. Specific Areas in which R& D carried out by the Company:

- Development of new types of jelly filled Hydraulic chucks, ER Sealed collects, Tap in Tool Holder Division, was undertaken during the year.
- Development of new designs of Carbide Tools in Long Length, application on Composite fibers, High hardness materials.
- Installation of High end measuring instruments in carbide tools division to ensure zero defect quality.
- New Drills Product development for addressing international business demands.

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

- Met Market demand of new generation tooling, which are import substitute items and export products to overseas countries.

#### 3. Future Plan of Action

- Development of new products, High Performance HSS & Carbide Cuttings Tools.
- Development & additions of machines for producing drill varieties for global demand.
- Capacity improvement in High Performance Taps

#### 4. Expenditure on Machine Building Department

(INR In Lakhs)	
a) Capital	29,094,130
b) Recurring	-
<b>Total</b>	<b>29,094,130</b>

### C. FOREIGN EXCHANGE EARNING AND OUTGO:

#### 1. Activities relating to export, initiatives taken to increase exports:

Company exports AT3 Class Tool Holders, collets and precision components to U.S.A, Europe and Asia Pacific countries.

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

Particular	FY 2023-24 (In Lakhs)	FY 2022-23 (In Lakhs)
Total Foreign Exchange used	702.88	1,252.80
Total Foreign Exchange Earned	2,745.83	3,543.50

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

Sd/-  
**Vedant Birla**

Date: August 14, 2024

DIN: 03327691

Place: Mumbai

Chairman & Managing Director

## Annexure - IV

### Report on Corporate Social Responsibility (CSR) Activities

#### 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes.

Birla Group has been a pioneer and a stepping stone for Corporate Social Responsibility ("CSR") initiatives. Our Company believes that along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth.

Focus Areas of Company's CSR Policy includes the following:

- Hunger, Poverty, Malnutrition and Health
- Education
- Rural Development Projects
- Gender Equality and Empowerment of Women
- Environmental Sustainability
- National Heritage, Art and Culture
- Mental Health & Lifestyle Improvement

#### 2. Composition of the CSR Committee:

During the year, the Committee met on **November 06, 2023**.

The composition of the Committee and the attendance of the Members are given below:

Name of the Director	Category	Designation	Attendance
Ms. Tulsi Jayakumar	Chairperson	Non-Executive Independent Women Director	1
Mr. Vedant Birla	Member	Chairmen & Managing Director	1
Mr. Vikas Thapa	Member	Non-Executive Independent Director	1
Mr. Sanjay Kothari	Member	Non-Executive Non Independent Director	0

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

The composition of the CSR Committee and the CSR Policy can be accessed at the below link

<https://www.birlaprecision.com/documents/investor/Policies/Policy-Corporate-Social-Responsibility.pdf>

#### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR

**Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:** Not Applicable

- Average net profit of the Company as per section 135(5):** INR 9,68,63,475.20/-
- Two percent of the average net profit of the Company as per section 135(5):  
INR 19,37,269.50/-
- Surplus arising out of the CSR projects or programs or activities of the previous Financial Years: Not Applicable
- Amount required to be set off for the financial year: Not Applicable
- Total CSR obligation for the Financial Year (5b+5c- 5d): INR 19,37,269.50/-
- Details of CSR amount spent against ongoing projects and other than ongoing for the financial year: INR 10,50,000/-
  - Amount spent in Administrative Overheads: Nil

Annexure - IV (Contd.)

- (c) Amount spent on Impact Assessment, if applicable: NA
- (d) Total amount spent for the Financial Year (6a+6b+6c): INR 10,50,000
- (e) CSR amount spent or unspent for the financial year: INR 8,87,269.5 \* Spent in April 2024

Total Amount Spent for the Financial Year. (in INR)	Amount Unspent (in INR): INR 8,87,269.5 * Spent in April 2024				
	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
10,50,000	NA	NA	NA	Nil	NA

- (g) Excess amount for set-off, if any : Not Applicable.

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

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in INR)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (in INR)	Amount spent in the reporting Financial Year (in INR).	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 INR)	Deficiency, if any
					Name of the Fund	Amount (in INR).	Date of transfer.		
	FY 2022-23	-		-	-	-	-		
	FY 2021-22	-		-	-	-	-		
	FY 2020-21	-		-	-	-	-		
	<b>TOTAL</b>	-		-	-	-	-		

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No.

If Yes, enter the number of Capital assets created/ acquired

Annexure - IV (Contd.)

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No	Short Particulars of the property or assets [including complete address and location of the property]	Pin code of the property or assets	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority			
					CSR Registration Number, if applicable.	Name	Registered Address	
(1)	(2)	(3)	(4)	(5)	(6)			
<b>Not Applicable</b>								

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

Sd/-

**Vedant Birla**

DIN: 03327691

Chairman & Managing Director

Place: Mumbai

Date: August 14, 2024

Sd/-

**Tulsi Jayakumar**

DIN: 09562207

Chairperson-CSR Committee

Place: Mumbai

Date: August 14, 2024



## Annexure - V

### Particulars of Employees

The details of remuneration paid to all Directors (Executive and Non-Executive Independent Directors) during the year 2023-24 are as under:

Name of the Directors	Designation	Base Salary	Retirement Benefits	Total Remuneration Paid for FY 2023-2024 (INR)	Sitting fees paid (INR)
Mr. Vedant Birla	Chairman & Managing Director	45,12,000	5,23,440	50,35,440	-
Mr. Santosh Kumar	Executive Director	13,72,039	86,322	14,58,361	-
Mr. Sanjay Kothari	Non-Executive Non Independent Director			-	2,30,000
Mr. Vikas Thapa	Non-Executive Independent Director			-	2,60,000
Ms. Tulsi Kumar	Non-Executive Independent Women Director			-	2,80,000
Ms. Raji Vishwanathan	Non-Executive Independent Women Director			-	3,50,000
Mr. Angala Srinivasan	Independent Non-Executive Director			-	2,80,000
Mr. K Chandrashekhar Sharma	Non-Executive Independent Director			-	2,40,000
*Mr. Srinivasa Raghavan Dorai Rajan	Non-Executive Independent Director			-	1,00,000

The details of remuneration paid to Key Managerial Personnel During the Year 2023-2024:

Name of the Directors	Designation	Remuneration Paid for FY 2023-2024 (INR)
Mr. Harish Pareekh	Chief Financial Officer	21,04,476
#Mr. Parth Motalia	Company Secretary & Compliance Officer	4,85,301
*Ms. Ishu Jain	Company Secretary & Compliance Officer	5,80,000

# Mr. Parth Motalia, Company Secretary & Compliance Officer has tendered his resignation w.e.f. September 08, 2023.

\* Ms. Ishu Jain was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. February 10, 2024.

A. Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

#### Executive Directors

Sr. No.	Particulars	Ratio to Median remuneration
1.	Mr. Vedant Birla	10.71
2.	Mr. Santosh Kumar	3.10

#### Non-Executive Director/Independent Directors

Sr. No.	Particulars	Ratio to Median remuneration
1.	Ms. Raji Vishwanathan	0
2.	Ms. Tulsi Jayakumar	0
3.	Mr. Vikas Thapa	0
4.	Mr. Sanjay Kothari	0
5.	Mr. K Chandrashekhar Sharma	0
6.	Mr. Paramasivan Angala Srinivasan	0

## Annexure - V (Contd.)

The Non-Executive Directors are paid only sitting fees for attending each meeting of the Board of Directors and Committees thereof.

The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Year 2023-24:

Sr. No.	Particulars	% of Increase in remuneration
1.	Mr. Vedant Birla	0.00
2.	Mr. Santosh Kumar	0.00
3.	Ms. Raji Vishwanathan	0.00
4.	Ms. Tulsi Jayakumar	0.00
5.	Mr. Vikas Thapa	0.00
6.	Mr. Sanjay Kothari	0.00
7.	Mr. K Chandrashekhar Sharma	0.00
8.	Mr. Paramasivan Angala Srinivasan	0.00
9.	Mr. Harish Pareekh, Chief Financial Officer	15%
10.	Mr. Parth Motalia Company Secretary and Compliance Officer	32.21%
11.	Ms. Ishu Jain Company Secretary and Compliance Officer	0

Ms. Ishu Jain was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. February 10, 2024.

### B. Information pursuant to Section 197(12) of the Companies Act, 2013 read with the Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### Top 10 employees in terms of remuneration drawn during the year

Sr. No	Name	Amt. drawn in 23-24	Designation	Qualification	Experience in Years	Date of commencement of employment	Age in years	Last Employment held before joining the company
1	Mr. Anil Chaudhary	69,61,163.00	Vice President	B.E. Mechanical	32	01-09-2022	65	Birla Precision Technologies Limited
2	Mr. Jagat Singh Dangi	54,05,770.00	Vice President – (HR & IR)	MDBA	25	19-06-2023	51	Minda Corporation Limited
3	Mr. Jayant Joshi	41,26,337.00	Sr.GM - Operations	Diploma in Mechanical	30	04-06-2020	56	Bharat Forge
4	Mr. Ajit Ashok Vaishnav	33,48,735.00	Sr. General Manager	MDBA (SYMBOISIS PUNE)	29	07-10-2021	52	B G Li-in Electricals Limited
5	Mr. Ritesh Krishna	31,45,709.75	GM, Exports	MBA , B.Tech	16	22-06-2023	40	J K Files
6	MR. F.R. SIDDIQUI	25,96,394.00	Sr.Manager - Export	B.E Mechanical	12	21-05-2018	34	Forbes & Company Limited

## Annexure - V (Contd.)

Sr. No	Name	Amt. drawn in 23-24	Designation	Qualification	Experience in Years	Date of commencement of employment	Age in years	Last Employment held before joining the company
7	Mr. Rajesh Kohli	21,54,900.00	Regional Manager Sales	DME	28	05-06-2020	53	Addison and Co Ltd
8	MR. P.R. KUNDALWAR	21,29,689.00	DGM	B.E Mechanical	24	04-04-2015	46	Sanjeev Auto Parts Manufacturers Pvt Ltd
9	Mr. Amol Umakant Naik	20,04,000.00	Dy General Manager	M com	30	25-11-2019	51	Forbes & Company Ltd
10	Mr. Pankaj Kumar	19,75,805.00	General Manager (Head -FP & A)	MBA (Finance)	16	25-09-2023	45	Future Consumer

Details for the Employee drawing remuneration more than Chairman & Managing Director of the Company in the FY 2023-2024.

Sr.	Employee Name	Designation	Remuneration in the FY 2023 -2024	Qualification & Experience in Years	Age	Date of Commencement of Employee	% of Equity Shares if any held by employee	Last Employment held before joining the
1	Mr. Jagat Singh Dangi	Vice President – (HR & IR)	54,05,770.00	MDBA	51	June 19, 2023	Nil	Minda corporation Ltd, Noida
2	Mr. Anil Choudhari	VP	69,61,163.00	B.E. Mechanical	65	September 01, 2022	Nil	Birla Precision Technologies Limited

- C. The median remuneration of employees of the Company was INR 4,70,119.
- D. The percentage increase in the median remuneration of employees in the Financial Year 2023-24: There has been an increase of 10.08% in median remuneration of employees in FY 2023-24 as compared to FY 2022-23.
- E. The number of permanent employees on the rolls of Company : There were 747 permanent employees on the rolls of the Company as on March 31, 2024.
- F. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentile increase already made in the salaries of the employees other than managerial personnel	Percentile increase in the managerial remuneration	Justification if any
58.9	49.4	Considering the Consistent and Invaluable Consideration of Managerial Personnel

## Annexure - V (Contd.)

- G. Affirmation that the remuneration is as per the remuneration policy of the Company: Pursuant to Rule 5 (1) (xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

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

Date: August 14, 2024  
Place: Mumbai

Vedant Birla  
DIN 03327691  
Chairman & Managing Director

## Report on Corporate Governance

### Our corporate governance philosophy

Corporate Governance is an integral part of Birla Precision Technologies Limited ("the Company"). It's a reflection of the culture, values and policies of the Company. To meet its obligations towards its shareholders and other stakeholders, the Company has a corporate culture of conscience and consciousness; integrity, transparency and accountability for efficient and ethical conduct of business. It aims at highest standards of transparency, integrity, fairness, and accountability as well as equal treatment to all the stakeholders comprising of regulators, employees, investors, customers, vendors and the society at large.

The Company also ensures that the interests of all shareholders (majority as well as minority shareholders) are safeguarded. We ensure that all shareholders fully exercise their rights and that the Company fully recognises their rights. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectation.

Your Company's corporate governance framework incorporates a system of robust checks and balances between the prominent players; namely, the Board, its committees, the management, auditors and various other stakeholders. The Board of Directors and management of your Company place a greater emphasis on maintaining oversight and integrity in governing the Company and conducting business operations.

The Company aims at not only its own growth but also maximisation of benefits to the shareholders, employees, customers, government, stakeholders and also the general public at large. For this purpose, the Company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations. We are committed to good corporate governance and its adherence to the best practices of true spirits at all times.

The Company's governance framework is based on the following Principles:

- ❖ Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- ❖ Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- ❖ Timely disclosure of material operational and financial information to the stakeholders;

- ❖ Systems and processes in place for internal control; and
- ❖ Proper business conduct by the Board, senior management and Employees.

Your Company confirms compliance to the Corporate Governance requirements as enshrined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the details of which for the Financial Year ended March 31, 2024 is as set out hereunder:

### Board of Directors

The Board has an optimum combination of Executive and Non-Executive Directors with an effective balance of Independent and Non-Independent Directors, in conformity with Regulation 17(1) of the SEBI Listing Regulations and other applicable regulatory requirements.

The Company has a judicious mix of Executive, Non-Executive and Independent Directors to ensure proper governance and management. As on March 31, 2024, the Board is comprised of Eight (8) Directors - two (2) Executive Directors, one (1) Non-Executive –Non-Independent Director and five (5) Independent Directors including two (2) Woman Directors.

Further Mr. Vedant Birla, Chairman & Managing Director headed the Board as its Chairman. As on March 31, 2024, the Independent Directors of the Company, have confirmed that they satisfy the criteria of independence as prescribed under Reg. 16 (1) (b) of the SEBI Listing Regulations and Companies Act, 2013 ("Act"). Further, the Independent Directors have made a declaration that they are Independent of the management.

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. In case of business exigencies, the Board's approval is taken through circular resolutions. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. During the Financial Year 2023-24, the Board met Eight (8) times.

The meetings were held on **May 26, 2023, August 10, 2023, August 29, 2023, November 06, 2023, February 10, 2024, February 19, 2024, March 19, 2024 and March 27, 2024** and the intervening gap between two meetings did not exceed one hundred twenty days between any two consecutive meetings.

## Report on Corporate Governance (Contd.)

The constitution of the Board of Directors as on March 31, 2024, details of meeting attended by Directors and their directorship in Indian Public Companies and membership in Committees are as under:

Name of the Director	Category <sup>1</sup>	No. of Board Meetings attended	LastAGM Attended	No. of Directorships and Committee Memberships and Chairmanships (including the Company) <sup>2</sup>			Nos of shares held in our Company
				Directorship <sup>3</sup>	Committee <sup>4</sup>		
					Chairmanship <sup>4</sup>	Membership <sup>4</sup>	
Mr. Vedant Birla <b>(DIN: 03327691)</b>	CMD	8	Yes	1	-	2	-
Mr. Santhosh Kumar <b>(DIN: 08686131)</b>	ED	8	Yes	1	-	-	-
Mr. Sanjay Kothari <b>(DIN:00258316)</b>	NENID	7	Yes	3	2	5	-
Mr. Srinivasa Raghavan Dorai Rajan# <b>(DIN: 00628373)</b>	ID	1	NA	-	-	-	-
Ms. Raji Vishwanathan <b>(DIN: 02680148)</b>	ID	8	Yes	1	1	2	-
Mrs. Tulsi Jayakumar <b>(DIN: 09562207)</b>	ID	8	Yes	1	-	1	-
Mr. Vikas Thapa <b>(DIN: 07804776)</b>	ID	8	No	1	-	-	-
Mr. Paramasivan Angala Srinivasan <b>(DIN: 07619879)*</b>	ID	8	Yes	1	-	2	-
Mr. Kaleginanaoor Chandrashekhar Sharma <b>(DIN: 09505130)*</b>	ID	7	Yes	2	-	1	-

<sup>1</sup> In above table the term 'CMD' refers to Chairman & Managing Director, 'ID' refers to Independent Director, 'NENID' refers to Non- executive Non Independent Director, '

# Mr. Srinivasa Raghavan Dorai Rajan tendered his resignation w.e.f. May 26, 2023 as Independent Director of the Company citing reason of his inability to devote much time due to his Advanced Age & Health Issue.

\*Mr. Paramasivan Angala Srinivasan and Mr. Kaleginanaoor Chandrashekhar Sharma were appointed as Non- Executive Independent Directors of the Company w.e.f. May 26, 2023 and were regularised through postal Ballot dated June 25, 2023.

<sup>2</sup> In terms of regulation 26 of the SEBI Listing Regulations, none of the Directors of the Company were members of more than ten (10) Committees or acted as Chairperson in more than five (5) Committees across all public limited companies in India, in which they are Directors.

<sup>3</sup> Only Directorships in Indian Public Limited Companies (listed) its have been considered.

<sup>4</sup> In accordance with Reg. 26 of SEBI Listing Regulations, Membership / Chairmanship only in Audit Committees and Stakeholders Relationship Committees of all Public Limited Companies, have been considered.

### Disclosure of relationships between Directors inter se:

Directors of the Company are not related to each other.

Report on Corporate Governance (Contd.)

**Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his / her tenure along with confirmation by such director that there are no other material reasons other than those provided:** - During the Financial Year under review, Mr. Srinivasa Raghavan Dorai Rajan tendered his resignation w.e.f. May 26, 2023 as Independent Director of the Company citing reason of his inability to devote much time due to his Advanced Age & Health Issue before the expiry of their tenure.

**Board Support**

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the agenda and convening of the Board and Committee meetings. The Company Secretary attends all the meetings of the Board and its Committees except Independent Directors meeting, advises / assures the Board on compliance and governance principles and ensures appropriate recording of Minutes of proceedings of the meetings.

**Board Meeting and Procedure**

The Board meets at least once in every quarter inter alia, to review the quarterly financial results, operations and other items on the agenda and minimum 4 (four) prescheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by way of circulation, as permitted by law, which is confirmed in the subsequent Board meeting. The meetings are held as per the requirements of business; and maximum interval between any two (2) Board meetings is within the permissible limits.

**Information to the Board**

The internal guidelines for Board / Board Committee meetings facilitate the decision making process at the meetings of the Board / Committees in an informed and efficient manner. Board meetings are governed by a structured agenda. The Company Secretary in consultation with the Chairman and senior management prepares the detailed agenda for the meetings. All major agenda items are backed by comprehensive background information, notes and supporting papers containing all the vital information, to enable the Board to have its focused discussion at the meeting and take informed decisions.

Agenda papers and notes on agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is circulated along with agenda papers

for facilitating meaningful and Focussed discussions at the meeting. In case of sensitive agenda matters, or where it is not practicable to attach or circulate relevant information or document as part of the agenda papers, the same are tabled at the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are taken up for discussion with the permission of the Chairman. Video conferencing facilities are also made available to enable the participation of Directors at meetings of the Board / Committees. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

A detailed agenda is sent to each Director in advance of the Board meetings, covering inter alia, the required information as enumerated in Part A of Schedule II to Regulation 17(7) of the SEBI Listing Regulations. As a policy, all major decisions involving business plan, allocation and deployment of funds, investments and capital expenditure, in addition to matters which statutorily require the approval of the Board are placed before the Board for its consideration and directions.

The Board is also briefed on areas covering industry environment, project implementation, project financing and operations of the Company. Senior executives/ Consultants are invited to provide additional inputs at the Board / Committee meetings, as and when necessary. The members of the Board or Committees are free to suggest any item to be included in the agenda, in addition to exercising their right to bring up matters for discussion at the meeting with permission of the Chairman.

The draft minutes of each Board / Committee meetings are circulated to all Directors for their comments within fifteen (15) days of the meeting. After incorporating the comments, if any, received from Directors, the Company Secretary records the minutes of each Board/ Committee meeting within thirty (30) days from conclusion of the meeting. The important decisions taken at the Board / Committee meetings are communicated to concerned departments promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.

The Board periodically reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliance, if any.

**Board Evaluation / Performance Evaluation**

In terms of the requirements of the Act and the SEBI Listing Regulations, the Board has evaluated its own performance, performance of the Directors individually as well as the working of its Committees. A structured questionnaire

Report on Corporate Governance (Contd.)

was circulated, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

**Code of Conduct**

The Company has adopted a Code of Conduct for its Directors and Senior Management Personnel in terms of regulation 17 of the SEBI Listing Regulations. The Code applies to all Directors and members of the Senior Management. The Code lays down, in detail, the standards of business conduct, ethics and governance.

**Independent Director**

In opinion of the Board, the Independent Directors fulfil the conditions of independence specified in Section 149 and Schedule IV of the Act and Regulation 16 (1) (b) of the SEBI Listing Regulations and are independent of the management. A formal letter of appointment to Independent Director as required under the Act and the SEBI Listing Regulations has been issued on / at the time of their appointment.

**a) Meetings of Independent Directors:**

During the FY 2023-24 a separate meeting of Independent Directors was held on March 26, 2024 without the presence of Executive Director or management representatives to discuss the following:

- Review the performance of Non-Independent Directors of the Company except Chairman;
- Review the performance of the Board as a whole;
- Review the performance of the Chairman of the Company.

**b) Familiarisation Programme for Independent Directors:**

At the time of appointing an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities to be performed by him/her as an Independent Director of the Company. They are also explained in detail the Compliance required from them under the Act, SEBI Listing Regulations and various other statutes and an affirmation is obtained therewith. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations by internal auditors on financials and internal financial controls, are regularly made to the Independent Directors on various matters inter-alia covering the Company's business and role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

The details of Familiarisation Programmes for Independent Directors, have been hosted on website of the Company.

Link: <https://www.birlaprecision.com/documents/investor/Policies/Independent%20Director%20Familiarization%20Programme.pdf>

**Chart or matrix setting out skills/expertise/ competence of the Board of Directors:**

A matrix setting out the core skills/ expertise/ competence as required in the context of the business and sector for the Company to function effectively in comparison with the core skills/ expertise/ competence actually available with the Board of the Company as on March 31, 2024 are stated hereunder:

Sr. No	List of core skills/ expertise/ competence	Mr. Vedant Birla	Mr. Santhosh Kumar	Mr. Sanjay Kothari	Mr. Vikas Thapa	Ms. Tulsi Jayakumar	Ms. Raji Vishwanathan	Mr. Angala Srinivasan	Mr. K Chandrashekhar Sharma
1.	Industry experience and Knowledge	✓	✓	✓			✓	✓	✓
2.	Sales and Marketing Functions	✓	✓	✓			✓	✓	✓
3.	Management of Business Operations	✓	✓	✓	✓	✓	✓	✓	✓



## Report on Corporate Governance (Contd.)

Sr. No	List of core skills/ expertise/ competence	Mr. Vedant Birla	Mr. Santhosh Kumar	Mr. Sanjay Kothari	Mr. Vikas Thapa	Ms. Tulsi Jayakumar	Ms. Raji Vishwanathan	Mr. Angala Srinivasan	Mr. K Chandrashekhar Sharma
4.	Business Development and Strategy Formation	✓	✓	✓	✓	✓	✓	✓	✓
5.	Finance and Accounting	✓		✓			✓	✓	✓
6.	Risk and compliance Oversight	✓			✓	✓	✓	✓	✓
7.	Corporate Governance	✓		✓		✓	✓	✓	✓
8.	Human Resource & Information Technology	✓		✓	✓	✓	✓	✓	✓

**Committees of the Board:**

The Board of Directors has constituted Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Committees are formed with approval of the Board and function in accordance with the powers it derives from the Board. These Committees play an important role in the overall management of day to day affairs and governance of the Company. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Board currently has the following four (4) Committees:

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

**I. Audit Committee**

The Audit Committee acts as a link between the Statutory Auditors, Internal Auditors, the Management and the Board is and entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Audit committee interacts with the Internal Auditors, Statutory Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

The Committee's composition meets the requirements of Section 177 of the Act and Reg. 18 of the SEBI Listing Regulations. Members of the Audit Committee possess financial / accounting expertise / exposure/ qualifications.

**a) Composition as on March 31, 2024**

As on March 31, 2024, the Committee comprises of four (4) Non- Executive, Independent Directors i.e. Ms. Raji Vishwanathan, Mr. K. Chandrashekhar Sharma, Ms. Tulsi Jayakumar, Mr. Paramasivan Angala Srinivasan, one (1) Executive Director- Mr. Vedant Birla, Chairman & Managing Director of the Company and Mr. Sanjay Kothari -Non- Executive, Non-Independent Director.

As on March 31, 2024, Ms. Raji Vishwanathan, Non- Executive, Independent Director of the Company, headed the Audit Committee as Chairperson and all the members of the Audit Committee are well versed in Finance, Accounts Company Law and general business practices.

**b) Terms of Reference:**

The terms of reference of the Audit Committee is in conformity with Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The brief terms of reference inter alia are as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the

## Report on Corporate Governance (Contd.)

financial statements are correct, sufficient and credible;

- Examination of the financial statement and the auditors' report thereon
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the auditor and the fixation of audit fees;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approving initial or any subsequent modification of transactions of the Company with related parties;
- Scrutinising inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure

of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**c) Meetings and attendance:**

The Audit Committee met seven (7) times during the Financial Year 2023-24 i.e., on **May 26, 2023, August 10, 2023, November 06, 2023, February 10, 2024, February 19, 2024, March 19, 2024 and March 27, 2024**. The Audit Committee meetings are also generally attended by the Chief Financial Officer and the representatives of Statutory and Internal Auditors. For the Financial Year ended March 31, 2024; the minutes of every meeting of Audit Committee were approved by the Chairman of the Committee and taken note of, by the Board in every subsequent meeting.

The details of attendance of the members in meetings are as follows:

Name of the Members	Position in the Committee	Designation	No. of Meetings held / Attended during the year
*Mr. Srinivasa Raghavan Dorai Rajan	Chairperson	Non-Executive - Independent Director	7/1
**Ms. Raji Vishwanathan	Chairperson	Non-Executive – Woman Independent Director	7/7
Mrs. Tulsi Jayakumar	Member	Non-Executive - Independent Director	7/7
Mr. Vedant Birla	Member	Chairman & Managing Director	7/7
Mr. Sanjay Kothari	Member	Non-Executive - Non Independent Director	7/6
***Mr. Angala Srinivasan	Member	Non-Executive - Independent Director	7/6
***Mr. K Chandrasekhar Sharma	Member	Non-Executive - Independent Director	7/5

\*Mr. Srinivasa Raghavan Dorai Rajan tendered his resignation w.e.f. May 26, 2023 as Independent Director of the Company citing reason of his inability to devote much time due to his Increasing Age & Health Issue.

Report on Corporate Governance (Contd.)

**\*\*Ms. Raji Vishwanathan has been appointed as Chairperson of the Audit Committee w.e.f. May 26, 2023.**

**\*\*\*Mr. Paramasivan Angala Srinivasan and Mr. Kaleginanaoor Chandrashekhar Sharma are appointed as Non- Executive Independent Directors of the Company and inducted as members of Audit Committee w.e.f. May 26, 2023.**

**II. Nomination and Remuneration Committee:**

**a) Composition as on March 31, 2024:**

As on March 31, 2024 the Committee comprises of Mr. Vikas Thapa (Non-Executive, Independent Director) as Chairperson, Ms. Tulsi Jayakumar (Non-Executive, Independent Director, Ms. Raji Vishwanathan (Non- Executive, Woman Independent Director) and Mr. Vedant Birla, Chairman & Managing Director (Executive Director) as members.

**b) Term of Reference:**

The role of Nomination and Remuneration is as follows:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees.

- Formulation of criteria for evaluation of performance of independent directors and our Board;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Determine our Company's policy on specific remuneration package for the Managing Director Executive Director including pension rights.
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**c) Meeting and attendance of the committee:**

The Nomination and Remuneration Committee met Four (4) times during the Financial Year 2023-24 i.e., **May 26, 2024, August 29, 2024, November 06, 2023 and February 10, 2024.** The minutes of every meeting of Nomination and Remuneration Committee were approved by the Chairman of the Committee and taken note of, by the Board in every subsequent meeting.

The details of attendance of the members in meetings are as follows:

Name of the Members	Position in the Committee	Designation	No. of Meetings held / Attended during the year
Mr. Vikas Thapa	Chairperson	Non-Executive - Independent Director	4/4
Mr. Vedant Birla	Member	Chairman & Managing Director	4/4
Ms. Raji Vishwanathan	Member	Non-Executive – Women Independent Director	4/4
Ms. Tulsi Jayakumar	Member	Non-Executive - Independent Director	4/4

Report on Corporate Governance (Contd.)

**III. Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee oversees the redressal of Shareholder's complaints relating to share transfers/ transmission and non-receipt of Annual reports, etc.

**a) Composition as on March 31, 2024:**

The Stakeholders Relationship Committee comprises of two (2) Non-Executive Independent Directors namely, Ms. Raji Vishwanathan and Mr. Paramasivan Angala Srinivasan, (1) One Executive Director i.e. Mr. Vedant Birla as a member and Mr. Sanjay Kothari, Non- Executive, Non-Independent Director as Chairperson of the Committee.

**b) Term of Reference:**

The terms of reference of the Stakeholders' Relationship are as under:

Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilised.

- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
- Considering and resolving grievances of the security holders of the Company, including complaints related to the transfer of shares,

non-receipt of annual report and non-receipt of declared dividends;

- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations, 1992 as amended from time to time.
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.
- To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**c) Meetings and attendance of the Committee:**

The Stakeholder Relationship Committee met one (1) time during the Financial Year 2023-24 i.e. on **March 27, 2024.** The Minutes of the said meeting of Stakeholder Relationship Committee was approved by the Chairman of the Committee and taken note of by the Board in its subsequent meeting.

The attendance details of the members for the meeting was as follows:

Name of the Members	Position in the Committee	Designation	No. of Meetings held / Attended during the year
Mr. Sanjay Kothari	Chairperson	Non-Executive - Non Independent Director	1/1
Mr. Vedant Birla	Member	Executive Director	1/1
#Mr. Paramasivan Angala Srinivasan	Member	Non-Executive - Independent Director	1/1
Ms. Raji Vishwanathan	Member	Non-Executive – Women Independent Director	1/1

*#Mr. Srinivasa Raghavan Dorai Rajan tendered his resignation w.e.f. May 26, 2023 as Independent Director of the Company citing reason of his inability to devote much time due to his Increasing Age & Health Issue.*

Report on Corporate Governance (Contd.)

Mr. Paramasivan Angala Srinivasan was appointed as Non- Executive Independent Director of the Company w.e.f. May 26, 2023.

**d) Details of Investor Complaints received and resolved during the year:**

The details of complaints received, resolved and pending are as under;

Particulars	Number of Complaints
Number of complaints received during Financial Year 2023-24	36
Number of complaints disposed of during the Financial year 2023-24	36
Number of complaints not resolved to the satisfaction of the shareholders as on March 31, 2024	0
Number of pending complaints as on March 31, 2024	0

**IV. Corporate Social Responsibility Committee:**

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013. Your Company has developed a CSR Policy which is available on the website of the Company.

**a) Composition, Meetings & Attendance**

During the year under review, the Committee met One (1) time on **06th November, 2023.**

**Names of the Committee Members along with their attendance is given below.**

Name of the Member	Designation	No. of Meetings Attended
Ms. Tulsi Jayakumar	Chairperson	1
Mr. Vedant Birla	Member	1
Mr. Sanjay Kothari	Member	1
Mr. Vikas Thapa	Member	1

**b) Terms of Reference**

The Terms of Reference of the CSR Committee are as under:

- formulate and recommend to the Board, a CSR policy.
- recommend the amount of expenditure to be incurred on the activities
- monitor the CSR Policy of the Company from time to time.

- institute a transparent monitoring mechanism for implementing CSR projects for Programmes or activities undertaken by the Company

**Remuneration of Directors:**

Executive directors of the Company are appointed by the Board of Directors subject to the approval of shareholders in the general meeting. The remuneration package of the executive directors is determined by the Nomination and Remuneration Committee within the permissible limits, subject to approval by the Board and shareholders in their respective meetings as per the applicable provisions of the Act:

The Company has not entered into any pecuniary relationship with the Non-Executive Directors except for the payment of sitting fees.

The details Pertaining to Remuneration paid to Directors and Senior Management Personnel is provided in the **Annexure- V** to Board Report.

**Criteria of making payments to Non-Executive Directors**

The Company has in place a Policy stating the criteria for making payments to Non-Executive Directors. The same has been uploaded on the Company's website-

<https://www.birlaprecision.com/documents/investor/Policies/Policy-Nomination-%20&-Remuneration-Policy.pdf>

**Details of service contracts, Notice Period and Severance Fees**

The Company does not have any policy for service contracts, notice period and severance fees or any other payment to be made to the Directors on their resignation.

**Senior Management:** The Senior Management comprises the leadership team, consisting of core management members and functional heads. As of March 31, 2024, the following individuals served as senior management personnel of the Company:

Sr. No	Name	Designation
1.	Mr. Harish Parikh	Chief Financial Officer
2.	Ms. Ishu Jain	Company Secretary & Compliance Officer
3.	Mr. Pankaj Kumar	Head of Finance

Report on Corporate Governance (Contd.)

Sr. No	Name	Designation
4.	Mr. Ajit Vaishnav	Operational Head
5.	Mr. Jagat Singh Dangi	VP- HR & IR
6.	Mr. Anil Chaudhary	VP- Manufacturing
7.	Mr. Jayant Joshi	Plant Head
8.	Mr.R.K Uppal	AVP- Sales & Marketing
9.	Mr. Pratish Pradhan	National Sales Head

**During the Year following changes have taken place in the Senior Management:**

Mr. Pankaj Kumar was appointed as Head of Finance w.e.f. September 25, 2023.

Mr. Jagat Singh Dangi was appointed as VP- HR & IR w.e.f June 19, 2023.

Mr. Pratish Pradhan was appointed as National Sales head w.e.f October 05, 2023.

Ms. Ishu Jain was appointed as Company Secretary & Compliance officer w.e.f February 10, 2024.

**Policies**

**(i) Whistle Blower Policy**

The Company is committed to adhering to high standards of corporate governance. The Company has adopted a Whistle Blower Policy as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. The employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Audit Committee. The Company Secretary is the designated officer for effective implementation of the policy and dealing with the complaints registered under the policy. All cases registered under the Whistle Blower policy of the Company are subject to review by the Audit Committee. The Company confirms that no personnel has been denied access to the Audit Committee for the period under review.

The Whistle Blower policy is available on the website of the Company at the web-link: <https://www.birlaprecision.com/documents/investor/Policies/Whistleblower%20Policy.pdf>

**(ii) Remuneration Policy**

The Board, on the recommendation of the Nomination and Remuneration Committee has framed a policy for selection and appointment of Directors, Senior Management Personnel and determination of remuneration payable to them. The policy contains, inter alia, criteria for directors' appointment and remuneration including determining qualifications, positive attributes, independence of a director, etc.

The Remuneration Policy is available on weblink: -

<https://www.birlaprecision.com/documents/investor/Policies/PolicyNomination-%20&-Remuneration-Policy.pdf>

**(iii) Policy On Related Party Transactions**

In line with requirements of the Act and SEBI Listing Regulations, your Company has formulated a policy on Related Party Transactions which is available on the Company's website at the web-link: -

<https://www.birlaprecision.com/documents/investor/Policies/Policy-Related-Party-Transaction.pdf>

The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties. This policy specifically deals with the review and approval of material related party transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained on an annual basis for transactions with related parties which are of repetitive nature and / or entered in the ordinary course of business and on an arm's length basis.

**(iv) Corporate Social Responsibility Policy**

Corporate Social Responsibility (CSR) is a corporate ethics strategy that aims to contribute to the well-being of the society in which an entity operates. CSR activities have been made mandatory under the Companies Act, 2013 for companies falling under the prescribed category. According to Section 135 of the Act, every Company meeting the requisite criteria has to mandatorily set up a CSR Committee, formulate a CSR policy, and spend in every Financial Year at least 2% of the average net profits of the Company made during the three immediately preceding financial years toward its CSR activity.

Report on Corporate Governance (Contd.)

The Company has framed a policy of Corporate Social Responsibility and can be accessed at weblink: -

<https://www.birlaprecision.com/documents/investor/Policies/Policy-Code-Of-Conduct-for-Fair-Disclosure.pdf>

(v) Policy for Determining Material Subsidiaries

As on March 31, 2024, the Company has two foreign subsidiaries, "Birla Precision USA Limited" and "Birla Precision Technologies GmbH" in USA and in Germany respectively. The Company has three subsidiaries in India i.e. "Birla Accucast Limited", "Birla Engineering Private Limited" and "Birla Durotool Private Limited.

The Policy for determining material subsidiaries under the SEBI Listing Regulations can be accessed at weblink: -

<https://www.birlaprecision.com/documents/investor/Policies/Material%20Subsidiary%20Policy.pdf>

(vi) Insider Trading

In order to regulate trading in securities of the Company by the Designated Persons, your Company has adopted the Code of Internal Procedures and Conduct for regulating, monitoring and reporting of trading by insiders ("Insider Trading Code") and the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) ("SEBI PIT Regulations"). The SEBI PIT Regulations, prohibits trading in shares by an 'insider' when in possession of Unpublished Price Sensitive Information ("UPSI"). The Insider Trading Code prevents misuse of UPSI and it also provides for periodical disclosures and obtaining pre-clearance for trading in securities of your Company by the Designated Persons. The Board of Directors have also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure and Conduct as per the requirements of the Prohibition of Insider Trading Regulations.

The weblink for the policy is: -

<https://www.birlaprecision.com/documents/investor/Policies/Policy-Code-Of-Conduct-for-Fair-Disclosure.pdf>

General Shareholder Information

a) Means of Communication to Shareholders

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, thoughts, ideas and plans to all stakeholders which promotes management-shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website.

- (i) The Unaudited quarterly results are announced within Forty-Five days from the end of the quarter. The audited annual results are announced within sixty days from the closure of the Financial Year as per the requirement of the SEBI (LODR) Regulation, 2015.
- (ii) The approved financial results are forthwith sent to the stock exchange and displayed on the Company's website of the Company at <https://www.birlaprecision.com/>
- (iii) Management Discussion and Analysis forms part of the Annual Report, which is sent to the Shareholders of the Company.
- (iv) The quarterly results, Shareholding pattern, quarterly/half yearly/yearly compliances and all other corporate communication to the stock exchange viz. BSE Limited of India are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.
- (v) A Separate dedicated section under "Investor" on the Company's website gives relevant information of interest to the investors/public like shareholding pattern, quarterly results, etc.

Report on Corporate Governance (Contd.)

b) General Body Meetings of the Company

Details of the last three (3) Annual General Meetings ("AGMs") of the Company are as under:

AGM	Financial Year	Date	Time	Venue / Location	Special resolutions passed during the last three (3) AGMs
34 <sup>th</sup>	2020-21	September 30, 2021	2:00 pm	Through Video Conference/ Other Audio Visual means (Deemed venue): 23, Birla Mansion No. 2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai 400 004	No special resolutions were passed
35 <sup>th</sup>	2021-22	September 27, 2022	11:00 am	Through Video Conference/ Other Audio Visual means (Deemed venue): 23, Birla Mansion No. 2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai 400 004	<ol style="list-style-type: none"> <li>1. Appointment of Mr. Vikas Thapa as (DIN:07804776) Non-Executive Independent Director of Company.</li> <li>2. Appointment of Ms. Raji Vishwanathan (DIN: 02680148) as Non-Executive Woman Independent Director of the Company</li> <li>3. Appointment of Ms. Tulsi Jayakumar (DIN: 09562207) as Non -Executive Independent Director of the Company</li> <li>4. Re-appointment and revision in remuneration of Mr. Vedant Birla (DIN: 03327691) as Chairman &amp; Managing Director of the Company</li> <li>5. Re-appointment and revision in remuneration of Mr. Santhosh Kumar (DIN: 08686131) as Executive Director of the Company.</li> </ol>
36 <sup>th</sup>	2022-23	September 21, 2023	11:30 am	Through Video Conference/ Other Audio Visual means (Deemed venue): 23, Birla Mansion No. 2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai 400 004	No special resolutions were passed

Postal Ballot:

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

The shareholders are provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice is sent to shareholders as per the permitted mode wherever applicable. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013. Shareholders holding equity shares

as on the cut-off date may cast their votes through e-voting or through postal ballot during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutiniser submits his report to the Chairman and the results of voting by postal ballot are announced within 2 working days of conclusion of the voting period.

The results are displayed on the website of the Company (<https://www.birlaprecision.com/investor-section-postal-ballot.php/>), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agent. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.



## Report on Corporate Governance (Contd.)

The Company sought the approval of shareholders through postal ballot process for below special resolutions during the Financial Year 2023-24:

During the year 2023-24, following Special Resolutions were passed through postal ballot.

Sr. No	Scrutiniser Appointed	Outcome of Resolution Passed
1.	M/s. Vijay Tiwari & Associates, Practicing Company Secretary [Membership No. A33084 & CP No. 12220]	Mr. Paramasivan Angala Srinivasan and Mr. Kaleginanaoor Chandrashekhar Sharma were regularised through postal Ballot dated June 20, 2023.
2.	Mr. Vijay Yadav, Practicing Company Secretary (Membership No. FCS11990), Partner of M/s. AVS & Associates.	Approve the issue of upto 7,16,500 Equity Shares on Preferential and Private Placement basis to Promoter Group of the Company through postal Ballot dated March 20, 2024
3.	Mr. Vijay Yadav, Practicing Company Secretary (Membership No. FCS11990), Partner of M/s. AVS & Associates.	Approve the issue the issue of upto 34,50,000 Fully Convertible Warrants ("Warrants/Convertible Warrants") on a Preferential and Private Placement basis to Promoter Group of the Company and Identified Non Promoter(s) through postal Ballot dated March 20, 2024

**c) Issuance of Certificates/Receipts/Letters/Advices for securities & dealing with unclaimed securities.** - Not

Applicable during the period under review. Pursuant to requirements of Regulation 39 (4) of the Listing Regulations, the Company has adhered the procedural requirements specified in Schedule VI while dealing with securities issued to the public, physical or otherwise, as applicable, and there are NIL shares that are unclaimed / lying in the escrow account as on March 31, 2024.

**d) Details of Annual General Meeting**

**a) 37th Annual General Meeting**

The 37th Annual General Meeting of the Company is proposed to be held on Friday September 06, 2024 at 12:00 p.m. through Video Conference/ Other Audio Visual means (Deemed venue): Corporate office: 23, Birla Mansion No. 2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai 400004.

**b) Record Date**

"Record Date" for determining entitlement of Members to final dividend for the Financial year ended March 31, 2024, if approved at the AGM August 30, 2024.

**c) Dividend payment date:**

The Board of Directors at their meeting held on February 19, 2024 had declared Interim Dividend of INR 0.05 per equity share (i.e. 2.5%) on a Face Value of INR 2/- each which was paid on March 14, 2024.

The Board of Directors at their meeting held on May 22, 2024 has recommended a final dividend of INR 0.05/- per equity share of the face value of INR 2/- each (being total dividend of (2.5%) on face value). The final dividend, if approved, shall be paid/credited on or before October 05, 2024.

**d) Tentative Financial Calendar**

Next Financial Year	April 01, 2024 to March 31, 2025
First Quarter Results & Limited Review	On or before August 14, 2024
Second Quarter Results & Limited Review	On or before November 14, 2024
Third Quarter Results & Limited Review	On or before February 14, 2025
Audited Annual Results (2024-25)	On or before May 30, 2025

## Report on Corporate Governance (Contd.)

**e) Distribution of Shareholding as on March 31, 2024**

Sr. No.	Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1	1 - 500	65175	93.81	3324031	5.04
2	501 - 1000	1950	2.81	1580692	2.39
3	1001 - 2000	1112	1.60	1715098	2.60
4	2001 - 3000	353	0.51	917442	1.39
5	3001 - 4000	182	0.26	658626	1
6	4001 - 5000	184	0.26	882784	1.34
7	5001 - 10000	251	0.36	1847266	2.80
8	10001 - 20000	130	0.19	1889220	2.86
9	20001 and above	140	0.20	53172478	80.58
<b>TOTAL:</b>		<b>69477</b>	<b>100.00</b>	<b>65987637</b>	<b>100.00</b>

**f) Shareholding Pattern Category-Wise As of March 31, 2024**

Sr. No	Category	No of Equity Shares	% of Equity Shares
1.	Promoters	21963	0.03
2.	Promoters Bodies Corporate/ Promoter Trust	39755859	60.25
3.	Unit Trust of India and Mutual Fund	1222	0.00
4.	Banks	1431	0.00
5.	NBFC	54	0.00
6.	Indian Financial Institutions	819	0.00
7.	Bodies Corporates	47	0.00
8.	I E P F	116853	0.18
9.	Resident Individuals	21543802	32.65
10.	Non Resident Holding	816465	1.24
11.	Bodies Corporates	2795447	4.24
12.	H U F	932828	1.41
13.	Trust	847	0.00
<b>Total</b>		<b>65987637</b>	<b>100</b>

**g) Top Ten Shareholders across all categories as on March 31, 2024**

Sr. No.	Name of Shareholders	No. of Shares held	Percentage of Holding
1.	Birla Bombay Private Limited	1,64,23,113	25.16
2.	Birla Infrastructure Limited	1,40,15,589	21.47
3.	Vedant Consultancy Private Limited	46,07,663	7.06
4.	Zenith Dyeintermediates	39,39,991	5.97
5.	Endogram Leasing And Trading Co Private Limited	13,07,949	2
6.	Dheeraj Kumar Lohia	8,60,157	1.32
7.	Mukesh .	8,58,873	1.31
8.	Bhimavarapu Sridhar Reddy	5,45,106	0.83
9.	Nimish Pravin Talsania	5,13,000	0.78
10.	Khopoli Investments Ltd	5,00,000	0.77
<b>Total</b>		<b>4,35,71,441</b>	<b>66.67</b>

Report on Corporate Governance (Contd.)

The Company has made a preferential issue of 7,16,500 equity shares to Zenith Dyeintermediates Limited, a member of promoter group of the Company and has further issued 34,50,000 fully convertible warrants on a preferential basis to Zenith Dyeintermediates Limited, member of promoter group and Anantroop Financial Advisory Services Private Limited, public shareholder, in dematerialised form.

**h) Listing on Stock Exchanges and symbol:**

Name of Stock Exchange	Address	Scrip Code/ Symbol	ISIN
BSE	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	522105	INE372E01025

The Annual Listing fees for the Financial Year 2024 - 25 has been paid to the Stock Exchange within the stipulated time.

**i) Corporate Identification Number**

The Corporate Identification Number of the Company allotted by the Ministry of Corporate Affairs, Government of India is L29220MH1986PLC041214. The Company is registered in the State of Maharashtra.

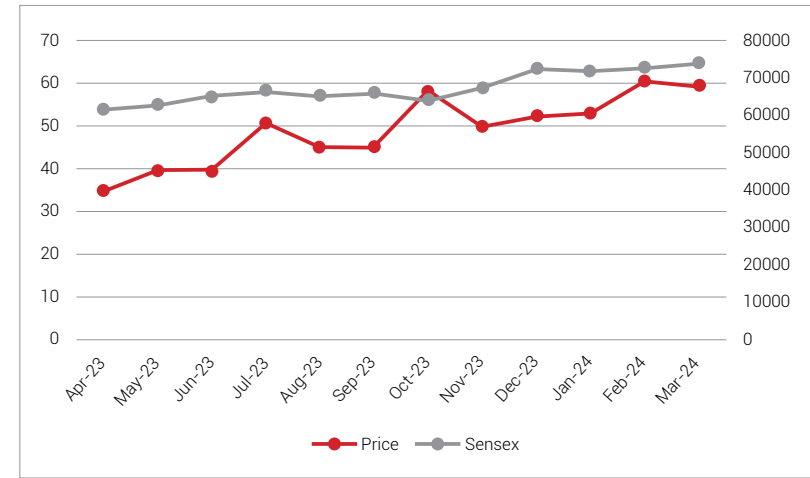
**j) Market price data**

High / low market price of the Company's equity shares traded on stock exchanges where the equity shares are listed during the last Financial Year are as follows:

Month	BSE		
	High (INR)	Low (INR)	Total Turnover (INR)
April-23	39.00	33.55	2,35,39,649
May-2023	45.75	31.99	10,16,02,508
June-2023	42.00	34.02	4,42,63,110
July-2023	53.90	39.35	14,59,51,011
August-2023	50.95	40.00	8,69,35,098
September-2023	46.00	38.51	7,00,28,796
October-2023	65.54	44.00	21,04,94,879
November-2023	62.40	47.77	9,03,31,900
December-2023	53.00	48.50	6,18,21,015
January-2024	54.81	48.00	5,14,01,601
February-2024	76.69	51.25	37,82,33,024
March-2024	68.39	52.96	8,15,65,534
<b>Closing Share Price as on March 31, 2024 (In INR)</b>			<b>59.27</b>
<b>Market Capitalisation as on March 31, 2023 (In Cr.)</b>			<b>386.86</b>

Report on Corporate Governance (Contd.)

Performance in comparison to broad based indices of BSE Sensex for FY 2023-24:



Price reflects in the above graph is Closing Price.

**k) Dematerialisation of shares and liquidity**

The equity shares of the Company are listed on BSE. The Company has an agreement with the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") for providing depository services for holding the shares in dematerialised mode. The ISIN of the Company for its shares is INE372E01025.

The Company has paid the requisite fees to NSDL and CDSL for the Financial year 2023-24.

**Communication to Members**

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated January 25, 2022 has mandated the companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account; Renewal / Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates / folios; Transmission and Transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website at <https://www.birlaprecision.com/investor-section-shareholder-services.php.php> as well as RTA's website - M/s. Kfin Technologies Private Limited at [www.kfintech.com](http://www.kfintech.com)

Members holding shares in physical form are requested to dematerialise their holding at the earliest to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares / issuance of equity shares in physical form have been disallowed by SEBI.

**Restriction on transfer of shares held in physical form**

The attention of members is drawn to SEBI Circular no. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 whereby companies have been directed not to effect transfer of securities w.e.f. April 01, 2019 unless the same are held in dematerialised form with a Depository (except in case of dematerialisation or transposition of securities).

While members are not barred from holding shares in physical form, we request the shareholders holding shares in physical form to dematerialise their holding at the earliest in case they want to effect any transfer of shares.

**Share transfer system**

To expedite share transfer, authority has been delegated to the Stakeholders Relationship Committee of the Board. The said Committee considers requests for transmission, issue of duplicate certificates, issue of certificates on split/ consolidation / renewal, etc. and the same are processed and delivered within fifteen (15) days of lodgment, if the documents are complete in all respects. In compliance with the SEBI Listing Regulations, every year, the share transfer system is audited by a Company Secretary in practice and

Report on Corporate Governance (Contd.)

a certificate to that effect is issued by him. The Company Secretary of the Company has also been authorised to approve requests for transmission, effecting change of name, etc. to expedite requests from members.

As per provisions of Section 72 of the Act, facility for making nomination is available for the members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Company's RTA: - M/s. KFin Technologies Limited, Website: - www.kfintech.com, Email:- [balamurlishridhar@kfintech.com](mailto:balamurlishridhar@kfintech.com)

**Outstanding Global Depository Receipts and American Depository Receipts or Warrants or any Convertible Instruments**

As on March 31, 2024, the Company had no outstanding American Depository Receipts, Global Depository Receipts, Warrants or any Convertible Instruments.

**Address for Shareholders' Correspondence**

Compliance Officer	RTA	Correspondence with the Company
Ms. Ishu Jain	KFin Technologies Limited (Formerly known as KFin Technologies Private Limited)	Birla Precision Technologies Limited
Company Secretary & Compliance Officer	"Selenium Tower B", Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032	Registered office of the Company 23, Birla Mansion No.2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai, Maharashtra, 400004.
Phone: 022-23825060	Phone: 040-23420815	Phone: 022-23825060
E-mail: <a href="mailto:cs@birlaprecision.com">cs@birlaprecision.com</a>	Email: <a href="mailto:balamurlishridhar@kfintech.com">balamurlishridhar@kfintech.com</a>	E-mail: <a href="mailto:cs@birlaprecision.com">cs@birlaprecision.com</a>
Website: - <a href="http://www.birlaprecision.com">www.birlaprecision.com</a>	Website: <a href="http://www.kfintech.com">www.kfintech.com</a>	Website: - <a href="http://www.birlaprecision.com">www.birlaprecision.com</a>

**Investor Relations:**

In order to facilitate investor services, the Company has a designated e-mail id – [cs@birlaprecision.com](mailto:cs@birlaprecision.com) for registering complaints by investors.

**Commodity price risk or foreign exchange risk and hedging activities**

The Company does not undertake any commodity hedging activities.

**Disclosure under Regulation 30 of the SEBI Listing Regulations regarding certain agreements with media companies**

As on March 31, 2024, the Company has not entered into any agreements (i.e., shareholders' agreements / joint venture agreements / family settlement agreements) having an impact on the management and control of the Company. Further, the Company has not entered into agreements / treaties / contracts with media companies which are binding and not in the normal course of business.

**Plant Locations:**

**Tool Holder Division:**

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

**Cutting Tool Divisions:**

- 1.B-15/3/1, M.I.D.C., Waluj, Aurangabad – 431133
- 2.62/63, M.I.D.C., Satpur, Nashik – 422007
- 3.Plot No.E-2/1,E-2/2,E-4/1,MIDC- Chalisingaon-424101.

**Foundry Division:**

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

**Affirmations & Disclosures**

**a) Related Party Transactions**

All related party transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business. All related party transactions are placed before the Audit Committee and also the Board for approval.

Details of all transactions entered into by the Company with the related parties have been disclosed under "Related Party Transactions" in Note No. 35 of the Annual Financial Statements forming part of the Annual Report. In line with the requirements of the Act and SEBI Listing Regulations, no member of a company is permitted to vote on such resolution to approve any

Report on Corporate Governance (Contd.)

contract or arrangement which may be entered into by the Company, if such member is a related party.

The web-link of the Policy for determining Related Party Transactions is stated here- <https://www.birlaprecision.com/documents/investor/Policies/Policy-Related-Party-Transaction.pdf>

**b) Details of non-compliance/penalties/strictures imposed on the Company by the Statutory Authorities:**

The details of the Non-Compliances and Penalties imposed on the Company by the Stock Exchanges have been reported in Secretarial Audit Report for the reporting Financial Year which is disclosed to the stock Exchanges and appended to the Board Report as Annexure-II.

**c) Confirmation by the Board of Directors on acceptance of Recommendation of Mandatory Committees**

The Board of the Company has accepted all recommendations of its various Committees, as mandatorily required to be approved by it during the Financial Year 2023-2024.

**d) Accounting treatment in preparation of Financial Statements**

The Financial Statements have been prepared in accordance with the applicable Accounting Standards ("IND AS"), and, pursuant to rule 4 of the Companies (Indian Accounting Standards) Rules, 2014 as notified under Section 133 and the relevant provisions of the Act and generally accepted accounting principles in India.

**a) Reconciliation of Share Capital Audit**

As stipulated by SEBI, a qualified Chartered Accountant/Practicing Company Secretary carries out to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository

Services (India) Limited and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's Shares are listed.

**Bifurcation of Shares Held in Physical and Dematerialised Form as on March 31, 2024.**

Particular	No of Shares	% of Shares
Held in dematerialised form in CDSL*	5,08,27,906	77.03
Held in dematerialised form in NSDL*	1,31,78,767	19.97
Physical*	19,80,964	3
<b>Total no. of shares*</b>	<b>6,59,87,637</b>	<b>100.00</b>

**Note:** The Company has made a preferential issue of 7,16,500 equity shares to Zenith Dyeintermediates Limited, a member of promoter group of the Company.

**b) Certificate for transfer of Shares and Reconciliation of Share Capital**

Pursuant to Regulation 40(9) of Listing Regulations, certificates on yearly basis have been issued by a Company Secretary-in- Practice with respect to due compliance of share transfer formalities by the Company.

**c) Proceeds from Preferential allotment, Qualified Institutional Placement**

During the year under review, your Company has raised funds through preferential allotment of Equity Shares and Fully Convertible Warrants to Promoters and Non-Promoters in pursuance of resolution passed by the members of the Company through postal ballot on March 20, 2024.

**Statement of Deviation(s) or variation(s) pursuant to Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:**

Name of the Listed Entity	Birla Precision Technologies Limited
Mode of Raising Fund	Preferential Issue
Date of Raising Fund	March 27, 2024
Amount Raised	4,58,56,000 through Preferential Issue of Equity Shares *5,52,00,000 through Issue of Fully Convertible Warrants on Preferential basis.
Report Filed for Quarter Ended	March 31, 2024
Monitoring Agency Name if, Applicable	Not Applicable
Is there is any deviation/ Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not Applicable

Report on Corporate Governance (Contd.)

If Yes Date of Shareholder Approval.	Not Applicable
Explanation for the Deviation / Variation	Not Applicable
Comments of the Audit Committee after review	No Comment by audit Committee
Comments of the auditors, if any	No Comment by the Auditors

Original Object	Modified Object if any	Original Allocation	Modified Allocation	Fund Utilised	Amount of Deviation/ Variation for the quarter according to the applicable object	Remarks if any,
1. Taps and Centre Drill Capex.	No	*10,10,56,000/-	-	NIL	-	-
2. Upgradation of Existing Plant and Machinery.						
3. General Corporate Purpose						

\*Note:

Kindly note that Consideration received in respect of Issue of Fully Convertible warrants is 25 % of the Total Consideration.

# The amount mentioned in the tab "Original Allocation" includes the total amount raised through preferential issue of equity shares and 25% of the consideration received through issue of Fully convertible warrants

**d) Compliance with the mandatory Corporate Governance requirements as prescribed under the SEBI Listing Regulations**

The Board periodically reviews the compliance of all applicable laws. The Company is in full compliance with all the mandatory requirements of Corporate Governance as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub- regulation (2) of Regulation 46 of the SEBI Listing Regulations. The equity shares of our Company are listed on the Capital Market Segment of BSE Ltd.

**e) Certificate from Practicing Company Secretary**

As on March 31, 2024, none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any other statutory authority. A certificate to that effect has been obtained from M/s. Vijay Tiwari & Associates, Practicing Company Secretaries appended herewith as **Annexure- I**

**f) Certificate on Corporate Governance**

The Company has obtained a certificate from M/s Vijay Tiwari and Associates, Practicing Company Secretaries regarding compliance of the conditions of Corporate Governance, as stipulated in Regulation 34(3) read with Part E of Schedule V of the SEBI Listing Regulations. The certificate is appended herewith is **Annexure-II**.

**g) Corporate Ethics**

As a responsible corporate citizen, the Company consciously follows corporate ethics in business and corporate interactions. The Company has framed codes and policies providing guidance for carrying business in an ethical manner. Some of these policies are:

- Code for Prevention of Insider Trading;
- Code of Conduct;
- Whistle Blower Policy; and

In conformity with the recent statutory changes, the codes have been revised accordingly.

Report on Corporate Governance (Contd.)

**h) Disclosure of certain types of agreements binding listed entities**

The Company has not entered in to any type of agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

**i) Disclosures under the Prevention of Sexual Harassment at Workplace Act, 2013**

Your Company has constituted an Internal Complaints Committee as per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints relating to sexual harassment at its workplaces. The details in relation to the aforesaid Act is as below:

**k) Remuneration to the Statutory Auditors of Subsidiary Company:**

Details related to fees paid to the Statutory Auditors of the Subsidiary Company are as follows:

Sr. No.	Name of Company	Name of Auditor	Audit fees paid for FY 2023-2024 (INR)
1.	Birla Engineering Private Limited	M/s. B SARIYA & Associates	20,000/-
2.	Birla Accucast Limited	M/s. B SARIYA & Associates	20,000/-
3.	Birla Durotools Private Limited	M/s. Karadia & Associates	25,000/-

**l) Loans and advances in the nature of loans to firms / companies in which the Directors are interested:** The Company has not advanced any amount in the nature of loans to firms / companies in which the Directors of the Company are interested during the Financial Year 2023-24.

**m) Unpaid / Unclaimed Dividends**

According to the provisions of the Act, the amount of dividend remaining unclaimed for a period of seven (7) years from the date of its disbursement, has to be transferred to the Investor Education and Protection Fund ("IEPF"), maintained by the Government of India.

**The dividend amount transferred by the Company to IEPF during the Financial Year 2023-2024: NIL.**

**n) Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account:**The details pertaining to the same are as follows:

Sr. No.	Particulars	
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	<ul style="list-style-type: none"> <li>No of Shareholder - 1</li> <li>No of Outstanding Shares - 840</li> </ul>
2.	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Nil
3.	Number of shareholders to whom shares were transferred from suspense account during the year	Nil
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	<ul style="list-style-type: none"> <li>No of Shareholders - 1</li> <li>No of Outstanding Shares - 840</li> </ul>

Further, the voting rights on the aforementioned shares shall remain frozen till the rightful owner of such shares claims the shares.



Report on Corporate Governance (Contd.)

**o) Declaration by CMD:**

Declaration signed by Mr. Vedant Birla, Chairman & Managing Director stating that the members of Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management as specified in Part D of Schedule V of SEBI (LODR) Regulation, 2015 is appended herewith as **Annexure – III.**

forms part of the Annual Report is appended herewith as **Annexure-IV.**

**For and on behalf of the Board of Directors,  
For Birla Precision Technologies Limited**

**Vedant Birla**

**Date: August 14, 2024**      **Chairman & Managing Director**  
**Place: Mumbai**                      **DIN: 03327691**

**p) CFO Certification:**

The CFO certification in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations

## Annexure- I

### CERTIFICATE OF NAON-DISQUALIFICATION OF DIRECTORS

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To

**The Members,**

**BIRLA PRECISION TECHNOLOGIES LIMITED**

**Subject: Certificate in pursuance of paragraph number C. 10(I) of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ending on March 31, 2024.**

Dear Sir/Madam,

In pursuance of sub-clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) listed entity is required to disclose in its annual report the certificate from a Company Secretary in practice 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 by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

As on date of issue of this certificate, the Board of Directors of Birla Precision Technologies Limited ("the Company"), a listed entity, is comprised of following Directors.

Sr. No.	DIN	Name of Director	Designation	Appointment Date
1.	03327691	Mr. Vedant Birla	Chairman & Managing Director	May 18, 2016
2.	08686131	Mr. Santhosh Kumar	Director	February 05, 2020
3.	00258316	Mr. Sanjay Kothari	Non-Executive Non Independent Director	February 10, 2022
4.	07804776	Mr. Vikas Thapa	Non-Executive Independent Director	August 08, 2022
5.	09562207	Ms. Tulsi Jayakumar	Non-Executive Women Independent Director	August 08, 2022
6.	02680148	Ms. Raji Vishwanathan	Non-Executive Women Independent Director	August 08, 2022
7.	07619879	Mr. Paramasivan Angala Srinivasan	Non-Executive Independent Director	May 26, 2023
8.	09505130	Mr. K Chandrashekhar Sharma	Non-Executive Independent Director	May 26, 2023

For the purpose, I have considered and examined annual submissions made by each Director of the Company in pursuance of provisions of section 164(2) read with rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014, relevant information as displayed on the website of the Securities and Exchange Board of India as well on the website of the Ministry of Corporate Affairs and information generally available on public domain.

And based on above; I state that none of the Directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of companies for the Financial Year ending on March 31, 2024, by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

**For Vijay S. Tiwari & Associates  
Practising Company Secretaries**

**Vijay Kumar Tiwari**

**Proprietor**

**ACS: 33084**

**COP: 12220**

**UDIN: A033084F000907562**

**Date: August 06, 2024**

**Place: Mumbai**

## Annexure- II

### AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

#### THE MEMBERS OF BIRLA PRECISION TECHNOLOGIES LIMITED

We have examined the compliance of conditions of Corporate Governance by **Birla Precision Technologies Limited** for the year ended on March 31, 2024 as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, the representation made by the directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements Regulations 2015 (the Listing Regulations")

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

For **Vijay S. Tiwari & Associates**  
Practising Company Secretaries

**Vijay Kumar Tiwari**  
Proprietor  
ACS: 33084  
COP: 12220  
UDIN: A033084F000907606

Date: August 06, 2024  
Place: Mumbai

## Annexure- III

### Declaration of Compliance with Code of Conduct

#### [Pursuant to Regulation 34(3), Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2024.

For **Birla Precision Technologies Limited**

Sd/-

**Mr. Vedant Birla**

DIN: 03327691

Chairman & Managing Director

Date: August 14, 2024

Place: Mumbai

## Annexure- IV

**CERTIFICATE IN PURSUANT TO THE REGULATION 17(8) OF THE SECURITIES EXCHANGE BOARD OF INDIA  
(LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

I, Pankaj Kumar, Chief Financial Officer of M/s Birla Precision Technologies Limited, to the best of my knowledge and belief, certify that: -

- A. I, have reviewed Financial Statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity 's code of conduct.
- C. I, accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and I, have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. I, have indicated to the auditors and the Audit committee
1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements; and
  3. instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For Birla Precision Technologies Limited**

Sd/-

**Mr. Pankaj Kumar**  
Chief Financial Officer

**Date: May 22, 2024**  
**Place: Mumbai**

# FINANCIAL STATEMENTS

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## Independent Auditors' Report

### To The Members

#### Birla Precision Technologies Limited

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

#### Opinion

We have audited the accompanying Standalone financial statements of Birla Precision Technologies Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

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

- In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024
- In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- In the case of the Cash Flow Statement, cash flows for the year ended on that date.

#### Description of Key Audit Matters

The Key Audit Matters	How our audit addressed the matter
<p><b>Capitalisation of property, plant and equipment</b></p> <p>During the year ended 31<sup>st</sup> March, 2024, the Company has incurred significant capital expenditure. Further the total additions to property, plant and equipment at various locations of the Company was ₹ 578.62 Lakhs in the current year in addition to ₹ 4134.73 Lakhs during the previous financial year as set out in Note No.2.</p> <p>Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment.</p> <p>As a result, the aforesaid matter was determined to be a key audit matter.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures included the following substantive procedures:</p> <ul style="list-style-type: none"> <li>We assessed the capitalisation process and tested the design and operating effectiveness of the controls in the process.</li> <li>Assessed the nature of the additions made to property, plant and equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16.</li> <li>Reviewed the project completion details provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.</li> </ul> <p>Based on the above procedures, management's assessment in respect of Capitalisation of property, plant and equipment in the Standalone Financial Statements are considered to be adequate.</p>

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us in is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

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

## Independent Auditors' Report (Contd.)

Transactions with Related Parties	Principal Audit Procedures
<p>During the year, the Company has undertaken transactions with related parties including subsidiary company, associate concerns and other related parties. Such transactions, includes among others, the rental agreement and loans and advances as mentioned in Note 35 of the Notes to Accounts.</p> <p>Accounting and disclosure of such related party transactions has been identified as a key audit matter due to</p> <ol style="list-style-type: none"> <li>Significance of such related party transactions;</li> <li>Risk of such transactions being executed without proper authorizations;</li> <li>Risk of material information relating to aforesaid transactions not getting disclosed in the standalone financial statements.</li> </ol>	<ul style="list-style-type: none"> <li>Our audit procedures included the following: <ul style="list-style-type: none"> <li>Obtained and read the Company's policies, processes and procedures in respect of identification of such related parties in accordance with relevant laws and standards, obtaining approval, recording and disclosure of related party transactions and identified key controls. For selected controls we have performed tests of controls.</li> <li>On sample basis tested some related party transactions and balances with the underlying contracts, confirmation letters and other supporting documents provided by the Company.</li> <li>Examined, where applicable the approvals of the board and audit committee of these transactions.</li> <li>Obtained and read the reports including the review of arms-length pricing issued by the experts engaged by the management.</li> <li>Assessed the competence and objectivity of the external experts.</li> <li>Held discussions and obtained representations from the management in relation to such transactions.</li> <li>Read the disclosures made in this regard in the standalone financial statements and assessed whether relevant and material information have been disclosed.</li> </ul> </li> </ul> <p>Based on the above procedures, management's assessment in recognition and disclosure in respect of Related Party Transactions in the Standalone Financial Statements are considered to be adequate.</p>

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

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of The Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities;



## Independent Auditors' Report (Contd.)

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibility

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

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

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

expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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

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

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

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

## Independent Auditors' Report (Contd.)

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

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as issued by Central Government of India in terms of Sub Section (11) of Section 143 of the Act, we hereby give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
- As required by Section 143(3) of the Act, based on our audit we report that:
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
  - In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Act read with Rule 7 of The Companies (Accounts) Rules, 2014;
  - On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March 2024, from being appointed as a Director in terms of Section 164(2) of the Act;
  - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note 31 to the Standalone Financial Statements.
  - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Independent Auditors' Report (Contd.)

- b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 32 to the Standalone Financial Statements
  - a. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
  - b. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval

of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the Company has used accounting softwares maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

Sd/-  
**Jinendra Jain**  
Partner  
Membership No. 072995  
Place: Mumbai  
Date: 22-05-2024

UDIN: 24072995BKAMPW1585

**Annexure-A**  
To the Independent Auditor's Report

**(Referred to in para 1 under "Report on other Legal and Regulatory Requirement" of our report of even date)**

1. According to the information and explanations given to us, in respect of the fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (b) There is a phased program for verification of fixed assets, over a period of three years, which in our opinion is reasonable having regard to the size of the company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) As per the information and explanations provided to us, and on behalf of the examination of the records of the company, title deeds of immovable properties (other than properties where the company is the lessee and the lease agreement are duly executed in favor of the lessee) are in the name of the company.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. According to the information and explanations given to us, in respect of the Inventories:
  - (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management, the coverage and procedure of such verification by the management is appropriate, and discrepancies (which is less than 10% in the aggregate for each class of inventory) noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.
  - (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets; the quarterly returns or statements filed by the company with such bank are in agreement with the books of account of the Company.

3. According to the information and explanations given to us and on the basis of our examination of the records, the Company has made investments and has granted loans or advances in the nature of loans, unsecured, to its subsidiaries, related parties and associate companies during the year as mentioned in Note 35 of the Notes of Accounts to the Financial Statements, in respect of which the requisite information is as below:
 

During the year, the Company has provided Loans and Advances to the Subsidiaries amounting to ₹ 199.65 Lakhs and provided Loans to Related Parties and Associate Company amounting to ₹ 1500.00 Lakhs.

  - (a) During the year the Company has made investments and granted Unsecured Loans to its Wholly owned Subsidiaries and its Associate companies and other related parties and the terms and conditions of such investments and loans are not prejudicial to the Company's interest. The Company has not given advances in the nature of loans to companies or any other parties during the year.
  - (b) The Company has granted loans during the year to companies or any other parties where the schedule of repayment of principal and payment of interest has been stipulated. The Company has not given advances in the nature of loans to companies or any other parties during the year.
  - (c) There are no amounts of loans granted to companies or any other parties which are overdue for more than ninety days.
  - (d) The Company had granted loans to companies which had not fallen due during the year. The Company had not extended loans during the year to the respective parties to settle the dues which had fallen due for the existing loans.
  - (e) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, guarantee, investments and security provided.

**Annexure-A  
To the Independent Auditor's Report**

5. As per the Ministry of Corporate Affairs notification dated March 31, 2014 the provisions of Sections 73 to 76 or any other relevant provisions of The Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. According to information and explanations given to us, the Company has not accepted any deposits during the year.
6. We have broadly reviewed the books of accounts maintained by the company and are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us:
  - a) The Company is regular in depositing undisputed statutory dues including Employees State Insurance, Income Tax, Cess, Goods and Service Tax and any other material statutory dues as applicable with the appropriate authorities.
  - b) There are no undisputed statutory dues payable in respect of Employees' State Insurance, Income-tax, Cess, Goods and Service Tax and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
  - c) According to the information and explanation given to us and on basis of our examination of the records of the company, details of dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax (GST), Duty of Customs, Duty of Excise and Value added Tax which have not been deposited as on 31<sup>st</sup> March 2024 on account of disputes is given below:

Name of Statute	Forum where dispute is pending	Period to which amount is related	Amount (₹ In Lakhs)
Income Tax	Deputy Commissioner of Income Tax	1995-96	0.75

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax

- assessments under the Income Tax Act, 1961 (43 of 1961).
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to Financial Institutions and Banks. The Company has not taken loans or borrowings from Government or by way of Debentures.
  - a) The Company has not raised funds by way of Term loans during the year.
  - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - d) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
  - e) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries companies
10. According to the information and explanations given to us, the Company has not raised moneys by way of Initial Public Offer or Further Public Offer during the year. During the year, the Company has made preferential allotment of 716500 Equity shares of the Company. Based on our examination the Company has complied with section 62 of the Act and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014.
11. (a) According to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
  - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
  - (c) As represented by the management, there are no whistle blower complaints received by the company during the year.

**Annexure-A  
To the Independent Auditor's Report**

12. The Company is not a Nidhi Company; hence reporting under clause (xii) of paragraph 3 of the Order is not applicable to the Company.
13. According to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of The Companies Act, 2013, wherever applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the notes on Financial Statements as required by the applicable accounting standards.
14. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him under provisions of Section 192 of The Companies Act, 2013.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
  - (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of

- financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub Section 5 of Section 135 of the Act. This matter has been disclosed in Note 40 to the financial statements.
    - (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 40 to the financial statements.

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

Sd/-  
**Jinendra Jain**  
Partner  
Membership No. 072995  
Place: Mumbai  
Date: 22-05-2024

UDIN: 24072995BKAMPW1585

## Annexure-B

### To the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of Birla Precision Technologies Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and prescribed under Section 143(10) of the Act, 2013 to the extent applicable, to an audit of internal financial controls both issued by The Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing

the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

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

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

#### Opinion

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

## Annexure-B

### To the Independent Auditor's Report

reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India".

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

Sd/-  
**Jinendra Jain**  
Partner

Membership No. 072995  
Place: Mumbai  
Date: 22-05-2024

UDIN: 24072995BKAMPW1585



## Balance Sheet

As At March 31, 2024

Sr. No.	Particulars	Note No.	(INR in Lakhs)	
			Standalone	
			As at March 31, 2024	As at March 31, 2023
<b>I.</b>	<b>ASSETS</b>			
	<b>NON-CURRENT ASSETS</b>			
(a)	Property, plant and equipment	2	6,660.31	6,863.19
(b)	Capital work-in-progress	2	429.77	20.47
(c)	Intangible assets	2	5.61	11.12
(d)	Intangible assets under development	2	2.77	-
(e)	Financial assets			
(i)	Investments	3	747.01	746.01
(ii)	Loans	4	-	-
(iii)	Other Financial Assets	5	-	-
(f)	Other non-current assets	6	105.86	60.86
	Merger / Amalgamation		-	-
	<b>Total Non - Current Assets</b>		<b>7,951.33</b>	<b>7,701.65</b>
	<b>CURRENT ASSETS</b>			
(a)	Inventories	8	6,219.04	5,871.43
(b)	Financial assets			
(i)	Investments	3	-	-
(ii)	Trade receivables	9	4,370.56	4,037.40
(iii)	Cash and cash equivalents	10	2,370.87	2,536.93
(iv)	Bank balances other than (iii) above	11	40.17	54.60
(v)	Loans	4	2,349.53	446.06
(vi)	Other Financial Assets	5	969.41	288.63
(c)	Other current assets	6	2,609.40	2,345.26
(d)	Current tax assets (Net)	7	108.05	305.32
	<b>Total - Current Assets</b>		<b>19,037.03</b>	<b>15,885.63</b>
	<b>Total Assets</b>		<b>26,988.36</b>	<b>23,587.28</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
(a)	Equity share capital	12	1,319.75	1,305.42
(b)	Fully convertible share warrants	12A	552.00	-
(c)	Other equity	13	13,440.42	11,964.07
	<b>Total - Equity</b>		<b>15,312.17</b>	<b>13,269.49</b>
	<b>LIABILITIES</b>			
<b>A</b>	<b>Non-Current Liabilities</b>			
(a)	Financial liabilities			
(i)	Borrowings	14	311.39	343.67
(b)	Provisions	18	191.70	306.66
(c)	Deferred tax liabilities (Net)	19	-	-
	<b>Total Non - Current Liabilities</b>		<b>503.09</b>	<b>650.33</b>
<b>B</b>	<b>Current Liabilities</b>			
(a)	Financial liabilities			
(i)	Borrowings	14	4,062.74	2,897.38
(ii)	Trade payables	15	3,492.17	3,392.72
(iii)	Other financial liabilities	16	45.48	40.99
(b)	Other current liabilities	17	961.37	835.15
(c)	Provisions	18	1,928.44	1,964.88
(d)	Current tax liabilities (Net)	20	682.90	536.34
	<b>Total - Current Liabilities</b>		<b>11,173.10</b>	<b>9,667.46</b>
	<b>Total Equity and Liabilities</b>		<b>26,988.36</b>	<b>23,587.28</b>

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

1 to 43

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

Sd/-  
Jinendra Jain  
Partner  
Membership No. 072995

Place: Mumbai  
Date : May 22, 2024

Sd/-  
Pankaj Kumar  
Chief Financial Officer

Sd/-  
Ishu Jain  
Company Secretary & Compliance Officer

For and on behalf of Board of Directors

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

## Statement of Profit and Loss

For The Year Ended March 31, 2024

Sr. No.	Particulars	Note No.	(INR in Lakhs)	
			Standalone	
			For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I.</b>	<b>INCOME</b>			
	Revenue from operations	21	22,577.18	25,336.53
	Other income	22	201.08	1,034.21
	<b>Total Income</b>		<b>22,778.26</b>	<b>26,370.74</b>
<b>II.</b>	<b>EXPENSES</b>			
	Cost of Raw Materials and Components Consumed	23	5,593.87	6,419.04
	Purchases of Stock-in-Trade	24	986.54	1,367.86
	Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	25	(897.35)	(327.94)
	Employee benefits expense	26	4,956.76	5,293.77
	Finance costs	27	348.80	331.21
	Depreciation and amortisation expense	28	649.02	462.01
	Other expenses	29	9,340.65	10,759.77
	<b>Total Expenses</b>		<b>20,978.29</b>	<b>24,305.72</b>
<b>III.</b>	<b>Profit / (Loss) before exceptional items and tax</b>		<b>1,799.97</b>	<b>2,065.02</b>
<b>IV.</b>	Exceptional item		-	-
<b>V.</b>	<b>Profit / (Loss) before tax (III - IV)</b>		<b>1,799.97</b>	<b>2,065.02</b>
<b>VI.</b>	Tax expense:			
(1)	Current tax		586.60	480.00
(2)	Short/(Excess) Provision Previous Financial Year		-	-
(3)	MAT Credit		147.23	56.70
(4)	Deferred tax		-	-
<b>VII.</b>	<b>Profit/(Loss) for the period (V-VI)</b>		<b>1,066.14</b>	<b>1,528.32</b>
<b>VIII.</b>	<b>OTHER COMPREHENSIVE INCOME</b>			
(i)	Items that will not be reclassified to profit or loss			
	Related to employee benefits		(1.38)	(86.20)
(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Other Comprehensive Income net of tax		<b>(1.38)</b>	<b>(86.20)</b>
	<b>Total Comprehensive income for the year, net of tax (VII+VIII)</b>		<b>1,064.76</b>	<b>1,442.12</b>
	Earnings per equity share:			
(1)	Basic EPS (₹)		<b>1.62</b>	<b>2.34</b>
(2)	Diluted EPS (₹)		<b>1.62</b>	<b>2.34</b>

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

1 to 43

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

Sd/-  
Jinendra Jain  
Partner  
Membership No. 072995

Place: Mumbai  
Date : May 22, 2024

Sd/-  
Pankaj Kumar  
Chief Financial Officer

Sd/-  
Ishu Jain  
Company Secretary & Compliance Officer

For and on behalf of Board of Directors

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

## Cash Flow Statement

For The Year Ended March 31, 2024

Sr. No.	Particulars	Standalone	
		FY 2023-24	FY 2022-23
(INR in Lakhs)			
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	Net profit before exceptional item, taxation and prior period adjustments	1,799.97	2,065.02
	Adjustments for:		
	Depreciation and Amortisation	649.02	462.01
	(Profit)/Loss on sale of Fixed Assets (Net)	29.66	(433.22)
	Sundry Balances written off	6.94	86.46
	Provision for Gratuity and Leave Salary	242.35	364.62
	Sundry Balances written back	(55.30)	(410.68)
	Exchange difference on translation (Net)	(10.39)	(11.47)
	Finance Costs	348.80	331.21
	Preoperative expenses written off	30.62	-
	Provision for doubtful debts	80.08	-
	Provision no longer required Written Back	(39.76)	-
	Bad debts written off	-	0.32
	Interest Income Received	(40.00)	(25.12)
	Sub-total	1,242.01	364.13
	<b>Operating Profit Before Working Capital Changes</b>	<b>3,041.98</b>	<b>2,429.15</b>
	<b>Adjustments for changes in working capital :</b>		
	Inventories	(347.62)	(313.82)
	Trade Receivables	(409.05)	(429.01)
	Other Current Assets	(286.24)	986.49
	Loans to employees and others	(1,902.47)	696.51
	Other Financial Assets	(680.78)	(79.13)
	Current Tax Assets	50.03	(26.90)
	Trade Payables	154.77	420.61
	Provisions	(355.37)	17.71
	Other Financial Liabilities	4.49	4.02
	Other Current Liabilities	125.47	(824.74)
	Current Tax Liabilities	(55.44)	-
	Income Tax Paid	(384.60)	(208.77)
	Sub-total	(4,086.81)	242.97
	<b>Net Cash Flow From Operating Activities After Exceptional Item....(A)</b>	<b>(1,044.83)</b>	<b>2,672.12</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
	Payments made for Property, Plant and Equipment	(1,008.96)	(3,218.34)
	Payments made for Intangible Assets	(26.73)	(7.01)
	Proceeds from sale of Property, Plant and Equipment	105.57	525.21
	Investments in subsidiaries and others	(1.00)	(7.50)
	Interest Received	31.48	56.76
	Sub-total	(899.64)	(2,650.88)
	<b>Net Cash used for Investing Activities.....(B)</b>	<b>(899.64)</b>	<b>(2,650.88)</b>

## Cash Flow Statement

For The Year Ended March 31, 2024

Sr. No.	Particulars	Standalone	
		FY 2023-24	FY 2022-23
(INR in Lakhs)			
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Proceeds from Issue of shares at premium	458.56	-
	Proceeds from share warrants application money at premium	552.00	-
	Proceeds from Borrowings	1,165.36	1,027.47
	Repayment of Borrowings	(32.28)	(199.11)
	Payment of Dividend	(30.87)	-
	Interest Paid	(348.80)	(331.21)
	Sub-total	1,763.98	497.15
	<b>Net Cash used for Financing Activities.....(C)</b>	<b>1,763.98</b>	<b>497.15</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(180.49)</b>	<b>518.39</b>
	<b>Cash and Cash Equivalents as at April 01, 2023</b>	<b>1,129.41</b>	<b>1205.61</b>
	<b>Add: (Increase) / Decrease in Fixed Deposit accounts kept as margin money with banks</b>	<b>581.48</b>	<b>(594.59)</b>
		<b>1,710.89</b>	<b>611.02</b>
	<b>Cash and Cash Equivalents as at March 31, 2024</b>	<b>1,530.40</b>	<b>1,129.41</b>
		<b>1,530.40</b>	<b>1,129.41</b>
	<b>Reconciliation of Cash and Bank Balances given in Note No. 10 of Balance Sheet is as follows:</b>		
	Cash and Bank Balances	2,370.87	2536.93
	Less:		
	Balance in Fixed Deposit accounts with banks having a maturity period of more than three months	840.47	1407.52
	<b>Cash and Cash Equivalents as at March 31, 2024</b>	<b>1,530.40</b>	<b>1,129.41</b>

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

For and on behalf of Board of Directors

 Sd/-  
Jinendra Jain  
Partner  
Membership No. 072995

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

 Place: Mumbai  
Date : May 22, 2024

 Sd/-  
Pankaj Kumar  
Chief Financial Officer

 Sd/-  
Ishu Jain  
Company Secretary & Compliance Officer

## Statement of Changes in Equity

For The Year Ended March 31, 2024

### A EQUITY SHARE CAPITAL

Particulars	Nos.	Amount in INR	Amount in INR Lakhs
<b>Equity shares of INR 2/- each Issued, Subscribed and Fully Paid up</b>			
<b>As at April 01, 2022</b>	6,52,71,137	13,05,42,274.00	1,305.42
Issued during the year	-	-	-
<b>As at March 31, 2023</b>	<b>6,52,71,137</b>	<b>13,05,42,274.00</b>	<b>1,305.42</b>
Change in Equity Share Capital during the year	7,16,500	14,33,000.00	14.33
<b>As at March 31, 2024</b>	<b>6,59,87,637</b>	<b>13,19,75,274.00</b>	<b>1,319.75</b>

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

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

#### (i) The details of Shareholders holding more than 5% shares:

	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% held	No. of Shares	% held
<b>Equity shares of INR 2/- each fully paid</b>				
Birla Bombay Private Limited	1,64,23,113	25.00	1,64,23,113	25.16
Birla Infrastructure Limited	1,40,15,589	21.00	1,40,15,589	21.47
Vedant Consultancy Private Limited	46,07,663	7.00	46,07,663	7.06
Zenith Dyeintermediates Limited	39,39,991	6.00	32,23,491	4.94

### B OTHER EQUITY

Sr. No.	Particulars	Standalone Reserves and Surplus				
		Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	<b>As at April 01, 2023</b>	50.02	2,874.93	2,963.31	6,075.81	11,964.07
Add:	Addition during the year	-	444.23	-	-	444.23
Add:	Profit for the year	-	-	-	1,066.14	1,066.14
Add:	Other Comprehensive Income	-	-	-	(1.38)	(1.38)
	<b>Total Comprehensive Income</b>	50.02	3,319.16	2,963.31	7,140.57	13,473.06
Less:	Interim Dividend	-	-	-	32.64	32.64
Less:	Transfer to general reserves	-	-	-	-	-
	<b>As at March 31, 2024</b>	<b>50.02</b>	<b>3,319.16</b>	<b>2,963.31</b>	<b>7,107.93</b>	<b>13,440.42</b>

## Statement of Changes in Equity

For The Year Ended March 31, 2024

(INR in Lakhs)

Sr. No.	Particulars	Standalone Reserves and Surplus				
		Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	<b>As at April 01, 2022</b>	50.02	2,874.93	2,963.31	4,633.69	10,521.95
Add:	Addition during the year	-	-	-	-	-
Add:	Profit for the year	-	-	-	1,528.32	1,528.32
Add:	Other Comprehensive Income	-	-	-	(86.20)	(86.20)
	<b>Total Comprehensive Income</b>	50.02	2,874.93	2,963.31	6,075.81	11,964.07
Less:	Interim Dividend	-	-	-	-	-
Less:	Transfer to general reserves	-	-	-	-	-
	<b>As at March 31, 2023</b>	<b>50.02</b>	<b>2,874.93</b>	<b>2,963.31</b>	<b>6,075.81</b>	<b>11,964.07</b>

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

Sd/-  
Jinendra Jain  
Partner  
Membership No. 072995

Place: Mumbai  
Date : May 22, 2024

For and on behalf of Board of Directors

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

Sd/-  
Pankaj Kumar  
Chief Financial Officer

Sd/-  
Ishu Jain  
Company Secretary & Compliance Officer

## Notes to Financial Statements

for the year ended March 31, 2024

### 1. General Information:

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

### Significant accounting policies followed by the Company

#### (A) Basis of preparation of financial statements:

##### (i) Compliance with Ind AS:

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

The Standalone Financial Statements are approved for issue by the Companies Board of Directors dated May 22, 2024.

These standalone financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months.

##### (B) Use of estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made by the management that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are crystallised.

Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

#### (C) Revenue recognition:

- (a) Revenue from the sale of goods is recognised upon the passage of title to the customers, which generally coincides with delivery.
- (b) Export sales are accounted based on the dates of Bill of Lading.
- (c) Interest Income is accrued on time proportion basis over the period of loan / deposit / investment except in case of significant uncertainties.

#### (D) Property, Plant and Equipment:

- (a) All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include hedges of foreign currency purchases of property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associates with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### (b) Depreciation methods, estimated useful lives and residual value:

- (i) Depreciation: The Company has ascertained the useful life of its various assets and charged depreciation in accordance with Schedule II of the Companies Act, 2013 except in case of Precision Components division the useful life of shop toolings fixtures has been determined as 2 years.
- (ii) Leasehold Land is amortised over the period of lease.
- (iii) The useful lives have been determined based on technical evaluation done by the management's expert in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

## Notes to Financial Statements for the year ended March 31, 2024 (Contd.)

- (iv) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

#### (E) Intangible Assets:

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

#### (F) Capital Work in Progress:

Expenditure during construction period including development cost incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of commercial production.

#### (G) Impairment of Assets:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss, if any, is charged to statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### (H) Valuation of Inventory:

- (a) Raw Materials and components, semi-finished goods, finished goods, stores and spares, goods for trade are valued at cost or net realisable value whichever is lower. Cost formula used is weighted average cost. Cost comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition.
- (b) Goods / Materials in Transit are valued at cost to date.
- (c) Scrap is valued at its estimated realisable value.

- (d) Adequate provisions are made for obsolete inventory based on technical estimates made by the Company.

#### (I) Foreign Currency Transactions:

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

#### (J) Employee Benefits:

##### (i) Short-term obligations:

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

##### (ii) Other long-term employee benefit obligations:

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

## Notes to Financial Statements for the year ended March 31, 2024 (Contd.)

### (iii) Post-employment obligations:

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

### (K) Research and Development Costs:

Revenue expenditure, including overheads on research and development, is charged as an expense through the natural heads of account in the year in which incurred. Expenditure incurred at development phase, where it is reasonably certain that outcome of research will be commercially exploited to yield economic benefits to the Company, is considered as an Intangible assets and depreciation is provided on such assets as applicable.

### (L) Investments:

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

### (M) Borrowing Cost:

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

### (N) Taxation:

Income tax expense comprises Current tax and Deferred tax charge or credit. Provision for Current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax.

Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The deferred tax asset and/or deferred tax liability is calculated by applying substantively enacted rate as at balance sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation is recognized if and only if there is virtual certainty backed by convincing evidence of its realisation. At each balance sheet date, carrying amount of deferred tax assets is reviewed to reassure realisation.

### (O) Share Issue Expenses:

Issue expenses are adjusted against the Share Premium.

## Notes to Financial Statements for the year ended March 31, 2024 (Contd.)

### (P) Government Grant/Loan:

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

### (Q) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving a substantial degree of estimation in measurement are recognised when

there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**Note 2 Property, Plant and Equipment**

Description of Assets	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As on March 01, 2023	Additions	Deductions/ Adjustments	As on March 31, 2024	Up to April 01, 2023	For the Year	Deductions/ Adjustments	Up to March 31, 2024	As on March 31, 2023
<b>(A) Tangible Assets</b>									
Leasehold Land	312.07	-	-	312.07	68.22	4.36	-	72.58	239.49
Buildings	3,749.34	186.24	-	3,935.58	1,119.42	139.00	-	1,258.42	2,677.16
Plant & Machinery	12,708.84	290.94	150.78	12,849.00	9,183.52	437.55	15.55	9,605.52	3,243.48
Furniture & Fixtures	136.74	6.34	-	143.08	109.42	4.30	-	113.72	29.36
Office Equipments	314.22	46.95	-	361.17	258.55	26.68	-	285.23	75.95
Vehicles	687.25	45.38	-	732.63	306.16	31.61	-	337.77	394.87
<b>Total Tangible Assets (A)</b>	<b>17,908.46</b>	<b>575.85</b>	<b>150.78</b>	<b>18,333.53</b>	<b>11,045.29</b>	<b>643.50</b>	<b>15.55</b>	<b>11,673.24</b>	<b>6,863.19</b>
<b>(B) Capital Work - in Progress</b>	<b>20.47</b>	<b>409.30</b>	-	<b>429.77</b>	-	-	-	-	<b>429.77</b>
<b>(C) Intangible Assets</b>									
Technical Knowhow Fee	50.39	-	-	50.39	50.39	-	-	50.39	-
Software	247.25	-	-	247.25	236.13	5.52	-	241.65	5.61
<b>Total Intangible Assets (C)</b>	<b>297.64</b>	-	-	<b>297.64</b>	<b>286.52</b>	<b>5.52</b>	-	<b>292.04</b>	<b>5.61</b>
<b>(D) Intangible Assets Under Development</b>	-	2.77	-	<b>2.77</b>	-	-	-	-	<b>2.77</b>
<b>Total Property, Plant and Equipment (A+B+C+D)</b>	<b>18,226.57</b>	<b>987.92</b>	<b>150.78</b>	<b>19,063.71</b>	<b>11,331.81</b>	<b>649.02</b>	<b>15.55</b>	<b>11,965.28</b>	<b>7,098.46</b>

 Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**Note 2 Property, Plant and Equipment**

Description of Assets	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As on April 01, 2022	Additions	Deductions/ Adjustments	As on March 31, 2023	Up to April 01, 2022	For the Year	Deductions/ Adjustments	Up to March 31, 2023	As on March 31, 2022
<b>(A) Tangible Assets</b>									
Leasehold Land	438.57	0.19	126.69	312.07	100.31	4.35	36.44	68.22	243.85
Buildings	1,956.62	1,792.72	-	3,749.34	1,034.79	84.63	-	1,119.42	2,629.93
Plant & Machinery	10,753.57	1,955.27	-	12,708.84	8,860.13	323.39	-	9,183.52	3,525.33
Furniture & Fixtures	160.38	7.74	31.38	136.74	135.77	3.51	29.86	109.42	27.32
Office Equipments	284.15	35.03	4.96	314.22	241.89	21.40	4.74	258.55	42.26
Vehicles	350.48	336.77	-	687.25	286.63	19.53	-	306.16	63.85
<b>Total Tangible Assets (A)</b>	<b>13,943.77</b>	<b>4,127.72</b>	<b>163.03</b>	<b>17,908.46</b>	<b>10,659.52</b>	<b>456.81</b>	<b>71.04</b>	<b>11,045.29</b>	<b>6,863.19</b>
<b>(B) Capital Work - in Progress</b>	<b>893.32</b>	<b>1,089.60</b>	<b>1,962.45</b>	<b>20.47</b>	-	-	-	-	<b>20.47</b>
<b>(C) Intangible Assets</b>									
Technical Knowhow Fee	50.39	-	-	50.39	50.39	-	-	50.39	-
Software	240.24	7.01	-	247.25	230.93	5.20	-	236.13	11.12
<b>Total Intangible Assets (C)</b>	<b>290.63</b>	<b>7.01</b>	-	<b>297.64</b>	<b>281.32</b>	<b>5.20</b>	-	<b>286.52</b>	<b>9.31</b>
<b>(D) Intangible Assets Under Development</b>	-	-	-	-	-	-	-	-	-
<b>Total Property, Plant and Equipment (A+B+C+D)</b>	<b>15,127.72</b>	<b>5,224.33</b>	<b>2,125.48</b>	<b>18,226.57</b>	<b>10,940.84</b>	<b>462.01</b>	<b>71.04</b>	<b>11,331.81</b>	<b>6,894.78</b>

Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**Note 3 Investments**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Carried at cost:</b>		
<b>In equities unquoted</b>		
70,00,000 Equity shares of INR 10 each in Zenith Steel Pipes & Industries Limited	700.00	700.00
In Shares of Janta Sahakari Bank Limited	22.50	22.50
<b>In subsidiaries unquoted</b>		
Birla Precision USA Ltd (10 Eq. shares fully paid up at \$1 per share)	0.01	0.01
Birla Precision GMBH (25000 Eq. shares fully paid up at euro1 per share)	21.50	21.50
Birla Engineering Pvt Ltd (10000 eq. shares @ INR 10 each paid up)	1.00	1.00
Birla Accucast Pvt Ltd (10000 eq. shares @ INR 10 each paid up)	1.00	1.00
Birla Durotool Pvt Ltd (10000 eq. shares @ INR 10 each paid up)	1.00	-
<b>Total Non - Current</b>	<b>747.01</b>	<b>746.01</b>
(a) Equity shares in Zenith Steel Pipes & Industries Limited were acquired by way of preferential allotment (conversion of loan into equity).		
(b) The Group has made investment in shares of Janta Sahakari Bank Limited for Cash Credit loan worth INR 15 Cr.		
(c) Investments made by the Group other than those with a maturity of less than one year, are intended to be held for long term.		
<b>Current</b>		
In equities unquoted	-	-
In subsidiaries unquoted	-	-
<b>Total - Current</b>	<b>-</b>	<b>-</b>

**Note 4 Loans**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Unsecured; considered good :</b>		
Loan & Advance to Employees	-	-
<b>Total Non - Current</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
<b>Unsecured; considered good :</b>		
Loans and advances*	1,960.99	114.10
Less: Provision for doubtful advances	-	-
	1,960.99	114.10
Loan & Advance to Employees	48.83	20.95
Loan & Advance to Others	339.71	311.01
Less: Provision for doubtful advances	-	-
	339.71	311.01
<b>Total - Current</b>	<b>2,349.53</b>	<b>446.06</b>

\* Loans and advances includes INR 1500 Lakhs to Zenith Birla India Limited and INR 460.70 Lakhs to subsidiaries in normal course of business

**Birla Precision Technologies**

 Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**Note 5 Other Financial Assets**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Unsecured; considered good :</b>		
<b>Total Non - Current</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
<b>Unsecured; considered good :</b>		
Deposits with Others	969.41	288.63
<b>Total - Current</b>	<b>969.41</b>	<b>288.63</b>

**Note 6 Other Assets**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Unsecured; considered good :</b>		
Capital Advances	105.86	60.86
Less: Provision for doubtful advances	-	-
<b>Total Non - Current</b>	<b>105.86</b>	<b>60.86</b>
<b>Current</b>		
<b>Unsecured; considered good :</b>		
A) <b>Advances Paid to Suppliers/Services</b>	<b>2,102.81</b>	<b>1,924.14</b>
B) <b>Balances with Government Authorities :</b>		
Cenvat Credit and export incentive receivable	28.79	30.65
Value Added Tax Receivable	35.43	68.04
Goods & Service Tax	233.19	98.20
<b>Sub Total (B)</b>	<b>297.41</b>	<b>196.89</b>
C) <b>Others :</b>		
Prepaid Expenses	50.22	49.74
Pre-operative expenses	122.47	146.52
Pattern Under Development	22.45	22.45
Interest accrued on fixed deposits and others	14.04	5.52
<b>Sub Total (C)</b>	<b>209.18</b>	<b>224.23</b>
<b>Total - Current (A+B+C)</b>	<b>2,609.40</b>	<b>2,345.26</b>

**Note 7 Current Tax Assets (Net)**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Tax deducted at source	34.21	55.18
Advance fringe benefit tax (Net of provisions for tax)	2.17	2.17
Mat Credit Entitlement	27.63	203.93
Income Tax Refund Receivable	44.04	44.04
<b>Total</b>	<b>108.05</b>	<b>305.32</b>

Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**Note 8 Inventories**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Raw Materials and Components	1,311.59	1,874.56
Semi-Finished Goods	1,308.60	1,201.45
Finished Goods	2,692.34	1,677.53
Stock-in Trade	386.55	611.17
Goods in Transit	-	-
Stores, Cutting Tools and Packing Materials	519.96	506.72
<b>Total</b>	<b>6,219.04</b>	<b>5,871.43</b>

**Note 9 Trade Receivables**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good :</b>		
Considered good	393.90	134.67
Considered doubtful	153.57	73.49
Less: Provision for doubtful debts	(153.57)	(73.49)
	<b>393.90</b>	<b>134.67</b>
<b>Other considered good</b>	<b>3,976.66</b>	<b>3,902.73</b>
<b>Total</b>	<b>4,370.56</b>	<b>4,037.40</b>

**Note 9.1**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Undisputed trade receivables - considered good</b>		
Less than 6 Months	3,976.66	3,902.73
6 Months - 1 year	112.26	72.67
1 - 2 years	267.36	39.89
2 - 3 years	-	-
More than 3 years	-	7.83
<b>Total</b>	<b>4,356.28</b>	<b>4,023.12</b>

**Note 9.2**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Disputed trade receivables - considered good</b>		
Less than 6 Months	-	-
6 Months - 1 year	-	-
1 - 2 years	-	-
2 - 3 years	-	-
More than 3 years	14.28	14.28
<b>Total</b>	<b>14.28</b>	<b>14.28</b>

 Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**Note 10 Cash and Cash Equivalents**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
A) Balances with Banks	1,526.18	1,036.49
B) Deposits with Banks	840.47	1,407.52
C) Cheques on hand	-	90.21
D) Cash on Hand	2.45	2.71
E) Dividend account with Bank	1.77	-
<b>Total</b>	<b>2,370.87</b>	<b>2,536.93</b>

**Note 11 Other Bank Balances**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balances in Margin Money Account	40.17	54.60
Balances in UP DDU Account	-	-
<b>Total</b>	<b>40.17</b>	<b>54.60</b>

**Note 12 Equity Share Capital**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>A) AUTHORISED SHARE CAPITAL</b>		
60,00,00,000 (60,00,00,000) Equity Shares of INR 2/- each	12,000.00	12,000.00
<b>Total</b>	<b>12,000.00</b>	<b>12,000.00</b>
<b>B) ISSUED, SUBSCRIBED &amp; PAID UP SHARE CAPITAL</b>		
6,59,87,637 (6,52,71,137) Equity Shares of INR 2/- each, as fully paid-up	1,319.75	1,305.42

**Note 12A Fully Convertible Share Warrants**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
34,50,000 Fully Convertible Warrants at an issue price of INR 64/- each pending allotment, 25% application money received	552.00	-
<b>Total</b>	<b>552.00</b>	<b>-</b>

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

Equity Shares	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
At the beginning of the year ( No. of Shares)	6,52,71,137	6,52,71,137
At the beginning of the year (INR in Lakhs)	1,305.42	1,305.42
Issued during the year ( No. of Shares)	7,16,500	-
Issued during the year (INR in Lakhs)	14.33	-
<b>Outstanding at the end of the year ( No. of Shares)</b>	<b>6,59,87,637</b>	<b>6,52,71,137</b>
<b>Outstanding at the end of the year (INR in Lakhs)</b>	<b>1,319.75</b>	<b>1,305.42</b>

**Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)**

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

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

During the year the Company has made allotment of 7,16,500 equity shares for cash at an issue price of INR 64/- each and at a premium of INR 62/- on preferential and private placement basis to Promotor Group of the Company.

During the year the Company has made allotment of 34,50,000 Fully Convertible Warrants for cash at an issue price of INR 64/- having face value of INR 2/- and at premium of INR 62/- on preferential and private placement basis to Promotor Group of the Company and Identified Non - Promotor(s).

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

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Equity shares of INR 2/- each fully paid</b>		
Birla Bombay Private Limited (No. of Shares)	1,64,23,113	1,64,23,113
Birla Bombay Private Limited (% held)	24.89	25.16
Birla Infrastructure Limited (No. of Shares)	1,40,15,589	1,40,15,589
Birla Infrastructure Limited (% held)	21.24	21.47
Vedant Consultancy Private Limited (No. of Shares)	46,07,663	46,07,663
Vedant Consultancy Private Limited (% held)	6.98	7.06
Zenith Dyeintermediates Limited (No. of Shares)	39,39,991	32,23,491
Zenith Dyeintermediates Limited (% held)	5.97	4.94

As per records of the Group, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**Note 12.3 Promoters shareholding as on March 31, 2024**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Mrs. Avanti Birla (No. of Shares)	44	44
Mrs. Avanti Birla (% held)	0.00%	0.00%
Mr. Yashvardhan Birla (No. of Shares)	21,919	25,851
Mr. Yashvardhan Birla (% held)	0.03%	0.04%
Birla Bombay Pvt Ltd (No. of Shares)	1,64,23,113	1,64,23,113
Birla Bombay Pvt Ltd (% held)	24.89%	25.16%
Khopoli Investments Ltd (No. of Shares)	5,00,000	5,00,000
Khopoli Investments Ltd (% held)	0.76%	0.77%
Birla ShlokaEdutech Ltd (No. of Shares)	231	231
Birla ShlokaEdutech Ltd (% held)	0.01%	0.00%
Vedant Consultancy Pvt Ltd (No. of Shares)	46,07,663	46,07,663
Vedant Consultancy Pvt Ltd (% held)	6.98%	7.06%
Zenith Dyeintermediates (No. of Shares)	39,39,991	32,23,491
Zenith Dyeintermediates (% held)	5.97%	4.94%
Birla Infrastructure Limited (No. of Shares)	1,40,15,589	1,40,15,589

**Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Birla Infrastructure Limited (% held)	21.24%	21.47%
Shearson investment and Trading Co Pvt Ltd (No. of Shares)	2,27,652	2,27,652
Shearson investment and Trading Co Pvt Ltd (% held)	0.34%	0.35%
Birla Industries Group Charity Trust (No. of Shares)	5,947	5,947
Birla Industries Group Charity Trust (% held)	0.00%	0.01%
Matri Seva Sadan Charity Trust (No. of Shares)	10,617	10,617
Matri Seva Sadan Charity Trust (% held)	0.02%	0.02%
Yash Society (No. of Shares)	25,056	25,056
Yash Society (% held)	0.04%	0.04%

**Note 13 Other Equity**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
A) Capital Reserve	50.02	50.02
B) Securities Premium Reserve	3,319.16	2,874.93
C) General Reserves	2,963.31	2,963.31
D) Retained Earnings	7,107.93	6,075.81
<b>Total (A to D)</b>	<b>13,440.42</b>	<b>11,964.07</b>

**Note 14 Borrowings**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>A) Secured Loans</b>		
<b>Vehicle Loans :</b>		
Car Loan (Refer note (a) below)	201.72	236.88
Current maturities of long-term borrowings (Refer note (a) below)	35.09	32.21
Sub Total (A)	236.81	269.09
<b>B) Unsecured Loans</b>		
Sales Tax Deferred Payment Loan	-	-
Current maturities of long-term borrowings (Refer note (b) below)	74.58	74.58
<b>Total Non - Current</b>	<b>74.58</b>	<b>74.58</b>

**Security and Salient Terms:**

- (a) The Car Loan of INR 215.66 lakhs (Previous Year INR 244.09 lakhs) is secured by hypothecation of the car.
- Interest is payable @ 8.00% p.a. and is repayable in eighty four monthly instalments starting from February, 2023 and ending in January, 2030.
- The Car Loan of INR 21.15 lakhs (Previous Year INR 25 lakhs) is secured by hypothecation of the car.
- Interest is payable @ 8.95% p.a. and is repayable in Sixty monthly instalments starting from April, 2023 and ending in March, 2028.
- (b) Sales Tax deferred payment loan of INR 74.58 lakhs (Previous Year INR 74.58 lakhs) is interest free and payable in instalments.

Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
<b>A) Secured Loans</b>		
<b>Working Capital Loans From Banks</b>		
Foreign Currency Loan	-	-
Rupee Loan (Refer note (a),(b), (c) and (d) below)	4,062.74	2,897.38
Subtotal (A)	4,062.74	2,897.38
<b>B) Unsecured Loans</b>		
From Bodies Corporates	-	-
From Other	-	-
Subtotal (B)	-	-
<b>Total - Current</b>	<b>4,062.74</b>	<b>2,897.38</b>

**Security and Salient Terms:**

- (a) Rupee loans of INR 2687.74 Lakhs (Previous Year INR 2222.38 Lakhs) exclusive charge by way of hypothecation on entire stock of Finished goods, Raw material, Stock in trade and Book debts of the Company, present and future. Exclusive charge by way of Hypothecation of Plant & Machinery of the Company. Corporate Guarantee of Asian Distributors Private Limited to the extent of market value of collateral proposed to mortgage. Rupee loans taken from Bank of Baroda.
- (b) Rupee loans of INR 675.00 Lakhs (Previous Year INR 675 Lakhs) fresh additional working capital term loan under BGECL 1.0 extension scheme 100% guaranteed by NCGTC. Principal to be repaid in 36 monthly installment of INR 18.75 Lakhs each plus interest commencing after 24 months from the date of first disbursement.
- (c) Rupee loans of INR 700.00 Lakhs (Previous Year INR Nil Lakhs) fresh additional packing credit loan.
- (d) The rates of interest for rupee loan ranges from 9.70% p.a. to 12% p.a.

**Note 15 Trade Payables**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Current		
Micro, Small and Medium Enterprises	650.75	385.85
Others	2,841.42	3,006.87
<b>Total - Current</b>	<b>3,492.17</b>	<b>3,392.72</b>

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

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Principal amount due and remaining unpaid	650.75	385.85
Interest due on above and the unpaid interest	13.84	1.06

 Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**Note 15.1 Ageing of trade payables as on March 31, 2024**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(i) MSME		
Less than 1 year	648.40	385.69
1 - 2 years	1.62	-
2 -3 years	0.56	0.16
More than 3 Years	0.17	-
<b>Total</b>	<b>650.75</b>	<b>385.85</b>
(ii) Others		
Less than 1 year	2,100.77	2,859.59
1 - 2 years	382.29	31.02
2 -3 years	8.79	8.52
More than 3 Years	-	-
<b>Total</b>	<b>2,491.85</b>	<b>2,899.13</b>
(iii) Disputed MSME		
Less than 1 year	-	-
1 - 2 years	-	-
2 -3 years	-	-
More than 3 Years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
(iv) Disputed Others		
Less than 1 year	-	31.76
1 - 2 years	24.60	-
2 -3 years	126.58	-
More than 3 Years	198.39	75.98
<b>Total</b>	<b>349.57</b>	<b>107.74</b>

**Note 16 Other Financial Liabilities**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Current		
Current maturities of long-term debts	-	-
Security Deposit from dealers / others	45.48	40.99
<b>Total - Current</b>	<b>45.48</b>	<b>40.99</b>

**Note 17 Other Current Liabilities**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
Advances from Customers	279.62	190.76
Payable to employees	582.29	544.96
Statutory Liabilities	97.69	99.43
Unclaimed dividend	1.77	-
<b>Total - Current</b>	<b>961.37</b>	<b>835.15</b>



Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**Note 18 Provisions**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Provision for Employee Benefits</b>		
Gratuity	-	136.08
Leave benefits	191.70	170.58
<b>Total Non - Current</b>	<b>191.70</b>	<b>306.66</b>
<b>Current</b>		
A) <b>Provision for Employee Benefits</b>		
Gratuity	1,207.30	977.31
Leave benefits	96.13	49.82
Sub Total	1,303.43	1,027.13
B) Provision for expenses	625.01	937.75
<b>Total - Current</b>	<b>1,928.44</b>	<b>1,964.88</b>

**Note 19 Deferred Tax Liabilities**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Liability</b>		
Related to fixed assets	175.68	185.42
<b>Deferred Tax Assets</b>		
Disallowances under the Income Tax Act, 1961	175.68	185.42
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 20 Current Tax Liabilities (Net)**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Provision for Current Tax	682.90	536.34
<b>Total</b>	<b>682.90</b>	<b>536.34</b>

**Note 21 Revenue From Operations**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products	21,889.46	24,578.68
Sale of Services	133.28	283.15
Other operating revenue	554.44	474.70
<b>Revenue from operations</b>	<b>22,577.18</b>	<b>25,336.53</b>

Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**Note 22 Other Income**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest:</b>		
From Bank deposits	37.95	25.10
From Others	2.05	0.02
	<b>40.00</b>	<b>25.12</b>
Exchange rate difference (Net)	37.08	80.61
Sundry balances written back (Net)	55.30	410.68
Miscellaneous Income	47.00	47.63
Merchandise Exports From India Scheme	-	21.22
Training completion skill poor youth	21.70	14.20
Profit on sale of fixed assets	-	434.75
	161.08	1,009.09
<b>Total</b>	<b>201.08</b>	<b>1,034.21</b>

**Note 23 Cost of Raw Materials and Components Consumed**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventory at the beginning of the year</b>	1,818.94	2,016.52
Add : Purchases	5,086.52	6,221.46
	<b>6,905.46</b>	<b>8,237.98</b>
Less : Inventory at the end of the year	1,311.59	1,818.94
<b>Cost of Raw Materials and Components Consumed</b>	<b>5,593.87</b>	<b>6,419.04</b>

**Note 24 Purchases Of Stock-In-Trade**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Files	986.54	1,367.86
<b>Total</b>	<b>986.54</b>	<b>1,367.86</b>

**Note 25 Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-In-Trade**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventories at the end of the year</b>		
Finished Goods	2,692.34	1,677.53
Semi-Finished Goods	1,308.60	1,201.45
Stock-in-Trade	386.55	611.17
	<b>4,387.49</b>	<b>3,490.15</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods	1,677.53	1,409.09
Semi-Finished Goods	1,201.45	1,505.22
Stock-in-Trade	611.17	247.90

Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
	<b>3,490.15</b>	<b>3,162.21</b>
<b>Change in Inventories</b>		
Finished Goods	(1,014.82)	(268.44)
Semi-Finished Goods	(107.15)	303.77
Stock-in-Trade	224.62	(363.27)
<b>Total</b>	<b>(897.35)</b>	<b>(327.94)</b>

**Note 26 Employee Benefits Expense**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Bonus	4,316.14	4,677.45
Contribution to Provident and Other Funds	414.10	451.61
Staff Welfare Expenses	226.52	279.44
<b>Total</b>	<b>4,956.76</b>	<b>5,293.77</b>

**Note 27 Finance Costs**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses:		
Fixed Loan	20.56	3.65
Other	278.58	225.36
Bank charges	49.66	102.19
<b>Total</b>	<b>348.80</b>	<b>331.21</b>

**Note 28 Depreciation and Amortisation Expenses**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Tangible Assets	643.50	456.81
Amortisation of Intangible Assets	5.52	5.20
<b>Total</b>	<b>649.02</b>	<b>462.01</b>

**Note 29 Other Expenses**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A) Manufacturing Expenses</b>		
Stores, cutting tools and packing materials consumed	1,468.49	1,533.08
Sub-contracting expenses	2,043.22	2,244.44
Power, fuel and water	1,126.26	1,496.34
Repairs and maintenance:		
Buildings	7.79	35.01

 Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Plant and machinery	120.57	134.45
<b>Sub Total (A)</b>	<b>4,766.33</b>	<b>5,443.32</b>
<b>B) Administrative, Selling and Other Expenses:</b>		
Rent	233.53	43.35
Rates and taxes	12.22	8.51
Postage and telephone	35.29	36.78
Printing and stationery	49.65	56.32
Insurance	32.80	25.35
Travelling and conveyance	339.69	331.43
Foreign travelling expenses	127.05	108.46
Vehicle expenses	15.35	7.96
Advertisement, publicity etc.	118.09	253.11
Sales promotion and other selling expenses	1,673.67	1,947.81
Sales commission	196.36	677.63
Freight on sales	270.57	388.89
Training and welfare expenses	12.02	15.58
Training expenses skill of poor youth	-	8.82
Directors' sitting fees	16.50	15.60
Auditors' remuneration (excluding GST)		
As Auditor	8.00	8.00
For Limited Review	-	-
For other service	1.34	-
For Certifications	-	-
For Reimbursement of Expenses	-	0.27
	<b>9.34</b>	<b>8.27</b>
Corporate social responsibility expenses	19.37	-
Legal and professional fees	924.85	1,017.49
Security services	102.03	43.66
Software maintenance expenses	3.46	2.71
Sundry balances written off	6.94	86.46
Provision for doubtful debts	80.08	-
Bad debts written off	-	0.32
Preoperative expenses written off	30.62	-
Loss on sale of fixed assets	29.66	1.53
Miscellaneous expenses	235.18	230.41
<b>Sub Total (B)</b>	<b>4,574.32</b>	<b>5,316.45</b>
<b>Total (A+B)</b>	<b>9,340.65</b>	<b>10,759.77</b>

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
Net Profit / (Loss) after tax attributable to Equity Shareholders (A)	1066.14	1528.32
No. of Equity Shares outstanding during the year for calculating Basic EPS (B)	65987637	65271137
No. of Equity Shares outstanding during the year for calculating Diluted EPS (C)	65987637	65271137
Nominal Value of Equity Shares (INR)	2/-	2/-
Basic EPS (INR) (A / B)	1.62	2.34
Diluted EPS (INR) (A / C)	1.62	2.34

**Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)**
**Note 31 Contingent liabilities:**

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
<b>Capital Commitments:</b>		
Tangible Assets for Plant & Machineries	97.20	56.20
Intangible Assets for ERP Software	71.91	-

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
(i) Amount of duty saved under EPCG Scheme against export obligations	17.06	13.87
(ii) Sales Tax Demands in Appeals	-	87.12
(iii) Bank Guarantees / Letters of Credit	25.06	25.06
(iv) Claims against Company not acknowledged as debts	-	9.66

(c) The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of the proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.

**Note 32 Dividends distributed and proposed**

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
<b>Dividends recognised in the financial statements</b>		
Interim dividend for the year ended March 31, 2024 INR 0.05 per equity share declared and paid	32.64	-
<b>Dividends not recognised in the financial statements</b>		
Directors have recommended payment of final dividend of INR 0.05 Per equity share (March 31, 2024). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	32.99	-

**Note 33 Employee Benefits:**

(A) Defined Contribution Plans:

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
Contribution to Employees Provident Fund and Other Funds	414.10	451.61
<b>Total</b>	<b>414.10</b>	<b>451.61</b>

(B) Defined Benefit Plans :

I. (a) Contribution to Gratuity:

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

**Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)**

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
<b>Amount recognised in Balance Sheet</b>		
Present value of defined benefit obligation	1420.30	1320.96
Fair value of plan assets	213.00	207.57
<b>Funded Status</b>	<b>(1207.30)</b>	<b>(1113.39)</b>
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current service cost	70.34	69.72
Net Interest	70.34	64.92
<b>Total expense charged to Profit and Loss Account</b>	<b>140.68</b>	<b>134.64</b>
<b>Amount recorded as Other Comprehensive Income</b>		
Actuarial (Gain)/Loss recognised for the period	(7.69)	80.03
Return on Plan Assets excluding net interest	9.07	6.17
<b>Total Actuarial (Gain)/Loss recognised in OCI</b>	<b>1.38</b>	<b>86.20</b>
<b>Reconciliation of net liability/(Asset)</b>		
Opening net liability	1113.39	936.53
Adjustment to opening balance	-	(0.25)
Expenses charged to the Statement of Profit and Loss	140.68	134.64
Contribution paid	(48.15)	(43.73)
Other Comprehensive Income (OCI)	1.38	86.20
<b>Closing net defined benefit liability/(asset)</b>	<b>1207.30</b>	<b>1113.39</b>
<b>Movement in benefit obligation</b>		
<b>Opening defined benefit obligation</b>	<b>1320.96</b>	<b>1148.10</b>
Interest on defined benefit obligation	85.33	79.41
Current service cost	70.34	69.72
Benefits paid	(48.64)	(56.30)
Actuarial (Gain)/Loss on obligation	(7.69)	80.03
<b>Closing defined benefit obligation</b>	<b>1420.30</b>	<b>1320.96</b>
<b>Movement in Plan Assets</b>		
<b>Opening fair value of plan assets</b>	<b>207.58</b>	<b>211.58</b>
Adjustment to opening fair value of plan assets	-	0.25
Return on plan assets excluding interest income	(9.07)	(6.17)
Interest Income	14.99	14.49
Contribution by employer	13.50	43.73
Benefits paid	(14.00)	(56.30)
<b>Closing fair value of plan assets</b>	<b>213.00</b>	<b>207.58</b>
<b>Asset Information</b>		
Insurer managed funds	213.00	207.58
Others	-	-
<b>Grand Total</b>	<b>213.00</b>	<b>207.58</b>
<b>Principal actuarial assumptions</b>		
Discount rate (p.a.)	7.09%	7.29%
Salary escalation rate (p.a.)	3.00% to 5.00%	3.00% to 5.00%

II. Leave Encashment:

The leave encashment provision for the year ended March 31, 2024, based on actuarial valuation carried out using projected unit credit method amounting to INR 85.30 Lakhs (Previous Year INR 53.30 Lakhs) has been recognised in statement of profit and loss.

Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

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

Particulars	(INR in Lakhs)	
	2023-24	2022-23
<b>Segment Revenue</b>		
a) Tooling	21718.04	22197.89
b) Automotive Components	1038.52	4158.66
c) Other	21.70	14.19
<b>Total Income from operations</b>	<b>22778.26</b>	<b>26370.74</b>
<b>Segment Results Profit(+)/(Loss)(-)</b> <b>(before Interest and Tax) from segment</b>		
a) Tooling	2682.94	2751.57
b) Automotive Components	(534.17)	(355.34)
c) Other	-	-
<b>Total</b>	<b>2148.77</b>	<b>2396.23</b>
<b>Less:</b> Interest and Finance Charges	348.80	331.21
<b>Less:</b> Exceptional Items	0.00	0.00
<b>Profit before Tax</b>	<b>1799.97</b>	<b>2065.02</b>
<b>Less:</b> Provision for Taxation		
Current Tax	586.60	480.00
Provision For Earlier Periods	-	-
Mat Credit	147.23	56.70
Deferred Tax	-	-
<b>Profit / (Loss) after Tax</b>	<b>1066.14</b>	<b>1528.32</b>
<b>Segment Assets</b>		
a) Tooling	24394.34	20652.42
b) Automotive Components	2323.55	2488.11
c) Other	162.42	141.43
d) Unallocated Assets	108.05	305.32
<b>Total</b>	<b>26988.36</b>	<b>23587.28</b>
<b>Segment Liabilities</b>		
a) Tooling	9121.15	7700.02
b) Automotive Components	1678.52	2062.73
c) Other	17.94	18.70
d) Unallocated Liabilities	858.58	536.34
<b>Total</b>	<b>11676.19</b>	<b>10317.79</b>
<b>Capital employed</b>		
a) Tooling	15273.19	12952.40
b) Automotive Components	645.03	425.38
c) Other	144.48	122.73
d) Unallocable	(750.53)	(231.02)
<b>Total</b>	<b>15312.17</b>	<b>13269.49</b>
<b>Capital Expenditure</b>		
a) Tooling	987.92	5224.33
b) Automotive Components	-	-
c) Other	-	-
<b>Total</b>	<b>987.92</b>	<b>5224.33</b>

 Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

Particulars	(INR in Lakhs)	
	2023-24	2022-23
<b>Depreciation</b>		
a) Tooling	504.89	312.24
b) Automotive Components	144.13	149.77
c) Other	-	-
<b>Total</b>	<b>649.02</b>	<b>462.01</b>
<b>Non Cash Expenditure</b>		
a) Tooling	-	-
b) Automotive Components	-	-
c) Other	-	-
<b>Total</b>	-	-

Effective from April 01, 2018, the identification of segments under Ind AS is based on the following segments worked out on the basis of the internal reclassification of items under Precision Components, Casting and Machining:

## 2. Tooling

**(b) Secondary Segment - (Geographical):**

Particulars	(INR in Lakhs)				
	India	Japan	USA	Rest of the World	Total
<b>Segment Revenue</b>	19411.98	717.62	598.08	2050.58	22778.26
	(22824.61)	(544.94)	(1181.55)	(1819.64)	(26370.74)

(Figures in brackets indicates March 31, 2023 figures)

**Note 35 Related party disclosures:**
**(A) Name of related parties and nature of relationships (as per Ind AS 24):**
**(a) Key Management Personnel**

- Mr. Vedant Birla - Chairman & Managing Director
- Mr. Pankaj Kumar - Chief Financial Officer \* Appointed on May 22, 2024
- Miss. Ishu Jain - Company Secretary and Compliance officer \* Appointed on February 10, 2024

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

- |  |  |
|--|--|
| 1 ACE Trusteeship Services Private Limited             | 10 Birla Brothers Private Limited                          |
| 2 Birla Earth Private Limited                          | 11 Shrinika Infra Limited                                  |
| 3 Birla Infrastructure & Constructions Private Limited | 12 Birla Precision USA Ltd - foreign subsidiary            |
| 4 Birla Infrastructure & Developers Private Limited    | 13 Birla Precision Technologies GMBH - foreign subsidiary  |
| 5 Edufocus International Education LLP                 | 14 Birla Engineering Private Limited - domestic subsidiary |
| 6 Eduserve International Education LLP                 | 15 Birla Accucast Private Limited - domestic subsidiary    |
| 7 Hair Station LLP                                     | 16 Birla Durotool Private Limited - domestic subsidiary    |
| 8 Hilton Consultancy                                   | 17 Birla International Private Limited                     |
| 9 Zenith Steel Pipes and Industries                    |  |

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

Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**(B) Transactions during the year ended March 31, 2024 and balances with related parties :**

(INR in Lakhs)				
Name of related party	Description and Nature of transactions	Total Amount of the Transactions during the Current year (Previous Year)	Amount if any Outstanding as on 31.03.2024 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2024 CREDIT Balance Current Year (Previous Year)
Mr.. Vedant Birla	Remuneration Paid	48.00	-	2.27
		(45.63)	-	(2.30)
Hilton Consultancy	Professional and consultancy charges	6.00	-	-
		(6.00)	-	-
Birla Precision GmbH	Sales	59.05	43.37	-
		(28.06)	(21.97)	-
	Loans & advances	84.67	137.39	-
		(52.72)	(52.72)	-
Investments	-	21.50	-	
	-	(21.50)	-	
Birla Precision USA	Loans & advances	32.50	89.60	-
		(57.10)	(57.10)	-
	Investments	-	0.01	-
Birla Durotool Pvt. Ltd.	Sales	317.76	542.19	-
		-	-	-
	Purchase	24.61	-	21.61
		-	-	-
	Loans & advances	80.41	226.57	-
-		-	-	
Investments	-	1.00	-	
Birla Engineering Pvt. Ltd.	Loans & Advances	1.00	2.00	-
		-	(1.00)	-
	Investments	-	1.00	-
-		(1.00)	-	
Birla Accucast Pvt. Ltd.	Loans & Advances	1.07	1.07	-
		-	-	-
	Investments	-	1.00	-
-		(1.00)	-	
Zenith Steel Pipes & Industries Ltd	Loans & Advances	1,500.00	1,500.00	-
		-	-	-
Birla International Pvt. Ltd.	Rent including GST	118.80	-	29.70
		-	-	-
	Security Deposit	700.00	700.00	-
Mr. Santosh Kumar (Director)	Remuneration Paid	14.22	-	0.96
		(12.97)	-	(0.73)
Mr. Harish K Pareek (CFO)	Remuneration Paid	19.03	-	1.19
		(16.54)	-	(0.59)

 Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

(INR in Lakhs)				
Name of related party	Description and Nature of transactions	Total Amount of the Transactions during the Current year (Previous Year)	Amount if any Outstanding as on 31.03.2024 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2024 CREDIT Balance Current Year (Previous Year)
Mr. Parth Hariprasad Matolia (Company Secretary)	Remuneration Paid	3.00	-	-
		(6.61)	-	(0.51)
Miss. Ishu Jain (Company Secretary)	Remuneration Paid	5.24	-	1.59

(Figures in brackets indicate March 31, 2023 figures)

**Note 36 Fair values of financial assets and financial liabilities:**

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

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

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

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

**Note 37 Fair value hierarchy:**

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

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

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

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

(INR in Lakhs)		
Particulars	March 31, 2024	March 31, 2023
<b>Level 1 (Quoted price in active markets)</b>	-	-
<b>Level 2</b>	-	-
Financial assets measured at fair value through profit or loss	-	-
Financial liability measured at fair value through profit or loss	-	-
<b>Level 3</b>	-	-
<b>Financial assets measured at fair value through profit or loss</b>	-	-
Trade receivables	4370.56	4037.40
Cash and cash equivalents	2370.87	2536.93
Bank balances other than cash and cash equivalent	40.17	54.60
Loans and advances	2349.53	446.06
Other financial assets	969.41	288.63
Other current assets	2609.40	2345.26



**Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(INR in Lakhs)		
Particulars	March 31, 2024	March 31, 2023
The carrying amounts of trade receivables, cash and cash equivalents and other bank balances, loans and advances, other financial assets and other current assets are considered to approximate their fair values due to their short term nature.		
<b>Financial liability measured at amortised cost</b>		
Borrowings	4062.74	2897.38
Trade Payables	3492.17	3392.72
Other financial liabilities	45.48	40.99
Other current liabilities	961.37	835.15

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

**Note 38. Financial risk management objectives and policies:**

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

**(A) Market risk:**

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

**(i) Interest rate risk:**

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

**(ii) Foreign currency risk:**

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

**(B) Credit risk:**

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

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

**(C) Liquidity risk:**

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

**Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)**
**Note 39 Capital management:**

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

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

(INR in Lakhs)		
Particulars	March 31, 2024	March 31, 2023
(i) Total equity	15312.17	13269.49
(ii) Total debt	4374.13	3241.05
(iii) Overall financing (i+ii)	19686.30	16510.54
(iv) Gearing ratio (ii/iii)	0.22	0.20

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024, 31 March 2023.

**Note 40 Corporate social responsibility:**

(INR in Lakhs)		
Particulars	March 31, 2024	March 31, 2023
(A) Details of spends		
i) Gross amount required to be spent by the Company during the year	19.37	-
ii) Amount of expenditure incurred	10.50	-
iii) Shortfall at the end of the year	8.87	-
iv) Total previous years shortfall	-	-
v) Nature of CSR activities		
Sports Foundation	10.00	-
Vocational funding for deaf women	0.50	-
<b>Total</b>	<b>10.50</b>	<b>-</b>

(B) No expenditure has been paid to a related party, in relation to CSR expenditure as per Ind-AS 24, Related Party Disclosures.

**Note 41 Key Ratios**

The key financial ratios for the FY 2023-24 and a comparison thereof with the FY 2022-23 have been stated in the financial statement for the period ended March 31 2024.

Particulars	Consolidated		Standalone	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Debt-Equity Ratio (In times)	0.29	0.24	0.29	0.24
Interest Service Coverage Ratio (In times)	5.79	6.84	6.16	7.22
Current Ratio (In times)	1.68	1.62	1.70	1.62
Current Liability Ratio (In times)	0.41	0.42	0.41	0.42
Total Debts to Total Assets (In times)	0.16	0.13	0.16	0.13
Debtors Turnover (In times)	5.39	6.29	5.17	6.28
Inventory Turnover (In times)	1.60	2.19	1.68	2.20
Debt Service Coverage Ratio	5.31	5.57	5.64	5.87
Long term debt to Working Capital Ratio	0.04	0.04	0.04	0.04
Operating Margin (%)	0.08	0.05	0.09	0.05
Net Profit Margin (%)	0.04	0.05	0.05	0.06

Notes to Financial Statements  
for the year ended March 31, 2024 (Contd.)

**Note 42 Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.
- (ii) The Company does not have any transactions with Companies struck off.
- (iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) 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
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.
- (ix) The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (x) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (xi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**Note 43 The financial statements are standalone financial statements hence disclosure requirement for charges not yet registered and ratio analysis is not required.**

**Note 44 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.**

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

Sd/-  
Jinendra Jain  
Partner  
Membership No. 072995

Place: Mumbai  
Date : May 22, 2024

For and on behalf of Board of Directors

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

Sd/-  
Pankaj Kumar  
Chief Financial Officer

Sd/-  
Ishu Jain  
Company Secretary & Compliance Officer

## Independent Auditors' Report

**To The Members**

**Birla Precision Technologies Limited**

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

**Opinion**

We have audited the accompanying Consolidated financial statements of Birla Precision Technologies Limited ("the Company") and its subsidiaries ("the Group") which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

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

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31<sup>st</sup> March, 2024
- b) In the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

**Description of Key Audit Matters**

The Key Audit Matters	How our audit addressed the matter
Capitalisation of property, plant and equipment	Principal Audit Procedures
During the year ended 31 <sup>st</sup> March, 2024, the Company has incurred significant capital expenditure. Further the total additions to property, plant and equipment at various locations of the Company was Rs. 578.62 Lakhs in the current year in addition to Rs. 4134.73 Lakhs during the previous financial year as set out in Note No.2.	Our audit procedures included the following substantive procedures:
Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment.	<ul style="list-style-type: none"> <li>• We assessed the capitalisation process and tested the design and operating effectiveness of the controls in the process.</li> <li>• Assessed the nature of the additions made to property, plant and equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16.</li> <li>• Reviewed the project completion details provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.</li> </ul>
As a result, the aforesaid matter was determined to be a key audit matter.	Based on the above procedures, management's assessment in respect of Capitalisation of property, plant and equipment in the Standalone Financial Statements are considered to be adequate.

- c) In the case of the Consolidated Cash Flow Statement, cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Financial Results section of our report. We are independent of the Company and the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us in is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

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

Independent Auditors' Report (Contd.)

<p>Transactions with Related Parties</p> <p>During the year, the Company has undertaken transactions with related parties including subsidiary company, associate concerns and other related parties. Such transactions, includes among others, the rental agreement and loans and advances as mentioned in Note 35 of the Notes to Accounts.</p> <p>Accounting and disclosure of such related party transactions has been identified as a key audit matter due to</p> <p>a) Significance of such related party transactions;</p> <p>b) Risk of such transactions being executed without proper authorizations;</p> <p>c) Risk of material information relating to aforesaid transactions not getting disclosed in the standalone financial statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained and read the Company's policies, processes and procedures in respect of identification of such related parties in accordance with relevant laws and standards, obtaining approval, recording and disclosure of related party transactions and identified key controls. For selected controls we have performed tests of controls.</li> <li>• On sample basis tested some related party transactions and balances with the underlying contracts, confirmation letters and other supporting documents provided by the Company.</li> <li>• Examined, where applicable the approvals of the board and audit committee of these transactions.</li> <li>• Obtained and read the reports including the review of arms-length pricing issued by the experts engaged by the management.</li> <li>• Assessed the competence and objectivity of the external experts.</li> <li>• Held discussions and obtained representations from the management in relation to such transactions.</li> <li>• Read the disclosures made in this regard in the consolidated financial statements and assessed whether relevant and material information have been disclosed.</li> </ul> <p>Based on the above procedures, management's assessment in recognition and disclosure in respect of Related Party Transactions in the Consolidated Financial Statements are considered to be adequate.</p>
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**Information other than the Financial Statements and Auditor's Report Thereon**

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

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

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

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

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

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

Independent Auditors' Report (Contd.)

The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid. In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

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

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

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

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

## Independent Auditors' Report (Contd.)

and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

### Other Matters

- (a) The accompanying Statement includes the audited financial results and other financial information, in respect of its three Indian subsidiaries. These financial statements and other information have been audited by other auditors whose reports have been furnished to us by the Management and our conclusion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of Regulation read with the Circulars, in so far as it relates to the aforesaid subsidiaries, are based on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities paragraph above.
- (b) The accompanying Statement includes the audited financial results and other financial information, in respect of its two foreign subsidiaries. These financial statements / financial results have been certified by the respective Management and furnished to us by Holding Company's Management. Our conclusion, in so far as it relates to the amounts included in respect of aforesaid subsidiary, is based solely on such financial statements/ financial results. In our view and according

to the information and explanations given to us by the Holding Company's Management, these financial statements/financial results are not material to the Group.

- (c) Our opinion on the consolidated financial results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and reliance on these unaudited financial statements/ financial results of aforesaid subsidiary, as certified by the respective Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as issued by Central Government of India in terms of Sub Section (11) of Section 143 of the Act, we hereby give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Act read with Rule 7 of The Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March 2024, from being appointed as a Director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of

## Independent Auditors' Report (Contd.)

the Company's internal financial controls over financial reporting.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note 31 to the Consolidated Financial Statements.
  - ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company or the Group.
    - a. The respective Management of the Company and the Group has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security

or the like on behalf of the Ultimate Beneficiaries;

- b. The respective Management of the Company and the Group has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.
- iv. As stated in Note 32 to the Consolidated Financial Statements
  - a. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
  - b. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- v. Based on our examination which included test checks, the Holding Company and its subsidiary which is incorporated in India has used accounting software for maintaining its books of account for the financial year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and

## Independent Auditors' Report (Contd.)

the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023 reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements

for record retention is not applicable for the financial year ended 31st March, 2024.

For **Valawat & Associates**

Chartered Accountants  
FRN: 003623C

Sd/

**Jinendra Jain**

Partner  
Membership No. 072995  
Place: Mumbai  
Date: 22-05-2024

UDIN: 24072995BKAMPX1296

## Annexure-A

### To the Independent Auditor's Report

**(Referred to in para 1 under "Report on other Legal and Regulatory Requirement" of our report of even date)**

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

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

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements. Accordingly, the

requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **Valawat & Associates**

Chartered Accountants  
FRN: 003623C

Sd/

**Jinendra Jain**

Partner  
Membership No. 072995  
Place: Mumbai  
Date: 22-05-2024

UDIN: 24072995BKAMPX1296



## Annexure-B

### To the Independent Auditor's Report

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

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of Birla Precision Technologies Limited ("the Company") and its subsidiaries ("the Group") which are incorporated in India as on that date.

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

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was

established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

## Annexure-B

### To the Independent Auditor's Report

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an internal financial controls with reference to financial statements as at 31st March, 2024, based on the internal control over financial reporting criteria established by the respective companies

considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Valawat & Associates**

Chartered Accountants

FRN: 003623C

Sd/

**Jinendra Jain**

Partner

Membership No. 072995

Place: Mumbai

Date: 22-05-2024

UDIN: 24072995BKAMPX1296

## Balance Sheet

As At March 31, 2024

Sr. No.	Particulars	Note No.	(INR in Lakhs)	
			Consolidated	
			As at March 31, 2024	As at March 31, 2023
<b>I.</b>	<b>ASSETS</b>			
	<b>NON-CURRENT ASSETS</b>			
(a)	Property, plant and equipment	2	6,660.31	6,863.19
(b)	Capital work-in-progress	2	429.77	20.47
(c)	Intangible assets	2	5.61	11.12
(d)	Intangible assets under development	2	2.77	-
(e)	Financial assets			
	(i) Investments	3	722.50	722.50
	(ii) Loans	4	-	-
	(iii) Other Financial Assets	5	-	-
(f)	Other non-current assets	6	105.86	60.86
	Merger / Amalgamation		-	-
	<b>Total Non - Current Assets</b>		<b>7,926.82</b>	<b>7,678.14</b>
	<b>CURRENT ASSETS</b>			
(a)	Inventories	8	6,456.95	5,880.43
(b)	Financial assets			
	(i) Investments	3	-	-
	(ii) Trade receivables	9	4,185.46	4,023.92
	(iii) Cash and cash equivalents	10	2,440.23	2,553.80
	(iv) Bank balances other than (iii) above	11	40.17	54.60
	(v) Loans	4	1,909.09	336.14
	(vi) Other Financial Assets	5	972.58	291.80
(c)	Other current assets	6	2,721.44	2,345.26
(d)	Current tax assets (Net)	7	108.05	305.32
	<b>Total - Current Assets</b>		<b>18,833.97</b>	<b>15,791.27</b>
	<b>Total Assets</b>		<b>26,760.79</b>	<b>23,469.41</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
(a)	Equity share capital	12	1,319.75	1,305.42
(b)	Fully convertible warrants	12A	552.00	-
(c)	Other equity	13	13,196.59	11,843.08
	<b>Total - Equity</b>		<b>15,068.34</b>	<b>13,148.50</b>
	<b>LIABILITIES</b>			
<b>A</b>	<b>Non-Current Liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	14	311.39	343.67
	(ii) Provisions	18	191.70	306.66
(c)	Deferred tax liabilities (Net)	19	-	-
	<b>Total Non - Current Liabilities</b>		<b>503.09</b>	<b>650.33</b>
<b>B</b>	<b>Current Liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	14	4,062.74	2,897.72
	(ii) Trade payables	15	3,489.82	3,393.71
	(iii) Other financial liabilities	16	47.63	40.99
(b)	Other current liabilities	17	976.23	836.94
(c)	Provisions	18	1,928.44	1,964.88
(d)	Current tax liabilities (Net)	20	684.50	536.34
	<b>Total - Current Liabilities</b>		<b>11,189.36</b>	<b>9,670.58</b>
	<b>Total Equity and Liabilities</b>		<b>26,760.79</b>	<b>23,469.41</b>

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

1 to 43

For and on behalf of Board of Directors

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

Sd/-  
Jinendra Jain  
Partner  
Membership No. 072995

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

Sd/-  
Pankaj Kumar  
Chief Financial Officer

Sd/-  
Ishu Jain  
Company Secretary & Compliance Officer

Place: Mumbai  
Date : May 22, 2024

## Statement of Profit and Loss

For The Year Ended March 31, 2024

Sr. No.	Particulars	Note No.	(INR in Lakhs)	
			Consolidated	
			For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I.</b>	<b>INCOME</b>			
	Revenue from operations	21	22,553.69	25,330.41
	Other income	22	202.13	1,034.21
	<b>Total Income</b>		<b>22,755.82</b>	<b>26,364.62</b>
<b>II.</b>	<b>EXPENSES</b>			
	Cost of Raw Materials and Components Consumed	23	5,593.87	6,419.04
	Purchases of Stock-in-Trade	24	1,076.54	1,367.86
	Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	25	(1,126.26)	(336.94)
	Employee benefits expense	26	5,071.99	5,357.24
	Finance costs	27	350.12	331.82
	Depreciation and amortisation expense	28	649.02	462.01
	Other expenses	29	9,461.81	10,819.57
	<b>Total Expenses</b>		<b>21,077.09</b>	<b>24,420.60</b>
<b>III.</b>	<b>Profit / (Loss) before exceptional items and tax</b>		<b>1,678.73</b>	<b>1,944.02</b>
<b>IV.</b>	Exceptional item		-	-
<b>V.</b>	<b>Profit / (Loss) before tax (III - IV)</b>		<b>1,678.73</b>	<b>1,944.02</b>
<b>VI.</b>	Tax expense:			
	(1) Current tax		588.20	480.00
	(2) Short/(Excess) Provision Previous Financial Year		-	-
	(3) MAT Credit		147.23	56.70
	(4) Deferred tax		-	-
<b>VII.</b>	Profit/(Loss) for the period (V-VI)		<b>943.30</b>	<b>1,407.32</b>
<b>VIII.</b>	<b>OTHER COMPREHENSIVE INCOME</b>			
	(i) Items that will not be reclassified to profit or loss			
	Related to employee benefits		(1.38)	(86.20)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Other Comprehensive Income net of tax		<b>(1.38)</b>	<b>(86.20)</b>
	<b>Total Comprehensive income for the year, net of tax (VII+VIII)</b>		<b>941.92</b>	<b>1,321.12</b>
	Earnings per equity share:			
	(1) Basic EPS (₹)		<b>1.43</b>	<b>2.16</b>
	(2) Diluted EPS (₹)		<b>1.43</b>	<b>2.16</b>

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

1 to 43

For and on behalf of Board of Directors

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

Sd/-  
Jinendra Jain  
Partner  
Membership No. 072995

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

Sd/-  
Pankaj Kumar  
Chief Financial Officer

Sd/-  
Ishu Jain  
Company Secretary & Compliance Officer

Place: Mumbai  
Date : May 22, 2024

## Cash Flow Statement

For The Year Ended March 31, 2024

Sr. No.	Particulars	Consolidated	
		FY 2023-24	FY 2022-23
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	Net profit before exceptional item, taxation and prior period adjustments	1,678.73	1,944.02
	Adjustments for:		
	Depreciation and Amortisation	649.02	462.01
	(Profit)/Loss on sale of Fixed Assets (Net)	29.66	(433.22)
	Sundry Balances written off	6.94	86.46
	Provision for Gratuity and Leave Salary	242.35	364.62
	Sundry Balances written back	(55.30)	(410.68)
	Exchange difference on translation (Net)	(10.39)	(11.47)
	Finance Costs	350.12	331.82
	Preoperative expenses written off	30.62	-
	Provision for doubtful debts	80.08	-
	Provision no longer required Written Back	(39.76)	-
	Bad debts written off	-	0.32
	Interest Income Received	(40.02)	(25.12)
	Sub-total	1,243.31	364.74
	<b>Operating Profit Before Working Capital Changes</b>	<b>2,922.04</b>	<b>2,308.76</b>
	<b>Adjustments for changes in working capital :</b>		
	Inventories	(576.53)	(322.83)
	Trade Receivables	(237.43)	(415.53)
	Other Current Assets	(398.28)	986.49
	Loans to employees and others	(1,571.95)	826.95
	Other Financial Assets	(680.78)	(82.29)
	Current Tax Assets	50.03	(26.90)
	Trade Payables	151.11	421.60
	Provisions	(355.37)	17.71
	Other Financial Liabilities	6.64	4.02
	Other Current Liabilities	138.54	(822.95)
	Current Tax Liabilities	(55.44)	-
	Income Tax Paid	(384.60)	(208.77)
	Sub-total	(3,914.06)	377.50
	<b>Net Cash Flow From Operating Activities After Exceptional Item.... (A)</b>	<b>(992.02)</b>	<b>2,686.26</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
	Payments made for Property, Plant and Equipment	(1,008.96)	(3,218.34)
	Payments made for Intangible Assets	(26.73)	(7.01)
	Proceeds from sale of Property, Plant and Equipment	105.57	525.21
	Investments in subsidiaries and others	-	(7.50)
	Interest Received	31.48	56.76
	Sub-total	(898.64)	(2,650.88)
	<b>Net Cash used for Investing Activities..... (B)</b>	<b>(898.64)</b>	<b>(2,650.88)</b>

## Cash Flow Statement

For The Year Ended March 31, 2024

Sr. No.	Particulars	Consolidated	
		FY 2023-24	FY 2022-23
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Proceeds from Issue of shares at premium	458.56	-
	Proceeds from share warrants application money at premium	552.00	-
	Proceeds from Borrowings	1,165.36	1,027.81
	Repayment of Borrowings	(32.28)	(199.11)
	Payment of Dividend	(30.87)	-
	Interest Paid	(350.12)	(331.82)
	Sub-total	1,762.66	496.88
	<b>Net Cash used for Financing Activities.....(C)</b>	<b>1,762.66</b>	<b>496.88</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(128.00)</b>	<b>532.26</b>
	<b>Cash and Cash Equivalents as at April 01, 2023</b>	<b>1,146.28</b>	<b>1,208.61</b>
	<b>Add: (Increase) / Decrease in Fixed Deposit accounts kept as margin money with banks</b>	<b>576.46</b>	<b>(594.59)</b>
		<b>1,722.74</b>	<b>614.02</b>
	<b>Cash and Cash Equivalents as at March 31, 2024</b>	<b>1,594.74</b>	<b>1,146.28</b>
		<b>1,594.74</b>	<b>1,146.28</b>
	<b>Reconciliation of Cash and Bank Balances given in Note No. 10 of Balance Sheet is as follows:</b>		
	Cash and Bank Balances	2440.23	2553.80
	Less:		
	Balance in Fixed Deposit accounts with banks having a maturity period of more than three months	845.49	1407.52
	<b>Cash and Cash Equivalents as at March 31, 2024</b>	<b>1,594.74</b>	<b>1,146.28</b>

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

 Sd/-  
Jinendra Jain  
Partner  
Membership No. 072995

 Place: Mumbai  
Date : May 22, 2024

 Sd/-  
Pankaj Kumar  
Chief Financial Officer

For and on behalf of Board of Directors

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

 Sd/-  
Ishu Jain  
Company Secretary & Compliance Officer

## Statement of Changes in Equity

For The Year Ended March 31, 2024

### A EQUITY SHARE CAPITAL

Particulars	Nos.	Amount in INR	Amount in INR Lakhs
<b>Equity shares of INR 2/- each Issued, Subscribed and Fully Paid up</b>			
<b>As at April 01, 2022</b>	6,52,71,137	13,05,42,274.00	1,305.42
Issued during the year	-	-	-
<b>As at March 31, 2023</b>	<b>6,52,71,137</b>	<b>13,05,42,274.00</b>	<b>1,305.42</b>
Change in Equity Share Capital during the year	7,16,500	14,33,000.00	14.33
<b>As at March 31, 2024</b>	<b>6,59,87,637</b>	<b>13,19,75,274.00</b>	<b>1,319.75</b>

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

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

#### (i) The details of Shareholders holding more than 5% shares:

	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% held	No. of Shares	% held
<b>Equity shares of INR 2/- each fully paid</b>				
Birla Bombay Private Limited	1,64,23,113	25.00	1,64,23,113	25.16
Birla Infrastructure Limited	1,40,15,589	21.00	1,40,15,589	21.47
Vedant Consultancy Private Limited	46,07,663	7.00	46,07,663	7.06
Zenith Dyeintermediates Limited	39,39,991	6.00	32,23,491	4.94

### B OTHER EQUITY

(INR in Lakhs)

Sr. No.	Particulars	Reserves and Surplus				Total Other Equity
		Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	
	<b>As at April 01, 2023</b>	50.02	2,874.93	2,963.31	5,954.82	11,843.08
Add:	Addition during the year	-	444.23	-	-	444.23
Add:	Profit for the year	-	-	-	943.30	943.30
Add:	Other Comprehensive Income	-	-	-	(1.38)	(1.38)
	<b>Total Comprehensive Income</b>	50.02	3,319.16	2,963.31	6,896.75	13,229.23
Less:	Interim Dividend	-	-	-	32.64	32.64
Less:	Transfer to general reserves	-	-	-	-	-
	<b>As at March 31, 2024</b>	<b>50.02</b>	<b>3,319.16</b>	<b>2,963.31</b>	<b>6,864.11</b>	<b>13,196.59</b>

## Statement of Changes in Equity

For The Year Ended March 31, 2024

(INR in Lakhs)

Sr. No.	Particulars	Standalone Reserves and Surplus				Total Other Equity
		Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	
	<b>As at April 01, 2022</b>	50.02	2,874.93	2,963.31	4,633.69	10,521.95
Add:	Addition during the year	-	-	-	-	-
Add:	Profit for the year	-	-	-	1,407.32	1,407.32
Add:	Other Comprehensive Income	-	-	-	(86.20)	(86.20)
	<b>Total Comprehensive Income</b>	50.02	2,874.93	2,963.31	5,954.82	11,843.08
Less:	Interim Dividend	-	-	-	-	-
Less:	Transfer to general reserves	-	-	-	-	-
	<b>As at March 31, 2023</b>	<b>50.02</b>	<b>2,874.93</b>	<b>2,963.31</b>	<b>5,954.82</b>	<b>11,843.08</b>

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

Sd/-  
Jinendra Jain  
Partner  
Membership No. 072995

Place: Mumbai  
Date : May 22, 2024

For and on behalf of Board of Directors

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

Sd/-  
Pankaj Kumar  
Chief Financial Officer

Sd/-  
Ishu Jain  
Company Secretary & Compliance Officer

## Notes on consolidated financial statements

for the year ended March 31, 2024

### 1. General Information:

Birla Precision Technologies Limited (the Company) is a Public Limited Company incorporated in India having its registered office at 23, Birla Mansion No.2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai, Maharashtra, 400004, India. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group') for the year ended March 31, 2024. The Company is engaged in the manufacturing and selling of Machine Tool Accessories, Tools, Precision / Automotive Components and Castings.

### Significant accounting policies followed by the Company

#### (A) Basis of preparation of financial statements:

##### (i) Compliance with Ind AS:

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

The Consolidated Financial Statements are approved for issue by the Companies Board of Directors dated May 22, 2024.

##### (ii) Basis of preparation:

These consolidated financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months.

##### (iii) Basis of consolidation:

The Company consolidates all entities which are controlled by it. The Company establishes control when it 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 the

entity's returns by using its power over relevant activities of the entity. Entities controlled by the Company are consolidated from the date control commences until the date control ceases. The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate. The financial statements of the Group companies are consolidated on a line-by-line basis and all inter-company transactions, balances, income and expenses are eliminated in full on consolidation. Assets and liabilities of entities with functional currency other than the functional currency of the Company have been translated using exchange rates prevailing on the balance sheet date. Statement of profit and loss of such entities has been translated using exchange rates prevailing on the date of transactions.

#### (B) Use of estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made by the management that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are crystallised.

Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

#### (C) Revenue recognition:

- (a) Revenue from the sale of goods is recognised upon the passage of title to the customers, which generally coincides with delivery.
- (b) Export sales are accounted based on the dates of Bill of Lading.
- (c) Interest Income is accrued on time proportion basis over the period of loan / deposit / investment except in case of significant uncertainties.

#### (D) Property, Plant and Equipment:

- (a) All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include hedges of foreign currency purchases of property, plant and equipment.

## Notes on consolidated financial statements for the year ended March 31, 2024 (Contd.)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associates with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### (b) Depreciation methods, estimated useful lives and residual value:

- (i) Depreciation: The Company has ascertained the useful life of its various assets and charged depreciation in accordance with Schedule II of the Companies Act, 2013 except in case of Precision Components division the useful life of shop toolings fixtures has been determined as 2 years.
- (ii) Leasehold Land is amortised over the period of lease.
- (iii) The useful lives have been determined based on technical evaluation done by the management's expert in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- (iv) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
- (v) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

#### (E) Intangible Assets:

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

#### (F) Capital Work in Progress:

Expenditure during construction period including development cost incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets and are included under "Capital Work in Progress". These expenses

are apportioned to fixed assets on commencement of commercial production.

#### (G) Impairment of Assets:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss, if any, is charged to statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### (H) Valuation of Inventory:

- (a) Raw Materials and components, semi-finished goods, finished goods, stores and spares, goods for trade are valued at cost or net realisable value whichever is lower. Cost formula used is weighted average cost. Cost comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition.
- (b) Goods / Materials in Transit are valued at cost to date.
- (c) Scrap is valued at its estimated realisable value.
- (d) Adequate provisions are made for obsolete inventory based on technical estimates made by the Company.

#### (I) Foreign Currency Transactions:

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

#### (J) Employee Benefits:

##### (i) Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees'



**Notes on consolidated financial statements for the year ended March 31, 2024 (Contd.)**

services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The Liabilities are presented under current liabilities in the balance sheet.

**(ii) Other long-term employee benefit obligations:**

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

**(iii) Post-employment obligations:**

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

immediately in profit or loss as past service cost.

- (f) Long Term compensated absences are provided on the basis of an actuarial valuation.

**(K) Research and Development Costs:**

Revenue expenditure, including overheads on research and development, is charged as an expense through the natural heads of account in the year in which incurred. Expenditure incurred at development phase, where it is reasonably certain that outcome of research will be commercially exploited to yield economic benefits to the Company, is considered as an Intangible assets and depreciation is provided on such assets as applicable.

**(L) Investments:**

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

**(M) Borrowing Cost:**

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

**(N) Taxation:**

Income tax expense comprises Current tax and Deferred tax charge or credit. Provision for Current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax.

Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The deferred tax asset and/or deferred tax liability

**Notes on consolidated financial statements for the year ended March 31, 2024 (Contd.)**

is calculated by applying substantively enacted rate as at balance sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation is recognised if and only if there is virtual certainty backed by convincing evidence of its realisation. At each balance sheet date, carrying amount of deferred tax assets is reviewed to reassess realisation.

**(O) Share Issue Expenses:**

Issue expenses are adjusted against the Share Premium.

**(P) Government Grant/Loan:**

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

**(Q) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving a substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Notes on consolidated financial statements for the year ended March 31, 2024 (Contd.)

**Note 2 Property, Plant and Equipment**

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on April 01, 2023	Additions	Deductions/ Adjustments	As on March 31, 2024	Up to April 01, 2023	For the Year	Deductions/ Adjustments	Up to March 31, 2024	As on March 31, 2023	As on March 31, 2024
<b>(A) Tangible Assets</b>										
Leasehold Land	312.07	-	-	312.07	68.22	4.36	-	72.58	239.49	243.85
Buildings	3,749.34	186.24	-	3,935.58	1,119.42	139.00	-	1,258.42	2,677.16	2,629.92
Plant & Machinery	12,708.84	290.94	150.78	12,849.00	9,183.52	437.55	15.55	9,605.52	3,243.48	3,525.32
Furniture & Fixtures	136.74	6.34	-	143.08	109.42	4.30	-	113.72	29.36	27.32
Office Equipments	314.22	46.95	-	361.17	258.55	26.68	-	285.23	75.95	55.68
Vehicles	687.25	45.38	-	732.63	306.16	31.61	-	337.77	394.87	381.10
<b>Total Tangible Assets (A)</b>	<b>17,908.46</b>	<b>575.85</b>	<b>150.78</b>	<b>18,333.53</b>	<b>11,045.29</b>	<b>643.50</b>	<b>15.55</b>	<b>11,673.24</b>	<b>6,660.31</b>	<b>6,863.19</b>
<b>(B) Capital Work - in Progress</b>	<b>20.47</b>	<b>409.30</b>	-	<b>429.77</b>	-	-	-	-	<b>429.77</b>	<b>20.47</b>
<b>(C) Intangible Assets</b>										
Technical Knowhow Fee	50.39	-	-	50.39	50.39	-	-	50.39	-	-
Software	247.25	-	-	247.25	236.13	5.52	-	241.65	5.61	11.12
<b>Total Intangible Assets (C)</b>	<b>297.64</b>	-	-	<b>297.64</b>	<b>286.52</b>	<b>5.52</b>	-	<b>292.04</b>	<b>5.61</b>	<b>11.12</b>
<b>(D) Intangible Assets Under Development</b>	-	2.77	-	<b>2.77</b>	-	-	-	-	<b>2.77</b>	-
<b>Total Property, Plant and Equipment (A+B+C+D)</b>	<b>18,226.57</b>	<b>987.92</b>	<b>150.78</b>	<b>19,063.71</b>	<b>11,331.81</b>	<b>649.02</b>	<b>15.55</b>	<b>11,965.28</b>	<b>7,098.46</b>	<b>6,894.78</b>

Notes on consolidated financial statements for the year ended March 31, 2024 (Contd.)

**Note 2 Property, Plant and Equipment**

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on April 01, 2022	Additions	Deductions/ Adjustments	As on March 31, 2023	Up to April 01, 2022	For the Year	Deductions/ Adjustments	Up to March 31, 2023	As on March 31, 2022	As on March 31, 2023
<b>(A) Tangible Assets</b>										
Leasehold Land	438.57	0.19	126.69	312.07	100.31	4.35	36.44	68.22	243.85	338.26
Buildings	1,956.62	1,792.72	-	3,749.34	1,034.79	84.63	-	1,119.42	2,629.92	921.83
Plant & Machinery	10,753.57	1,955.27	-	12,708.84	8,860.13	323.39	-	9,183.52	3,525.32	1,893.44
Furniture & Fixtures	160.38	7.74	31.38	136.74	135.77	3.51	29.86	109.42	27.32	24.61
Office Equipments	284.15	35.03	4.96	314.22	241.89	21.40	4.74	258.55	55.68	42.26
Vehicles	350.48	336.77	-	687.25	286.63	19.53	-	306.16	381.10	63.85
<b>Total Tangible Assets (A)</b>	<b>13,943.77</b>	<b>4,127.72</b>	<b>163.03</b>	<b>17,908.46</b>	<b>10,659.52</b>	<b>456.81</b>	<b>71.04</b>	<b>11,045.29</b>	<b>6,863.19</b>	<b>3,284.25</b>
<b>(B) Capital Work - in Progress</b>	<b>893.32</b>	<b>1,089.60</b>	<b>1,962.45</b>	<b>20.47</b>	-	-	-	-	<b>20.47</b>	<b>893.32</b>
<b>(C) Intangible Assets</b>										
Technical Knowhow Fee	50.39	-	-	50.39	50.39	-	-	50.39	-	-
Software	240.24	7.01	-	247.25	230.93	5.20	-	236.13	11.12	9.31
<b>Total Intangible Assets (C)</b>	<b>290.63</b>	<b>7.01</b>	-	<b>297.64</b>	<b>281.32</b>	<b>5.20</b>	-	<b>286.52</b>	<b>11.12</b>	<b>9.31</b>
<b>(D) Intangible Assets Under Development</b>	-	-	-	-	-	-	-	-	-	-
<b>Total Property, Plant and Equipment (A+B+C+D)</b>	<b>15,127.72</b>	<b>5,224.33</b>	<b>2,125.48</b>	<b>18,226.57</b>	<b>10,940.84</b>	<b>462.01</b>	<b>71.04</b>	<b>11,331.81</b>	<b>6,894.78</b>	<b>4,186.88</b>

Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

**Note 3 Investments**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Carried at cost:</b>		
<b>In equities unquoted</b>		
70,00,000 Equity shares of INR 10 each in Zenith Steel Pipes & Industries Limited	700.00	700.00
In Shares of Janta Sahakari Bank Limited	22.50	22.50
<b>Total Non - Current</b>	<b>722.50</b>	<b>722.50</b>

(a) Equity shares in Zenith Steel Pipes & Industries Limited were acquired by way of preferential allotment (conversion of loan into equity).

(b) The Group has made investment in shares of Janta Sahakari Bank Limited for Cash Credit loan worth INR 15 Cr.

(c) Investments made by the Group other than those with a maturity of less than one year, are intended to be held for long term.

Current		
In equities unquoted	-	-
In subsidiaries unquoted	-	-
<b>Total - Current</b>	<b>-</b>	<b>-</b>

**Note 4 Loans**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Unsecured; considered good :</b>		
Loan & Advance to Employees	-	-
<b>Total Non - Current</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
<b>Unsecured; considered good :</b>		
Loans and advances*	1,500.29	3.29
Less: Provision for doubtful advances	-	-
	1,500.29	3.29
Loan & Advance to Employees	48.83	21.84
Loan & Advance to Others	359.97	311.01
Less: Provision for doubtful advances	-	-
	359.97	311.01
<b>Total - Current</b>	<b>1,909.09</b>	<b>336.14</b>

\* Loans and advances includes INR 1500 Lakhs to Zenith Birla India Limited

**Note 5 Other Financial Assets**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Unsecured; considered good :</b>		
<b>Total Non - Current</b>	<b>-</b>	<b>-</b>

 Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
<b>Unsecured; considered good :</b>		
Deposits with Others	972.58	291.80
<b>Total - Current</b>	<b>972.58</b>	<b>291.80</b>

**Note 6 Other Assets**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Unsecured; considered good :</b>		
Capital Advances	105.86	60.86
Less: Provision for doubtful advances	-	-
<b>Total Non - Current</b>	<b>105.86</b>	<b>60.86</b>
<b>Current</b>		
<b>Unsecured; considered good :</b>		
A) <b>Advances Paid to Suppliers/Services</b>	<b>2,186.09</b>	<b>1,924.14</b>
B) <b>Balances with Government Authorities :</b>		
Cenvat Credit and export incentive receivable	28.79	30.65
Value Added Tax Receivable	35.43	68.04
Goods & Service Tax	261.95	98.20
<b>Sub Total (B)</b>	<b>326.17</b>	<b>196.89</b>
C) <b>Others :</b>		
Prepaid Expenses	50.22	49.74
Pre-operative expenses	122.47	146.52
Pattern Under Development	22.45	22.45
Interest accrued on fixed deposits and others	14.04	5.52
<b>Sub Total (C)</b>	<b>209.18</b>	<b>224.23</b>
<b>Total - Current (A+B+C)</b>	<b>2,721.44</b>	<b>2,345.26</b>

**Note 7 Current Tax Assets (Net)**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Tax deducted at source	34.21	55.18
Advance fringe benefit tax (Net of provisions for tax)	2.17	2.17
Mat Credit Entitlement	27.63	203.93
Income Tax Refund Receivable	44.04	44.04
<b>Total</b>	<b>108.05</b>	<b>305.32</b>

Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

**Note 8 Inventories**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Raw Materials and Components	1,311.59	1,874.56
Semi-Finished Goods	1,308.60	1,201.45
Finished Goods	2,703.52	1,686.53
Stock-in Trade	613.28	611.17
Goods in Transit	-	-
Stores, Cutting Tools and Packing Materials	519.96	506.72
<b>Total</b>	<b>6,456.95</b>	<b>5,880.43</b>

**Note 9 Trade Receivables**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good :</b>		
Considered good	393.90	134.67
Considered doubtful	153.57	73.49
Less: Provision for doubtful debts	(153.57)	(73.49)
	<b>393.90</b>	<b>134.67</b>
<b>Other considered good</b>	<b>3,791.56</b>	<b>3,889.25</b>
<b>Total</b>	<b>4,185.46</b>	<b>4,023.92</b>

**Note 9.1**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Undisputed trade receivables - considered good</b>		
Less than 6 Months	3,791.56	3,889.25
6 Months - 1 year	124.10	72.67
1 - 2 years	255.52	39.89
2 - 3 years	-	-
More than 3 years	-	7.83
<b>Total</b>	<b>4,171.18</b>	<b>4,009.64</b>

**Note 9.2**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Disputed trade receivables - considered good</b>		
Less than 6 Months	-	-
6 Months - 1 year	-	-
1 - 2 years	-	-
2 - 3 years	-	-
More than 3 years	14.28	14.28
<b>Total</b>	<b>14.28</b>	<b>14.28</b>

 Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

**Note 10 Cash and Cash Equivalents**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
A) Balances with Banks	1,590.52	1,053.36
B) Deposits with Banks	845.49	1,407.52
C) Cheques on hand	-	90.21
D) Cash on Hand	2.45	2.71
E) Dividend account with Bank	1.77	-
<b>Total</b>	<b>2,440.23</b>	<b>2,553.80</b>

**Note 11 Other Bank Balances**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balances in Margin Money Account	40.17	54.60
Balances in UP DDU Account	-	-
<b>Total</b>	<b>40.17</b>	<b>54.60</b>

**Note 12 Equity Share Capital**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>A) AUTHORISED SHARE CAPITAL</b>		
60,00,00,000 (60,00,00,000) Equity Shares of INR 2/- each	12,000.00	12,000.00
<b>Total</b>	<b>12,000.00</b>	<b>12,000.00</b>
<b>B) ISSUED, SUBSCRIBED &amp; PAID UP SHARE CAPITAL</b>		
6,59,87,637 (6,52,71,137) Equity Shares of INR 2/- each, as fully paid-up	1,319.75	1,305.42

**Note 12A Fully Convertible Share Warrants**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
34,50,000 Fully Convertible Warrants at an issue price of INR 64/- each pending allotment, 25% application money received	552.00	-
<b>Total</b>	<b>552.00</b>	<b>-</b>

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

Equity Shares	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
At the beginning of the year ( No. of Shares)	6,52,71,137	6,52,71,137
At the beginning of the year (INR in Lakhs)	1,305.42	1,305.42
Issued during the year ( No. of Shares)	7,16,500	-
Issued during the year (INR in Lakhs)	14.33	-
<b>Outstanding at the end of the year ( No. of Shares)</b>	<b>6,59,87,637</b>	<b>6,52,71,137</b>
<b>Outstanding at the end of the year (INR in Lakhs)</b>	<b>1,319.75</b>	<b>1,305.42</b>

**Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)**

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

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

During the year the Company has made allotment of 7,16,500 equity shares for cash at an issue price of INR 64/- each and at a premium of INR 62/- on preferential and private placement basis to Promotor Group of the Company.

During the year the Company has made allotment of 34,50,000 Fully Convertible Warrants for cash at an issue price of INR 64/- having face value of INR 2/- and at premium of INR 62/- on preferential and private placement basis to Promotor Group of the Company and Identified Non - Promotor(s).

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

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Equity shares of INR 2/- each fully paid</b>		
Birla Bombay Private Limited (No. of Shares)	1,64,23,113	1,64,23,113
Birla Bombay Private Limited (% held)	24.89	25.16
Birla Infrastructure Limited (No. of Shares)	1,40,15,589	1,40,15,589
Birla Infrastructure Limited (% held)	21.24	21.47
Vedant Consultancy Private Limited (No. of Shares)	46,07,663	46,07,663
Vedant Consultancy Private Limited (% held)	6.98	7.06
Zenith Dyeintermediates Limited (No. of Shares)	39,39,991	32,23,491
Zenith Dyeintermediates Limited (% held)	5.97	4.94

As per records of the Group, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**Note 12.3 Promoters shareholding as on March 31, 2024**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Mrs. Avanti Birla (No. of Shares)	44	44
Mrs. Avanti Birla (% held)	0.00%	0.00%
Mr. Yashvardhan Birla (No. of Shares)	21,919	25,851
Mr. Yashvardhan Birla (% held)	0.03%	0.04%
Birla Bombay Pvt Ltd (No. of Shares)	1,64,23,113	1,64,23,113
Birla Bombay Pvt Ltd (% held)	24.89%	25.16%
Khopoli Investments Ltd (No. of Shares)	5,00,000	5,00,000
Khopoli Investments Ltd (% held)	0.76%	0.77%
Birla ShlokaEdutech Ltd (No. of Shares)	231	231
Birla ShlokaEdutech Ltd (% held)	0.01%	0.00%
Vedant Consultancy Pvt Ltd (No. of Shares)	46,07,663	46,07,663
Vedant Consultancy Pvt Ltd (% held)	6.98%	7.06%
Zenith Dyeintermediates (No. of Shares)	39,39,991	32,23,491
Zenith Dyeintermediates (% held)	5.97%	4.94%
Birla Infrastructure Limited (No. of Shares)	1,40,15,589	1,40,15,589

**Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Birla Infrastructure Limited (% held)	21.24%	21.47%
Shearson investment and Trading Co Pvt Ltd (No. of Shares)	2,27,652	2,27,652
Shearson investment and Trading Co Pvt Ltd (% held)	0.34%	0.35%
Birla Industries Group Charity Trust (No. of Shares)	5,947	5,947
Birla Industries Group Charity Trust (% held)	0.00%	0.01%
Matri Seva Sadan Charity Trust (No. of Shares)	10,617	10,617
Matri Seva Sadan Charity Trust (% held)	0.02%	0.02%
Yash Society (No. of Shares)	25,056	25,056
Yash Society (% held)	0.04%	0.04%

**Note 13 Other Equity**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
A) Capital Reserve	50.02	50.02
B) Securities Premium Reserve	3,319.16	2,874.93
C) General Reserves	2,963.31	2,963.31
D) Retained Earnings	6,864.10	5,954.82
<b>Total (A to D)</b>	<b>13,196.59</b>	<b>11,843.08</b>

**Note 14 Borrowings**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>A) Secured Loans</b>		
<b>Vehicle Loans :</b>		
Car Loan (Refer note (a) below)	201.72	236.88
Current maturities of long-term borrowings (Refer note (a) below)	35.09	32.21
Sub Total (A)	236.81	269.09
<b>B) Unsecured Loans</b>		
Sales Tax Deferred Payment Loan	-	-
Current maturities of long-term borrowings (Refer note (b) below)	74.58	74.58
<b>Total Non - Current</b>	<b>74.58</b>	<b>74.58</b>

**Security and Salient Terms:**

- (a) The Car Loan of INR 215.66 Lakhs (Previous Year INR 244.09 Lakhs) is secured by hypothecation of the car. Interest is payable @ 8.00% p.a. and is repayable in eighty four monthly instalments starting from February, 2023 and ending in January, 2030.
- The Car Loan of INR 21.15 Lakhs (Previous Year INR 25 Lakhs) is secured by hypothecation of the car. Interest is payable @ 8.95% p.a. and is repayable in Sixty monthly instalments starting from April, 2023 and ending in March, 2028.
- (b) Sales Tax deferred payment loan of INR 74.58 Lakhs (Previous Year INR 74.58 Lakhs) is interest free and payable in instalments.



Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
<b>A) Secured Loans</b>		
<b>Working Capital Loans From Banks</b>		
Foreign Currency Loan	-	-
Rupee Loan (Refer note (a),(b), (c) and (d) below)	4,062.74	2,897.38
Subtotal (A)	4,062.74	2,897.38
<b>B) Unsecured Loans</b>		
From Bodies Corporates	-	-
From Other	-	0.34
Subtotal (B)	-	0.34
<b>Total - Current</b>	<b>4,062.74</b>	<b>2,897.72</b>

**Security and Salient Terms:**

- (a) Rupee loans of INR 2687.74 Lakhs (Previous Year INR 2222.38 Lakhs) exclusive charge by way of hypothecation on entire stock of Finished goods, Raw material, Stock in trade and Book debts of the Company, present and future. Exclusive charge by way of Hypothecation of Plant & Machinery of the Company. Corporate Guarantee of Asian Distributors Private Limited to the extent of market value of collateral proposed to mortgage. Rupee loans taken from Bank of Baroda.
- (b) Rupee loans of INR 675.00 Lakhs (Previous Year INR 675 Lakhs) fresh additional working capital term loan under BGECL 1.0 extension scheme 100% guaranteed by NCGTC. Principal to be repaid in 36 monthly installment of INR 18.75 Lakhs each plus interest commencing after 24 months from the date of first disbursement.
- (c) Rupee loans of INR 700.00 Lakhs (Previous Year INR Nil Lakhs) fresh additional packing credit loan.
- (d) The rates of interest for rupee loan ranges from 9.70% p.a. to 12% p.a.

**Note 15 Trade Payables**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Current		
Micro, Small and Medium Enterprises	650.75	386.61
Others	2,839.07	3,007.10
<b>Total - Current</b>	<b>3,489.82</b>	<b>3,393.71</b>

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

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Principal amount due and remaining unpaid	650.75	386.61
Interest due on above and the unpaid interest	13.84	1.06

 Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

**Note 15.1 Ageing of trade payables as on March 31, 2024**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(i) MSME		
Less than 1 year	648.40	386.45
1 - 2 years	1.62	-
2 -3 years	0.56	0.16
More than 3 Years	0.17	-
<b>Total</b>	<b>650.75</b>	<b>386.61</b>
(ii) Others		
Less than 1 year	2,098.42	2,859.82
1 - 2 years	382.29	31.02
2 -3 years	8.79	8.52
More than 3 Years	-	-
<b>Total</b>	<b>2,489.50</b>	<b>2,899.36</b>
(iii) Disputed MSME		
Less than 1 year	-	-
1 - 2 years	-	-
2 -3 years	-	-
More than 3 Years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
(iv) Disputed Others		
Less than 1 year	-	31.76
1 - 2 years	24.60	-
2 -3 years	126.58	-
More than 3 Years	198.39	75.98
<b>Total</b>	<b>349.57</b>	<b>107.74</b>

**Note 16 Other Financial Liabilities**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
Current maturities of long-term debts	-	-
Security Deposit from dealers / others	47.63	40.99
<b>Total - Current</b>	<b>47.63</b>	<b>40.99</b>

**Note 17 Other Current Liabilities**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
Advances from Customers	281.25	192.39
Payable to employees	592.56	544.96
Statutory Liabilities	100.65	99.59
Unclaimed dividend	1.77	-
<b>Total - Current</b>	<b>976.23</b>	<b>836.94</b>

Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

**Note 18 Provisions**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Provision for Employee Benefits</b>		
Gratuity	-	136.08
Leave benefits	191.70	170.58
<b>Total Non - Current</b>	<b>191.70</b>	<b>306.66</b>
<b>Current</b>		
A) <b>Provision for Employee Benefits</b>		
Gratuity	1,207.30	977.31
Leave benefits	96.13	49.82
Sub Total	1,303.43	1,027.13
B) Provision for expenses	625.01	937.75
<b>Total - Current</b>	<b>1,928.44</b>	<b>1,964.88</b>

**Note 19 Deferred Tax Liabilities**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Liability</b>		
Related to fixed assets	175.68	185.42
<b>Deferred Tax Assets</b>		
Disallowances under the Income Tax Act, 1961	175.68	185.42
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 20 Current Tax Liabilities (Net)**

Particulars	(INR in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Provision for Current Tax	684.50	536.34
<b>Total</b>	<b>684.50</b>	<b>536.34</b>

**Note 21 Revenue From Operations**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products	21,865.97	24,572.56
Sale of Services	133.28	283.15
Other operating revenue	554.44	474.70
<b>Revenue from operations</b>	<b>22,553.69</b>	<b>25,330.41</b>

Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

**Note 22 Other Income**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest:</b>		
From Bank deposits	37.97	25.10
From Others	2.05	0.02
	<b>40.02</b>	<b>25.12</b>
Exchange rate difference (Net)	38.11	80.61
Sundry balances written back (Net)	55.30	410.68
Miscellaneous Income	47.00	47.63
Merchandise Exports From India Scheme	-	21.22
Training completion skill poor youth	21.70	14.20
Profit on sale of fixed assets	-	434.75
	162.11	1,009.09
<b>Total</b>	<b>202.13</b>	<b>1,034.21</b>

**Note 23 Cost of Raw Materials and Components Consumed**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventory at the beginning of the year</b>	1,818.94	2,016.52
Add : Purchases	5,086.52	6,221.46
	<b>6,905.46</b>	<b>8,237.98</b>
Less : Inventory at the end of the year	1,311.59	1,818.94
<b>Cost of Raw Materials and Components Consumed</b>	<b>5,593.87</b>	<b>6,419.04</b>

**Note 24 Purchases Of Stock-In-Trade**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Files	1,076.54	1,367.86
<b>Total</b>	<b>1,076.54</b>	<b>1,367.86</b>

**Note 25 Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-In-Trade**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventories at the end of the year</b>		
Finished Goods	2,703.52	1,686.53
Semi-Finished Goods	1,308.60	1,201.45
Stock-in-Trade	613.28	611.17
	<b>4,625.40</b>	<b>3,499.15</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods	1,686.53	1,409.09
Semi-Finished Goods	1,201.45	1,505.22
Stock-in-Trade	611.17	247.90
	<b>3,499.15</b>	<b>3,162.21</b>

Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Change in Inventories</b>		
Finished Goods	(1,017.00)	(277.44)
Semi-Finished Goods	(107.15)	303.77
Stock-in-Trade	(2.11)	(363.27)
<b>Total</b>	<b>(1,126.26)</b>	<b>(336.94)</b>

**Note 26 Employee Benefits Expense**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Bonus	4,427.82	4,629.24
Contribution to Provident and Other Funds	417.62	448.59
Staff Welfare Expenses	226.55	279.41
<b>Total</b>	<b>5,071.99</b>	<b>5,357.24</b>

**Note 27 Finance Costs**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses:		
Fixed Loan	20.56	3.65
Other	278.58	225.41
Bank charges	50.98	102.75
<b>Total</b>	<b>350.12</b>	<b>331.82</b>

**Note 28 Depreciation and Amortisation Expenses**

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Tangible Assets	643.50	456.81
Amortisation of Intangible Assets	5.52	5.20
<b>Total</b>	<b>649.02</b>	<b>462.01</b>

**Note 29 Other Expenses**

Sr. No.	Particulars	(INR in Lakhs)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A)</b>	<b>Manufacturing Expenses</b>		
	Stores, cutting tools and packing materials consumed	1,477.83	1,533.08
	Sub-contracting expenses	2,043.22	2,244.44
	Power, fuel and water	1,126.26	1,496.34
	Repairs and maintenance:		
	Buildings	7.79	35.01
	Plant and machinery	120.57	134.45
	<b>Sub Total (A)</b>	<b>4,775.67</b>	<b>5,443.32</b>

 Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

Sr. No.	Particulars	(INR in Lakhs)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
<b>B)</b>	<b>Administrative, Selling and Other Expenses:</b>		
	Rent	253.78	54.09
	Rates and taxes	19.25	25.04
	Postage and telephone	39.30	36.90
	Printing and stationery	50.78	56.32
	Insurance	54.28	38.28
	Travelling and conveyance	376.72	333.74
	Foreign travelling expenses	127.05	108.46
	Vehicle expenses	15.35	7.96
	Advertisement , publicity etc.	122.70	253.11
	Sales promotion and other selling expenses	1,676.81	1,947.81
	Sales commission	197.38	677.63
	Freight on sales	270.76	395.02
	Training and welfare expenses	12.02	15.58
	Training expenses skill of poor youth	-	8.82
	Directors' sitting fees	16.50	15.60
	Auditors' remuneration (excluding GST)		
	As Auditor	8.70	8.70
	For Limited Review	-	0.43
	For other service	1.34	0.03
	For Certifications	-	-
	For Reimbursement of Expenses	-	0.27
		<b>10.04</b>	<b>9.43</b>
	Corporate social responsibility expenses	19.37	-
	Legal and professional fees	930.77	1,024.58
	Security services	103.15	43.66
	Software maintenance expenses	3.46	3.41
	Sundry balances written off	7.65	86.46
	Provision for doubtful debts	80.08	-
	Bad debts written off	-	0.32
	Preoperative expenses written off	30.62	-
	Loss on sale of fixed assets	29.66	1.53
	Miscellaneous expenses	238.66	232.50
	<b>Sub Total (B)</b>	<b>4,686.14</b>	<b>5,376.25</b>
	<b>Total (A+B)</b>	<b>9,461.81</b>	<b>10,819.57</b>

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
Net Profit / (Loss) after tax attributable to Equity Shareholders (A)	943.30	1407.32
No. of Equity Shares outstanding during the year for calculating Basic EPS (B)	65987637	65271137
No. of Equity Shares outstanding during the year for calculating Diluted EPS (C)	65987637	65271137
Nominal Value of Equity Shares (INR)	2/-	2/-
Basic EPS (INR) (A / B)	1.43	2.16
Diluted EPS (INR) (A / C)	1.43	2.16

**Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)**
**Note 31 Contingent liabilities:**

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
<b>Capital Commitments:</b>		
Tangible Assets for Plant & Machineries	97.20	56.20
Intangible Assets for ERP Software	71.91	-

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
(i) Amount of duty saved under EPCG Scheme against export obligations	17.06	13.87
(ii) Sales Tax Demands in Appeals	-	87.12
(iii) Bank Guarantees / Letters of Credit	25.06	25.06
(iv) Claims against Company not acknowledged as debts	-	9.66

(c) The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of the proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.

**Note 32 Dividends distributed and proposed**

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
<b>Dividends recognised in the financial statements</b>		
Interim dividend for the year ended March 31, 2024 INR 0.05 per equity share declared and paid	32.64	-
<b>Dividends not recognised in the financial statements</b>		
Directors have recommended payment of final dividend of INR 0.05 Per equity share (March 31, 2024). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	32.99	-

**Note 33 Employee Benefits:**

(A) Defined Contribution Plans:

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
Contribution to Employees Provident Fund and Other Funds	417.62	448.59
<b>Total</b>	<b>417.62</b>	<b>448.59</b>

(B) Defined Benefit Plans :

I. (a) Contribution to Gratuity:

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

**Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)**

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
<b>Amount recognised in Balance Sheet</b>		
Present value of defined benefit obligation	1420.30	1320.96
Fair value of plan assets	213.00	207.57
<b>Funded Status</b>	<b>(1207.30)</b>	<b>(1113.39)</b>
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current service cost	70.34	69.72
Net Interest	70.34	64.92
<b>Total expense charged to Profit and Loss Account</b>	<b>140.68</b>	<b>134.64</b>
<b>Amount recorded as Other Comprehensive Income</b>		
Actuarial (Gain)/Loss recognised for the period	(7.69)	80.03
Return on Plan Assets excluding net interest	9.07	6.17
<b>Total Actuarial (Gain)/Loss recognised in OCI</b>	<b>1.38</b>	<b>86.20</b>
<b>Reconciliation of net liability/(Asset)</b>		
Opening net liability	1113.39	936.53
Adjustment to opening balance	0.00	(0.25)
Expenses charged to the Statement of Profit and Loss	140.68	134.64
Contribution paid	(48.15)	(43.73)
Other Comprehensive Income (OCI)	1.38	86.20
<b>Closing net defined benefit liability/(asset)</b>	<b>1207.30</b>	<b>1113.39</b>
<b>Movement in benefit obligation</b>		
<b>Opening defined benefit obligation</b>	<b>1320.96</b>	<b>1148.10</b>
Interest on defined benefit obligation	85.33	79.41
Current service cost	70.34	69.72
Benefits paid	(48.64)	(56.30)
Actuarial (Gain)/Loss on obligation	(7.69)	80.03
<b>Closing of defined benefit obligation</b>	<b>1420.30</b>	<b>1320.96</b>
<b>Movement in Plan Assets</b>		
<b>Opening fair value of plan assets</b>	<b>207.58</b>	<b>211.58</b>
Adjustment to opening fair value of plan assets	0.00	0.25
Return on plan assets excluding interest income	(9.07)	(6.17)
Interest Income	14.99	14.49
Contribution by employer	13.50	43.73
Benefits paid	(14.00)	(56.30)
<b>Closing fair value of plan assets</b>	<b>213.00</b>	<b>207.58</b>
<b>Asset Information</b>		
Insurer managed funds	213.00	207.58
Others	-	-
<b>Grand Total</b>	<b>213.00</b>	<b>207.58</b>
<b>Principal actuarial assumptions</b>		
Discount rate (p.a.)	7.09%	7.29%
Salary escalation rate (p.a.)	3.00% to 5.00%	3.00% to 5.00%

II. Leave Encashment:

The leave encashment provision for the year ended March 31, 2024, based on actuarial valuation carried out using projected unit credit method amounting to INR 85.30 Lakhs (Previous Year INR 53.30 Lakhs) has been recognised in statement of profit and loss.

Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

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

Particulars	(INR in Lakhs)	
	FY 2023-24	FY 2022-23
<b>Segment Revenue</b>		
a) Tooling	21695.60	22191.77
b) Automotive Components	1038.52	4158.66
c) Other	21.70	14.19
<b>Total Income from operations</b>	<b>22755.82</b>	<b>26364.62</b>
<b>Segment Results Profit(+)/(Loss)(-)</b> <b>(before Interest and Tax) from segment</b>		
a) Tooling	2563.02	2631.18
b) Automotive Components	(534.17)	(355.34)
c) Other	-	-
<b>Total</b>	<b>2028.85</b>	<b>2275.84</b>
<b>Less: Interest and Finance Charges</b>	350.12	331.82
<b>Less: Exceptional Items</b>	0.00	0.00
<b>Profit before Tax</b>	<b>1678.73</b>	<b>1944.02</b>
<b>Less: Provision for Taxation</b>		
Current Tax	588.20	480.00
Provision For Earlier Periods	-	-
Mat Credit	147.23	56.70
Deferred Tax	-	-
<b>Profit / (Loss) after Tax</b>	<b>943.30</b>	<b>1407.32</b>
<b>Segment Assets</b>		
a) Tooling	24150.51	20531.43
b) Automotive Components	2323.55	2488.11
c) Other	162.42	141.43
d) Unallocated Assets	108.05	305.32
<b>Total</b>	<b>26744.53</b>	<b>23466.29</b>
<b>Segment Liabilities</b>		
a) Tooling	9121.15	7700.02
b) Automotive Components	1678.52	2062.73
c) Other	17.94	18.70
d) Unallocated Liabilities	858.58	536.34
<b>Total</b>	<b>11676.19</b>	<b>10317.79</b>
<b>Capital employed</b>		
a) Tooling	15029.36	12831.41
b) Automotive Components	645.03	425.38
c) Other	144.48	122.73
d) Unallocable	(750.53)	(231.02)
<b>Total</b>	<b>15068.34</b>	<b>13148.50</b>
<b>Capital Expenditure</b>		
a) Tooling	987.92	5224.33
b) Automotive Components	-	-
c) Other	-	-
<b>Total</b>	<b>987.92</b>	<b>5224.33</b>

 Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

(INR in Lakhs)

Particulars	FY 2023-24	FY 2022-23
<b>Depreciation</b>		
a) Tooling	504.89	312.24
b) Automotive Components	144.13	149.77
c) Other	-	-
<b>Total</b>	<b>649.02</b>	<b>462.01</b>
<b>Non Cash Expenditure</b>		
a) Tooling	-	-
b) Automotive Components	-	-
c) Other	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Effective from April 01, 2018, the identification of segments under Ind AS is based on the following segments worked out on the basis of the internal reclassification of items under Precision Components, Casting and Machining:

1. Tooling
2. Automotive Components

**(b) Secondary Segment - (Geographical):**

Particulars	(INR in Lakhs)				Total
	India	Japan	USA	Rest of the World	
<b>Segment Revenue</b>	19371.86	717.62	598.08	2068.26	22755.82
	(22818.49)	(544.94)	(1181.55)	(1819.64)	(26364.62)

(Figures in brackets indicates March 31, 2023 figures)

**Note 35 Related party disclosures:**
**(A) Name of related parties and nature of relationships (as per Ind AS 24):**
**(a) Key Management Personnel**

1. Mr. Vedant Birla - Chairman & Managing Director.
2. Mr. Pankaj Kumar - Chief Financial Officer \* Appointed on May 22, 2024
3. Miss. Ishu Jain - Company Secretary and Compliance officer \* Appointed on February 10, 2024

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

- |  |  |
|--|--|
| 1 ACE Trusteeship Services Private Limited             | 10 Birla Brothers Private Limited                          |
| 2 Birla Earth Private Limited                          | 11 Shrinika Infra Limited                                  |
| 3 Birla Infrastructure & Constructions Private Limited | 12 Birla Precision USA Ltd - foreign subsidiary            |
| 4 Birla Infrastructure & Developers Private Limited    | 13 Birla Precision Technologies GMBH - foreign subsidiary  |
| 5 Edufocus International Education LLP                 | 14 Birla Engineering Private Limited - domestic subsidiary |
| 6 Eduserve International Education LLP                 | 15 Birla Accucast Private Limited - domestic subsidiary    |
| 7 Hair Station LLP                                     | 16 Birla Durotool Private Limited - domestic subsidiary    |
| 8 Hilton Consultancy                                   | 17 Birla International Private Limited                     |
| 9 Zenith Steel Pipes and Industries                    |  |

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



Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

**(B) Transactions during the year ended March 31, 2024 and balances with related parties :**

Name of related party	Description and Nature of transactions	Total Amount of the Transactions during the Current year (Previous Year)	Amount if any Outstanding as on 31.03.2024 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2024 CREDIT Balance Current Year (Previous Year)
Mr. Vedant Birla	Remuneration Paid	48.00	-	2.27
		(45.63)	-	(2.30)
Hilton Consultancy	Professional and consultancy charges	6.00	-	-
		(6.00)	-	-
Zenith Steel Pipes & Indl. Ltd	Loans & Advances	1,500.00	1,500.00	-
		-	-	-
Birla International Pvt. Ltd.	Rent including GST	118.80	-	29.70
		-	-	-
	Security Deposit	700.00	700.00	-
Mr. Santosh Kumar (Director)	Remuneration Paid	14.22	-	0.96
		(12.97)	-	(0.73)
Mr. Harish K Pareek (CFO)	Remuneration Paid	19.03	-	1.19
		(16.54)	-	(0.59)
Mr. Parth Hariprasad Matolia (Company Secretary)	Remuneration Paid	3.00	-	-
		(6.61)	-	(0.51)
Miss. Ishu Jain (Company Secretary)	Remuneration Paid	5.24	-	1.59
		-	-	-

(Figures in brackets indicate March 31, 2023 figures)

**Note 36 Fair values of financial assets and financial liabilities:**

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

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

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

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

**Note 37 Fair value hierarchy:**

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

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

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

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

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

Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
<b>Level 1 (Quoted price in active markets)</b>	-	-
<b>Level 2</b>		
Financial assets measured at fair value through profit or loss	-	-
Financial liability measured at fair value through profit or loss	-	-
<b>Level 3</b>		
<b>Financial assets measured at fair value through profit or loss</b>		
Trade receivables	4185.46	4023.92
Cash and cash equivalents	2440.23	2553.80
Bank balances other than cash and cash equivalent	40.17	54.60
Loans and advances	1909.09	336.14
Other financial assets	972.58	291.80
Other current assets	2721.44	2345.26
The carrying amounts of trade receivables, cash and cash equivalents and other bank balances, loans and advances, other financial assets and other current assets are considered to approximate their fair values due to their short term nature.		
<b>Financial liability measured at amortised cost</b>		
Borrowings	4062.74	2897.72
Trade Payables	3489.82	3393.71
Other financial liabilities	47.63	40.99
Other current liabilities	976.23	836.94

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

**Note 38. Financial risk management objectives and policies:**

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

**(A) Market risk:**

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

**(i) Interest rate risk:**

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

**(ii) Foreign currency risk:**

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

## Notes on consolidated financial statements for the year ended March 31, 2024 (Contd.)

### (B) Credit risk:

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

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

### (C) Liquidity risk:

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

### Note 39 Capital management:

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

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

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
(i) Total equity	15068.34	13148.50
(ii) Total debt	4374.13	3241.39
(iii) Overall financing (i+ii)	19442.47	16389.89
(iv) Gearing ratio (ii/iii)	0.22	0.20

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024, 31 March 2023.

### Note 40 Corporate social responsibility:

Particulars	(INR in Lakhs)	
	March 31, 2024	March 31, 2023
(A) Details of spends		
i) Gross amount required to be spent by the Company during the year	19.37	-
ii) Amount of expenditure incurred	10.50	-
iii) Shortfall at the end of the year	8.87	-
iv) Total previous years shortfall	-	-
v) Nature of CSR activities		
Sports Foundation	10.00	-
Vocational funding for deaf women	0.50	-
<b>Total</b>	<b>10.50</b>	<b>-</b>

(B) No expenditure has been paid to a related party, in relation to CSR expenditure as per Ind-AS 24, Related Party Disclosures.

## Notes on consolidated financial statements for the year ended March 31, 2024 (Contd.)

### Note 41 Key Ratios

The key financial ratios for the FY 2023-24 and a comparison thereof with the FY 2022-23 have been stated in the financial statement for the period ended March 31 2024.

Particulars	Consolidated		Standalone	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Debt-Equity Ratio (In times)	0.29	0.24	0.29	0.24
Interest Service Coverage Ratio (In times)	5.79	6.84	6.16	7.22
Current Ratio (In times)	1.68	1.62	1.70	1.62
Current Liability Ratio (In times)	0.41	0.42	0.41	0.42
Total Debts to Total Assets (In times)	0.16	0.13	0.16	0.13
Debtors Turnover (In times)	5.39	6.29	5.17	6.28
Inventory Turnover (In times)	1.60	2.19	1.68	2.20
Debt Service Coverage Ratio	5.31	5.57	5.64	5.87
Long term debt to Working Capital Ratio	0.04	0.04	0.04	0.04
Operating Margin (%)	0.08	0.05	0.09	0.05
Net Profit Margin (%)	0.04	0.05	0.05	0.06

### Note 42 The financial statements are consolidated financial statements hence disclosure requirement for charges not yet registered and ratio analysis is not required.

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami Property.
- (ii) The Group does not have any transactions with Companies struck off.
- (iii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) 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
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts.
- (ix) None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

Notes on consolidated financial statements  
for the year ended March 31, 2024 (Contd.)

- (x) The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- (xi) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**Note 43** The financial statements are consolidated financial statements hence disclosure requirement for charges not yet registered and ratio analysis is not required.

**Note 44** Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

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

Sd/-  
Jinendra Jain  
Partner  
Membership No. 072995

Place: Mumbai  
Date : May 22, 2024

For and on behalf of Board of Directors

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

Sd/-  
Pankaj Kumar  
Chief Financial Officer

Sd/-  
Ishu Jain  
Company Secretary & Compliance Officer

## NOTICE OF THE 37TH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE 37<sup>TH</sup> ANNUAL GENERAL MEETING OF MEMBERS OF BIRLA PRECISION TECHNOLOGIES LIMITED WILL BE HELD ON FRIDAY, SEPTEMBER 06, 2024 AT 12:00 P.M. IST THROUGH VIDEO CONFERENCING ("VC")/ OTHER AUDIO-VISUAL MEANS ("OVAM") TO TRANSACT THE FOLLOWING BUSINESS:**

**Ordinary Business:**

**1. Adoption of Financial Statements for the Financial Year ended March 31, 2024:**

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

"RESOLVED THAT the Standalone Audited Financial Statements i.e. Balance Sheet, Profit and Loss Account, Cash Flow Statement and notes forming part thereof together with the reports of Board of Directors and Auditors thereon for the year ended March 31, 2024 and also Audited Consolidated Financial Statements of the Company and report of auditor's thereon for the year ended March 31, 2024 as circulated to the members and laid before the meeting be and are hereby considered and adopted."

**2. Declaration of Final Dividend of INR 0.05/- per Equity Share (i.e. 2.5%) of the face value of INR 2/- each for the Financial Year ended March 31, 2024.**

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

"RESOLVED THAT final Dividend of INR 0.05/- per equity share of face value of INR 2/- each, as recommended by the Board of Directors of the Company for the financial year ended March 31, 2024, be and is hereby approved and the same be paid to the eligible members of the Company as per Section 123 of the Companies Act, 2013 read with rules made thereunder and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015."

**3. Re-Appointment of Mr. Santosh Kumar (DIN – 08686131) as a director, liable to retire by rotation, who has offered himself for re-appointment:**

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

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) made thereof, for the time being in force), if any, Mr. Santosh Kumar (DIN – 08686131) who retires by rotation at this Annual General Meeting

and being eligible has offered himself for the re-appointment, be and is hereby appointed as Director of the Company, liable to retire by Rotation."

**Special Business:**

**4. Ratification of remuneration payable to Mr. Jayant Galande, Cost Auditor of the Company for the Financial Year 2024-25**

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

"RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modifications or amendments or re-enactments thereof) and based on recommendation of the Audit Committee and approval of the Board of Directors, a remuneration of INR 0.75 Lakhs Per Annum exclusive of applicable GST, travelling and out-of-pocket expenses payable to Mr. Jayant Galande, Cost Accountant, (Firm Registration No. 100099) as Cost Auditors to conduct the Cost Audit for the Financial Year 2024-25 be and is hereby ratified and approved."

**RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving the effect to this resolution and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

**5. Approval of Managerial Remuneration to Mr. Vedant Birla, Chairman & Managing Director of the Company for the financial year 2024-2025.**

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

"RESOLVED THAT pursuant to the provisions of Section 197 and 198 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) pursuant to the recommendation of the Nomination and Remuneration Committee, approval of the Audit Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for the revision in the remuneration payable to Mr. Vedant Birla (DIN: 03327691), Managing Director of the Company for financial year 2024-25 on the following terms and conditions:-

Notice of the 37th Annual General Meeting (Contd.)

- A. Salary: Base Salary of INR 53.95 Lakhs (Rupees Fifty Three Lakhs Ninety Five Thousand Only) Per Annum excluding retirement benefits which in any case does not exceed 60.91 Lakhs (Rupees Sixty Lakhs Ninety one Thousand Only) Per Annum.
- B. The Remuneration of Mr. Vedant Birla Comprising of Following Perquisites:

In addition to the Basic Salary, Mr. Vedant Birla will be entitled to the following perquisites, which are supplementary benefits provided as part of his overall compensation package:

- i. House rent allowance.  
A monthly allowance to assist with accommodation costs
- ii. Conveyance/ Vehicle allowance.  
A monthly allowance provided to cover expenses related to transportation, including the use of a personal or company vehicle for official duties.
- iii. Medical allowance.  
A monthly allowance to cover medical expenses, which may include reimbursement for medical treatments, consultations, and prescription medications.
- iv. Leave travel allowance  
An annual allowance for travel expenses incurred while on leave, intended to cover travel costs for family and self to various destinations.
- v. Flexible allowance  
A discretionary allowance that can be utilised by Mr. Vedant Birla according to his individual needs and preferences, within the guidelines set by the organisation.
- vi. Education allowance  
Financial support provided to cover educational expenses for Mr. Vedant Birla or his dependents, including tuition fees and other related costs.
- vii. Newspaper allowance  
An allowance provided to cover the cost of subscribing to newspapers or journals for personal or professional use.

viii. Entertainment allowance

A monthly allowance allocated for expenses related to entertainment, including dining and other leisure activities.

In addition to the salary and perquisites, Mr. Vedant Birla will be entitled to the following benefits:

- i. Provident Fund (PF)  
A retirement savings scheme where both the employer and employee contribute a certain percentage of the salary towards a fund that accumulates over time, providing financial security post-retirement.
- ii. Privilege Leave  
Paid leave granted to Mr. Vedant Birla, which can be utilised for personal reasons or vacations, in accordance with the company's leave policy.
- iii. Gratuity  
A lump sum payment made to Mr. Vedant Birla upon completion of a specified period of service with the Company, as per statutory regulations and Company's policy.

**"RESOLVED FURTHER THAT** the remuneration payable to Mr. Vedant Birla shall not exceed in any way the maximum limit as aforementioned i.e. INR 60.91 Lakhs (Rupees Sixty Lakhs Ninety One Thousand Only) for the said year.

**"RESOLVED FURTHER THAT** any one of the Director(s) or Company Secretary of the Company be and are hereby authorised to take such necessary steps as may be required to give effect to this Resolution."

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

**Date: August 14, 2024** **Sd/-**  
**Place: Mumbai** **Ishu Jain**  
**Registered Office:** **Company Secretary &  
Compliance Officer**  
**23, Birla Mansion No. 2, 1st** **M. No.: - F10679**  
**Floor, D. D. Sathe Marg, Prarthana**  
**Samaj, Mumbai 400004, India**

Notice of the 37th Annual General Meeting (Contd.)

**Notes:**

1. In view of General Circular No.14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, and Circular No. 02/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs ("MCA Circulars"), Circular No. SEBI/HO/CFD/CMD1/CIR/ P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/ CIR /P/2021/11 dated January 15, 2021, Circular SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, Circular SEBI/HO/ CFD/PoD-2/ P/CIR/2023/4 dated January 05, 2023, and Circular No. SEBI/HO/CFD/CFD-PoD2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations/SEBI Listing Regulations"), the 37th Annual General Meeting ("37th AGM") of the Company is being conducted through VC/ OAVM Facility, which does not require the physical presence of members at a common venue. .
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, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be 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 37th 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 authorised e-Voting's agency. The facility of casting votes by a member using remote e-voting, participation in the AGM through VC/OAVM and the e-voting system on the date of the 37th AGM will be provided by CDSL.
3. Pursuant to MCA Circular No.14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, and Circular No. 02/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022, and General

Circular No. 09/2023 dated September 25, 2023, as the AGM shall be conducted through VC/OAVM, the facility for appointment of proxy by the members to attend and cast vote for the members is not available for this AGM and hence the proxy form and attendance slip including Route map are not annexed to the Notice. However, in pursuance of Section 113 of the Companies Act, 2013, the Body Corporate member/ institutional members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate and cast their votes through e-voting. Accordingly, Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at [cs@birlaprecision.com](mailto:cs@birlaprecision.com).

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. Regulation 36 (1)(b) and (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 prescribes that a listed entity shall send a hard copy of the statement containing salient features of all the documents, as prescribed in Section 136 of the Companies Act, 2013 to the shareholders who have not registered their email addresses and hard copies of full annual reports to those shareholders, who request for the same, respectively. However, in line with the MCA General circulars with the latest being No. 10/2022 dated December 28, 2022 and SEBI circulars with the latest being Circular No. SEBI/HO/CFD/CFD-PoD2/P/ CIR/2023/167 dated October 07, 2023, relating to dispatch of hard copies of Annual Report for the Financial Year 2023-24, the Notice of AGM is being sent in electronic mode to Members whose names appear on the Register of Members/ List of Beneficial owners as received from M/s. KFin Technologies Ltd. ("RTA") and whose email address is available with the RTA, the Company or the Depository Participant(s) as on **Friday, August 09, 2024**. Members may note that, Notice and Annual Report 2023- 24 can also be accessed from the website of the Company at <https://www.birlaprecision.com/investor-section-financial-result-annual-results.php> and on website of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://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. <https://www.evotingindia.com/>.

## Notice of the 37th Annual General Meeting (Contd.)

6. For the convenience of the members and proper conduct of the AGM, Members can login and join the AGM in the VC/OAVM mode at least 15 (fifteen) minutes before the time scheduled for the commencement of the Meeting by following the procedure mentioned below. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on a 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.
7. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the 37<sup>th</sup> AGM and the relevant details of director seeking appointment and re-appointment as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as required under Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India is annexed thereto.
8. The Register of Members and Transfer Books of the Company will be closed from **Saturday, August 31, 2024 to Friday, September 06, 2024** both days inclusive for the purpose of the 37th AGM of the Company.
9. In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialised form with effect from April 01, 2020. In view of the above, Members are advised to dematerialise shares held by them in physical form.
10. Members holding the shares in physical form are requested to notify immediately any update/change of address and/or details of PAN and Bank account to M/s. KFin Technologies Ltd ("RTA"), the Registrar and Share Transfer Agent of the Company. In case shares held in dematerialised form, the information regarding change/update of address, details of bank and PAN should be given to their respective Depository Participant.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
12. Shareholders can avail the facility of nomination in respect of shares held by them in physical form, pursuant to the provisions of Section 72 of the Companies Act, 2013 read with the Rules framed thereunder. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to M/s. KFin Technologies Ltd ("RTA"). Members holding in electronic form may contact their respective Depository Participants for availing this facility.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialised form are, therefore, requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. KFin Technologies Ltd ("RTA").
14. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend whenever declared. For the safety and interest of the Shareholders, it is important that bank account details are correctly provided to the Depository Participants and registered against their demat account.
15. Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a Company after April 01, 2020 shall be taxable in the hands of the Shareholders. The Company shall, therefore, be required to deduct Tax at Source (TDS) at the time of making payment of Final Dividend, if declared by the Shareholders. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.
- a) For Resident Shareholders**, TDS shall be deducted under Section 194 of the Income Tax Act, 1961 at rate in force (at present 10%) on the amount of Dividend declared and paid by the Company during FY 2023-24, provided Permanent Account Number (PAN) is registered by the Shareholder. If PAN is not registered, TDS would be deducted at rate in force (at present 20%) as per Section 206AA of the Income Tax Act, 1961.
- However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by such resident individual during the Financial Year 2023-24 does not exceed 5000/- Please note that this includes future

## Notice of the 37th Annual General Meeting (Contd.)

dividends, if any, which may be declared by the Company during the Financial Year 2024-25. Separately, in cases where a Shareholder provides Form 15G (applicable to any resident person other than a company or a firm) / Form 15H (applicable to a resident individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

- b) For Mutual Fund Shareholders**, TDS is exempt under Section 10(23D), provided Mutual Funds provide SEBI Registration / Central Board of Direct Taxes (CBDT) notification and a declaration that their income is exempt under Section 10(23D) of the Income Tax Act, 1961.
- c) For Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI)**, tax will be deducted under Section 196D of the Income Tax Act, 1961, at applicable rate, including surcharge and cess.
- d) For Other Non-Resident Shareholders**, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961, at the rates in force. However, as per Section 90 of the Income Tax Act, 1961, the Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the Shareholder, if they are more beneficial to them. For this purpose, i.e., to avail the Tax Treaty benefits, the Non-Resident Shareholder will have to provide the following:
- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the Shareholder is resident;
  - Self-declaration in Form 10F;
  - Self-attested copy of the Permanent Account Number (PAN) Card allotted by the Indian Income Tax authorities;
  - Self-declaration, certifying the following points:
    - i. Member is and will continue to remain a tax resident of the country of its residence during the Financial Year 2024-25;
    - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;

- iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
- iv. Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
- v. Member does not have a taxable presence or a permanent establishment in India during the FY 2024-25.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident Shareholder.

Shareholders may make an online submission of Form 15G / 15H and Form 10F, along with the requisite supporting documents as mentioned above, as applicable, on the website of KFIN Technologies Limited at <https://investor.kfintech.com/investor-information-resources/>. The Shareholders may also download these forms from RTA's website and send physical copies of the duly filled forms/documents to RTA's Registered Office at Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serlingampally, Hyderabad, Telangana, 500032. The aforesaid declarations and documents need to be submitted by the Shareholders on or before September 15, 2024. To KFIN Technologies Limited It may please be noted that Forms received after the said date and incomplete or incorrect forms shall not be considered and shall not be eligible for non-deduction or lower deduction of tax.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from a Shareholder, there would still be an option available with such Shareholder to file the return of income and claim an appropriate refund, if eligible.

The Company/RTA shall arrange to e-mail the soft copy of TDS certificate to a Shareholder on its registered email ID in due course, post payment of the said Dividend.

16. Shareholders can avail the facility of nomination in respect of shares held by them in physical form, pursuant to the provisions of Section 72 of the



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Companies Act, 2013 read with the Rules framed thereunder. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to our registrar and share transfer Agent i.e. KFin Technologies Limited at [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com). Members holding in electronic form may contact their respective Depository Participants for availing this facility.

17. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all listed companies to use the Bank Account details furnished by the Depositories and the Bank Account details maintained by the RTA for payment of Dividend through Electronic Clearing Service (ECS) to investors wherever ECS and Bank details are available. In the absence of ECS facilities, the Company will print the Bank Account details, if available, on the payment instrument for distribution of Dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of / change in such Bank Account details. Further, Instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participant(s) about such change, with complete details of Bank Account.
18. Shareholders holding the shares in electronic mode may please note that their dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS) at the available RBI locations or NEFT. The dividend would be credited to their bank account as per the mandate given by the Shareholders to their Depository Participant(s). In the absence of availability of NECS/ECS/NEFT facility, the dividend would be paid through warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable Regulations. For Shareholders who have not updated their bank account details, Dividend Warrants / Demand Drafts will be sent to their registered addresses upon normalisation of the postal services.
19. Shareholders holding shares in physical mode, who have not provided the information regarding bank particulars, are requested to register/update their Bank details (e.g. name of the bank and the branch, bank account number, 9 digits MICR number, 11 digit IFS Code and the nature of account) online with KFin Technologies Ltd. on its website (at <https://www.kfintech.com/>) along with the copy of the signed

request letter mentioning the name and address of the Shareholder, scanned copy of the Share Certificate (front and back), self-attested copy of the PAN Card, and self-attested copy of any document (e.g. Driving License, Election Identity Card, Passport) in support of the address of the Shareholder along with a copy of latest cancelled cheque with the Shareholder's name. Shareholders holding shares in electronic mode are requested to register their Bank details with the relevant Depository Participant.

20. SEBI has mandated those securities of listed companies can be transferred only in dematerialised form from April 01, 2020, except in case of transmission and transposition of securities. In view of the same and to avail various benefits of dematerialisation, Shareholders are advised to dematerialise shares held by them in physical form and for ease in portfolio management. Shareholders can contact the Company or KFin Technologies Ltd. for assistance in this regard. Shareholders holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with share certificates so as to enable the Company to consolidate their holding into one folio.
21. The Board of Directors have appointed Mr. Anand Mukherjee (Membership No. FCS 11804) Partner of M/s. AVS & Associates, Practicing Company Secretaries as the Scrutiniser to scrutinise the votes cast through the e-voting system at the meeting and remote e-voting process in a fair and transparent manner.
22. The Scrutiniser shall submit his report to the Chairman of the Meeting or any person authorised by him within 2 Working days of the conclusion of the AGM. The Results declared along with the report of Scrutiniser shall be placed on the website of the Company [www.birlaprecision.com](http://www.birlaprecision.com) and on website of CDSL immediately after declaration of results by the Chairman or person authorised by him in this behalf. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.
23. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Friday, August 30, 2024 ("Cut-off date")**, are entitled to avail the facility of remote e-voting as well as e-voting system as on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
24. The Company has fixed **Friday, August 30, 2024** as the **'Record Date'** for determining entitlement of members to final dividend for the financial year ended March 31, 2024, if approved at the 37<sup>th</sup> AGM. If the final dividend,

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as recommended by the Board of Directors, is approved at the 37<sup>th</sup> AGM, payment of such dividend subject to deduction of tax at source will be made on or before Saturday, October 05, 2024.

25. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. **Friday, August 30, 2024** shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned below.
26. The remote e-voting period will commence at **9.00 a.m. on Tuesday, September 03, 2024** and will end at **5.00 p.m. on Thursday, September 05, 2024**. In addition, the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible for e-voting at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.
27. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of Companies Act, and all other documents referred to in the Annual Report, will be available in electronic mode. Members can inspect the same by sending an email to [cs@birlaprecision.com](mailto:cs@birlaprecision.com).

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

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 Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and subsequent circulars issued in this regard. 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 dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is

providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised 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 AGM through VC/OAVM will be made available to atleast 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.birlaprecision.com](http://www.birlaprecision.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://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](http://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 Circular No.

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14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and subsequent circulars issued in this regard.

8. In continuation to this Ministry's **General Circular No. 20/2020** dated May 05, 2020, General Circular No. 02/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before September 30, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated May 05, 2020.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on September 03, 2024 (9.00 A.M.) and ends on September 05, 2024 (5.00 P.M.). During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of Friday, August 30, 2024 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.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 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 above said 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 <b>CDSL Depository</b>	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 users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab.

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Type of shareholders	Login Method
	<ul style="list-style-type: none"> <li>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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be 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.</li> </ul>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ul style="list-style-type: none"> <li>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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "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 &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDEAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number 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 &amp; voting during the meeting</li> </ul>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	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.

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**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 <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) 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](http://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](http://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) <ul style="list-style-type: none"> <li>• 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.</li> </ul>
Dividend Bank Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mmm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>• 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.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

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- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutiniser for verification.

**(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- 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.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 scrutiniser to verify the same.

- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company at the email address viz; [cs@birlaprecision.com](mailto:cs@birlaprecision.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser 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 **till August 29, 2024 (05.00 p.m.)** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in **till August 29, 2024 (05.00 p.m.)** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.

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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 AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may 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](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 18002109911

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 Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 18002109911.

Notice of the 37th Annual General Meeting (Contd.)

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (THE "ACT")**

**As required by Section 102 of the Act, the following explanatory statement sets out all material facts relating to the businesses mentioned under Item No. 4 & Item No. 5 of the accompanying Notice.**

**ITEM NO. 4**

The Board of Directors of the Company at their meeting held on May 22, 2024, on the recommendation of the Audit Committee, had considered and approved the re-appointment of Mr. Jayant Galande, Cost Accountant (Firm Registration No. 100099), as the Cost Auditor for the audit of the cost accounting records of the Company for the Financial Year ending March 31, 2025, at a remuneration of INR 0.75 Lakhs Per Annum excluding taxes and reimbursement of out-of-pocket expenses at actuals, if any, in connection with the audit. Mr. Jayant Galande, Cost Accountant (Firm Registration No. 100099) have confirmed that they hold a valid certificate of practice under sub section (1) of Section 6 of the Cost and Work Accountants Act, 1959 and is not disqualified under section 141 read with section 148 of the Companies Act, 2013 and rules made thereunder.

Pursuant to provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost records and Audit) Rules, 2014 (including any statutory modification(s) and/ or re-enactment(s) for the time being in force), the remuneration payable to Cost Auditor has to be ratified by the members of the Company. Accordingly, ratification by the members is sought for the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the financial year ending March 31, 2025.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or

interested, financially or otherwise, in the proposed Ordinary Resolution set out in Item No. 4 of the Notice.

**ITEM NO. 5**

Mr. Vedant Birla was re- appointed as Chairman & Managing Director of the Company for a period of 5 years in the Board meeting held on May 24, 2022. Since then, he has been actively dedicating substantial time in managing the affairs of the Company.

Recognising his deep involvement in day to day business affairs of the Company, as well as his responsibilities and accountability for the Company's overall performance, the Board reviewed various aspects, including comparative remuneration benchmarks for Managing Director in similar sized Companies. Consequently, the Board has proposed to enhance the Remuneration of Mr. Vedant Birla by 20% for the FY 2024-2025 which is well within the statutory limits laid down under Section 197, 198 and Schedule V of the Companies Act, 2013.

The specific details of the revised remuneration are outlined in the resolution mentioned above.

The details as required under secretarial standards-2 regarding the change in remuneration of Mr. Vedant Birla is provided as an annexure to the Notice.

Except Mr. Vedant Birla none of the other Directors, Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out in item no.5.

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

**Date: August 14, 2024**

**Place: Mumbai  
Registered Office:**

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

**Sd/-**

**Ishu Jain**

**Company Secretary &  
Compliance Officer**

**M. No.: - F10679**

Notice of the 37th Annual General Meeting (Contd.)

## NOTES

### Additional Disclosures/Information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and applicable provisions of Secretarial Standard – 2

<b>Name of the Director</b>	Mr. Santosh Kumar
<b>DIN</b>	08686131
<b>Date of Birth</b>	February 15, 1971
<b>Work Experience in functional area</b>	he is a Graduate having vast experience of more than 20 years wherein he has handled work pertaining to different sectors.
<b>Qualifications</b>	B.com
<b>Terms and Condition of Appointment &amp; Re-appointment</b>	Mr. Santosh Kumar retires by rotation and being eligible, offers himself for re-appointment to the members at the ensuing Annual General Meeting of the Company.
<b>Remuneration sought to be paid</b>	NA
<b>Last Drawn Remuneration</b>	The Last drawn Remuneration of Mr. Santosh Kumar is shown under <b>Annexure- V</b> of the Board Report.
<b>Directorship in other Companies including Listed Company</b>	1
<b>Membership of Committees of other Companies including Listed Company (Audit Committee/Nomination Remuneration Committee/Stakeholders Relationship Committee)</b>	Nil
<b>No. of Shares held in the Company</b>	Nil
<b>First Appointment by the Board</b>	February 05, 2020
<b>Relationship with other Director, Manager &amp; KMP</b>	NA
<b>Board Meeting attended (F.Y. 2023-24)</b>	8

### Additional Disclosures/Information pursuant to applicable provisions of Secretarial Standard – 2

<b>Name of the Director</b>	Mr. Vedant Birla
<b>DIN</b>	03327691
<b>Date of Birth</b>	December 25, 1991
<b>Work Experience in functional area</b>	10 Years
<b>Qualifications</b>	Master's Degree from Regents Business School, London. Bachelors in Accounts and Finance (B.A.F)
<b>Terms and Condition of Appointment &amp; Re-appointment</b>	NA
<b>Remuneration sought to be paid</b>	Base Salary of INR 53.95 Lakhs (Rupees Fifty Three Lakhs Ninety Five Thousand Only) Per Annum excluding retirement benefits which in any case does not exceed INR 60.91 Lakhs (Rupees Sixty Lakhs Ninety one Thousand Only) Per Annum.
<b>Last Drawn Remuneration</b>	The Last drawn Remuneration of Mr. Vedant Birla is shown under <b>Annexure- V</b> of the Board Report.
<b>Directorship in other Companies including Listed Company</b>	1
<b>Membership of Committees of other Companies including Listed Company (Audit Committee/Nomination Remuneration Committee/Stakeholders Relationship Committee)</b>	2
<b>No. of Shares held in the Company</b>	-
<b>First Appointment by the Board</b>	May 18, 2016
<b>Relationship with other Director, Manager &amp; KMP</b>	NA
<b>Board Meeting attended (F.Y. 2023-24)</b>	8



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## NOTES

A series of horizontal dotted lines for taking notes.



**Regd. Office:**

23, Birla Mansion No. 2, 1<sup>st</sup> Floor  
D. D. Sathe Marg, Prarthana Samaj,  
Mumbai - 400 004  
Tel.: +91 22 66168466

**Website**

[www.birlaprecision.com](http://www.birlaprecision.com)  
Email: [info@birlaprecision.com](mailto:info@birlaprecision.com) | [itmnsk@indiantool.com](mailto:itmnsk@indiantool.com)