56TH ANNUAL REPORT 2018-19

IT'S HAPPENING NOW

PTC INDUSTRIES
Aspire. Innovate. Achieve.

A NEW VISION, A NEW MISSION, A NEW REALITY.

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

OUR VISION IS TO BE THE #1 CHOICE IN THE MARKETS WE SERVE, CREATING VALUE THROUGH INNOVATIVE SOLUTIONS.

OUR MISSION IS BE A LEADING GLOBAL MANUFACTURER OF ENGINEERED METAL COMPONENTS, PRODUCTS AND SYSTEMS THROUGH SUSTAINABLE, DISRUPTIVE AND INNOVATIVE TECHNOLOGIES.

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

PTC continues to,

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

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

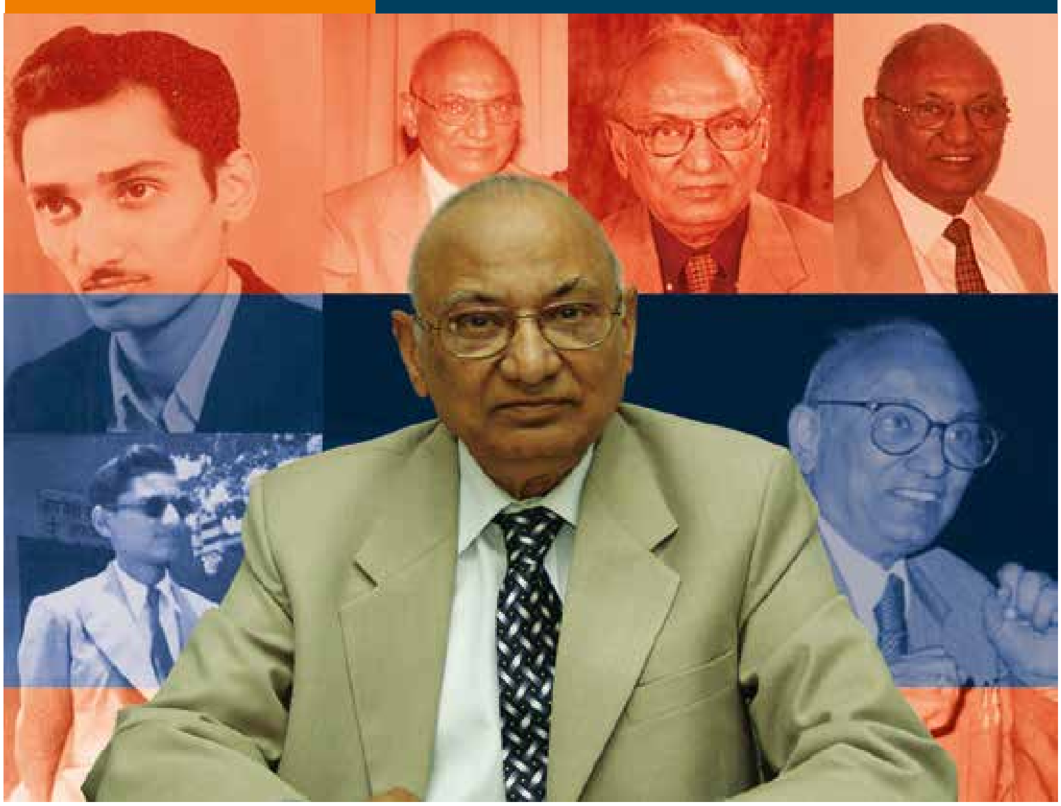
Achieve, a standard of quality such that quality becomes a part of the consciousness of each and every worker.

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

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

Satish Agarwal was a man with a vision.

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



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

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

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

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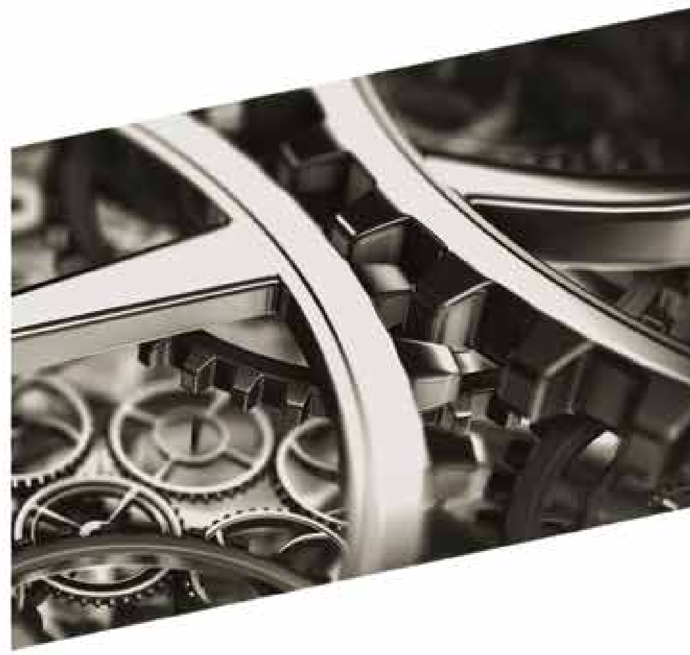
IT'S HAPPENING NOW

In the wake of global economic uncertainties and political turbulence across countries, rapid changes and increasing complexities emerge every day. All too often, we run the risk of taking a completely one-dimensional future oriented approach to business practices, and ignoring the richness and depth of the present. In these times, it is important to be able to view internal and external business environments in the context of both the future and the NOW – a NOW of possibilities, rather than constraints.

The essence of many business strategies and approaches always consider the present moment, at best, as a means to an end, a stepping stone to the future, because the future promises growth, achievement and success. However, business prudence and foresight also require us to be aware that **'Life is always now.'** Whatever happens, whatever changes or advancements a business needs to undergo –they must always happen in the now. As we take our first step into a new era of manufacturing with the commencement of commercial production at the Advanced Manufacturing & Technology Centre, this was the moment that PTC chose to label as **N.O.W.** – a milestone we defined to mark the beginning of our journey into a glorious and promising future:

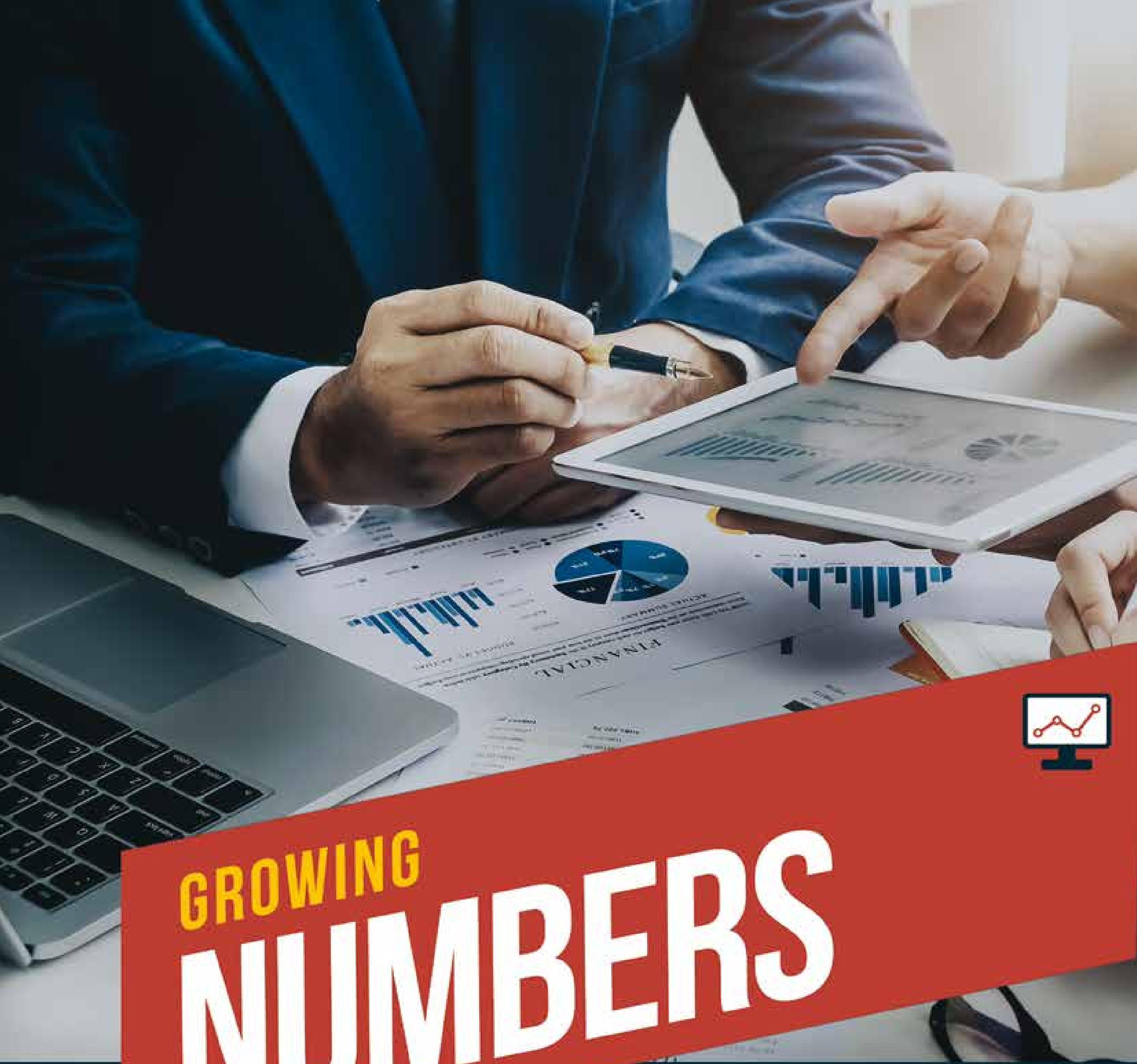


the financial strengthening of the company and its growth in **Numbers,**

the shaping of a new, inclusive and nurturing **Organisational culture,** and

the start of a number of **Winning diversifications** that shall transform the way we offer products and solutions to our customers today.

It is therefore of utter importance that for a better future for all our stakeholders, we take stock of the present and recognise these phenomena happening in the NOW, think creatively, plan for sustainability and understand the place of our business in a larger socio-economic context.



GROWING NUMBERS

A few years ago, we analysed the four stages in PTC's journey to arrive at the point in our evolution that we identified as PTC 4.0 - the beginning of new age in which PTC re-invents itself to offer unique opportunities to both external and internal stakeholders. As we begin to realise the possibilities that this phase presents us with, it is also important that we acknowledge the financial impact of the changes and initiatives that we have implemented. For an organisation to be successful and remain in business, both profitability and growth are important and necessary. While profitability remains critical to a company's existence, growth is more crucial to long-term sustenance.

This year, the company's revenues and operating profit numbers have registered a nearly 50 percent growth prompted by the commencement of commercial production in phase one of the AMTC Plant.

In a volatile industrial environment, PTC has recorded its highest ever income of Rs. 155 crores during the year, registering a growth of nearly 50 percent. The export business contributed the largest growth as our investment in technologies and building capacities paid returns. This strong financial performance is a signal of the forthcoming rise in the numbers as the business begins to scale new heights and introduce even bigger disruptions. The improving profitability is also a reflection of operational efficiencies and benefits of automation, and this will continue to improve with growth in revenue and the commercialisation of new technologies.

More than a decade ago, we formulated a strategy to differentiate our Company from its competitors and maintain our competitive-edge through ground breaking innovation and implementation of the most advanced manufacturing technologies. Last year's financial growth is also a demonstration of PTC's success at disrupting the way the traditional metal casting industry operated. PTC's reinvention of the age-old casting process has already brought about a paradigm shift in the way the industry viewed core technologies, and the new possibilities that will be created by the company's next advancements shall radically change the future of this industry forever.

A NEW ORGANISATIONAL CULTURE

The Company has redefined its Vision, Mission and Values as parts of its strategy development to align them with the transformation that it has been undergoing. We believe that the key to a successful organization is to have a culture based on a strongly held and widely shared set of beliefs that are supported by strategy and structure. This culture consists of shared goals and values established by leaders and then communicated and reinforced through various methods, ultimately shaping employee perceptions, behaviours and understanding. Organizational culture sets the context for everything an enterprise does. Culture subconsciously guides the behaviour and thoughts of employees, and often influences their sense of belonging, motivation and effectiveness at work.

When an organization has a strong culture, three things happen: Employees know how the organisation wants them to respond to any situation; employees believe that the expected response is the proper one; and employees know that they will be rewarded for demonstrating the organisation's values.

Thus, we have taken important steps in perpetuating a strong culture, starting with recruiting and selecting people who share PTC's vision and will thrive in our culture. We have also developed orientation, training and performance management programs that outline and reinforce our company's core values and ensure that employee behaviour and approach embody the values that the company holds worthy. It is unquestionable that there is a direct link between employee diversity and customer satisfaction. We believe that fostering internal diversity and inclusion will enable us to serve our customers better, and we shall be better as an organization.

PTC's markets and customers are continually expanding and as we target more diverse markets, we understand that incorporating diversity in our own workforce shall provide us with first-hand insights about the motivations and concerns of a broad range of customers. A culturally intelligent approach requires us to understand that a successful organisation needs leaders, teams and staff who can simultaneously advance the values and needs of the company while adapting to the cultures touched by the organization.

Early signs show that the implementation of this new organisational culture is sustainable and progressing better than what we had hoped for. The success of this, both structurally and culturally, can be attributed to consistent communication, ownership of the new culture by leaders across the organisation and a commitment to fairness by the management. These steps shall go a long way towards fostering trust, building employee engagement and will improve the company's potential for success and growth.

WINNING DIVERSIFICATIONS

For PTC, diversification has been about building new capabilities, exploring new markets, and taking new risks. Even though the process of diversification is filled with uncertainties, it is also the best way to maintain a measure of stability. External environment and economic trends are unpredictable at best, and the broadening of our business horizons and pursuit of new opportunities has always been an exciting prospect at PTC. The steps towards diversification were taken by researching our own potential, identifying our strengths and formulating a strategy to take us closer to the different kinds of markets and customers we wanted to capture.

A key feature of this process was unbundling the company's core competencies and applying them in different combinations to create unique solutions that suit the specific needs of each customer and the product they wish to manufacture. The success of this strategy can be attributed to the synergy that exists between each of these core competencies, that support and reinforce one another. Bringing all this different techniques and processes has successfully created a playground of inter-related technologies that almost emulate the symbiotic relationship between organisms living in a self-sustaining ecosystem.

It was clear from the very beginning that mere adoption of new technologies, or introduction of automation shall not in itself cause a revolution. It was more important to change the way how these new technologies could interact with one another to disrupt the entire horizon of the metal component industry.

We understood that the greatest value would come when these technologies and capabilities were integrated together in aunique approach to have an impact at the value chain level. This diversification in manufacturing of Titanium Castings, Vacuum Melt Alloys, Hot Isostatic Pressing, 3D Printing, Powder Metallurgy, or the automation of manufacturing processes and implementation of digital solutions has been made in a disciplined and purposeful manner. These combinations have already begun to redefine the playing field and reshape our value proposition. With the commitment of our leadership and strong financial prudence, we are using these winning diversifications to generate sustained profitable growth, stay relevant in a rapidly changing industrial environment and deepen our ties with all our stakeholders.


PTC
INDUSTRIES

CHAIRMAN & MANAGING DIRECTOR'S LETTER

Dear Shareholders,

The publication of our Annual Report is always a good opportunity to stop for a moment and reflect upon the past year, not only from a financial perspective but also to review the growth and opportunities that lie ahead of us. In previous years, I have talked about the incredible transition that the Company has been going through and what this means for all of PTC's stakeholders. Our commitment to technology and creation of capabilities has remained unwavering through all the ups and downs of this journey and last year we successfully entered the first phase of commercial production in our new Advanced Manufacturing & Technology Centre.

Let us first turn to what we achieved in 2018-19:

- Last year your company grossed its highest revenue as it crossed ₹150 crores by growing by nearly 50 percent to ₹151.25 crores in Revenue from Operations from ₹101.33 crores the previous year.
- Percentage of Earnings before interest, taxes, depreciation and amortization (EBITDA), excluding Other Income rose to a robust 16 percent from 15.2 percent in the previous year.
- Profit after Tax increased by 47 percent from ₹7.44 crores in the previous year to ₹10.92 in 2018-19.
- Earnings Per Share (EPS) rose steadily this year to ₹20.83 compared to ₹14.20 last year.

A DISCIPLINED STRATEGY FOR GROWTH

The underlying strength of our business has always been our focus on technology and our commitment to innovation, and the disciplined growth strategy that we have adopted has helped us navigate consistent performance even during times of great economic volatility.

From an idea that took shape in the mind of our founder, Mr. Sateesh Agarwal, to create the finest cast component manufacturing facility in the world, we have come a long way by establishing a state-of-the-art manufacturing facility that has already begun to be recognised across the world for its potential to create unforeseen possibilities for the future of metal components. With the commencement of the first phase of commercial production in this unit, we have taken the first step towards the realisation of this dream and set course on a path of unprecedented growth and extraordinary prospects.

The positive performance exhibited during the year is a result of the capacity growth and the implementation of the systems that we needed to increase our revenue. Early indicators are also becoming visible for growth in margins as the benefits of using technology, automation and implementing operational best practices start to kick in. The underlying strength of our business has always been our focus on technology and our commitment to innovation, and the disciplined growth strategy that we have adopted has helped us navigate consistent performance even during times of great economic volatility.

The World Bank has predicted a global growth slowdown to 2.6 percent in 2019, 0.3 percent point lower than its earlier forecast due to weaker-than-expected trade and investment at the start of the year. At the same time, the International Monetary Fund (IMF) scaled down India's economic growth projection to 7.3 per cent for the current financial year from its earlier forecast of 7.4 per cent and suggested that the country should continue to undertake economic reforms to create jobs.

Growth for 2018-19 was pegged at approximately 7.1 percent by the IMF, the lowest in the five-year tenure of the Modi government. We have felt the extent of this pressure in the international and domestic markets, and the weakened global economic growth has become an emerging hurdle in our growth path. However, India will remain the fastest-growing large economy as the nearest competitor China's growth is pegged at 6.6 percent, 6.3 percent and 6.1 percent for 2018, 2019 and 2020, respectively. Flagship initiatives such as the implementation of the GST legislation, Insolvency and Bankruptcy Code, FDI liberalisation and Make in India, launched by the Government of India have helped to sustain the growth across macro-economic parameters in our country.

The fundamental sentiment for this year for PTC has been our realisation of all things that are happening NOW, being the three key indicators of these current times:

- The financial strengthening and growth of our Numbers,
- The shaping of our Organisational Culture, and
- The Winning diversifications that the Company is moving towards.

These three phenomena define the value that we continue to create for our customers, employees and shareholders. I believe that our performance in the last year demonstrates the robustness of our strategy and the consistency of its execution. PTC delivered its highest revenue during the period, and the expectation for this growth to sustain, as capacity rises further and newer technologies come in to operation, is high.

This year, we have continued our strategic investments in technologies that will ensure our long-term competitiveness and disruptor advantage. Our efforts on metal powder manufacture and 3D printing shall be as crucial to our success as our focus on producing vacuum melt alloys and large investment cast parts. The nature of the manufacturing industry is also shifting with the advent of Industry 4.0 as advanced technologies combine with digital systems that make operations more dynamic. These systems, like artificial intelligence, big data analytics, and business monitoring algorithms shall amplify human productivity and dramatically increase the capability of core business activities. Hence, we have also turned our focus to transforming our operations by the use of digital technology to augment our practicesin customer relationship management, video analytics, compliance, quality control and assurance.

We are privileged to serve a wide range of customers, most of whom are leaders in their industries. It is heartening that they recognise the transformation that PTC has undergone, and the winning combination that it now offers them with its pathbreaking technologies, systems and processes and fundamental commitment towards enhancing customer profitability. With PTC as their partner, they shall be able to combine their deep knowledge of the industry, markets and products with the power of the best technologies, metallurgies and processes to generate more profitable revenue streams and capture a bigger share of the market.

Our implementation of organizational change and manufacturing excellence programs will enable our teams to demonstrate a more customer-centric and performance-driven culture. With increased accountability for quality and delivery, we are developing an approach aligned with the specific needs of each customer and the dynamics and trends within their markets. This will enable faster decision-making and clarity, as well as enhanced agility in our response, which will benefit our customers.

During the year, we bid farewell to two distinguished board members, Mr. Kasiviswanathan Mukundan and Ms. Shashi Vaish. Mr. Mukundan joined the Board in 2016 as a Nominee Director and brought with him a wealth of experience. His positive participation in the activities of the Board helped usgreatly and further cemented our belief in our strategy. His guidance and commitment to PTC shall be deeply missed. Ms. Shashi Vaish's presence has been a source of great support to me personally, and I am thankful for her contribution to the Company.

This year, we welcome Ms. Smita Agarwal, our CFO and an able partner in PTC's growth to the Board as a director. I have been fortunate to find in Smita a partner who shares my passion and pride for the Company and her induction on the Board comes at an opportune time. Smita is well qualified for this position, and her responsibilities have now been extended to include human resource and administrative functions. I am also happy to welcome Mr. Vishal Mehrotra as an independent director on the Board. Vishal is an advocate with many years of rich experience in his field, and a dear friend. His addition to the Board will bring new capabilities and skills which shall be extremely valuable in our journey ahead.

Our efforts of the past few years have begun to translate into financial performance that will continue to grow as the capacities and capabilities that we have built areutilised. Our optimism about the external economy and our own growth remains strong with the belief that our focus on technology and innovation shall be rewarded by not just financial performance, but also the loyalty and respect of our customers. We are investing in our future. This also applies to us as an employer. Last year, we began a process to ensure that PTC remains a company where people of all diversities enjoy working and find a deeply satisfying environment that encourages their personal growth and development. We also undertook structured skill development initiatives among fresh graduate trainees with metallurgical and engineering backgrounds. This was an exceptionally successful exercise, and the agility and curiosity these young engineers exhibited was both promising and exciting for us. A few years ago, we laid out a growth strategy designed to take advantage of the unique strengths that have made PTC a leader in its field. These included a sharp focus on technology; dedication to an innovative mindset; deep integration across our business processes; disciplined investment in equipment and infrastructure; and industry leading execution from our highly skilled workforce. With sheer focus, endurance and commitment to our goals, we have stayed the course and successfully managed to sustain and grow in an ever-challenging external environment. Through our combination of innovation, technology, talent and a culture rooted deeply in honouring our commitments, we have proven that as an organisation, we have the strength and resilience to deliver world-class, cutting edge products and solutions for the most critical applications. It is our commitment that we will continue to shape the Company towards a positive growth trajectory, and remain true to our vision, mission and values.

I am deeply grateful to each of our customers, suppliers, bankers, central and state government agencies, shareholders and employees for their willingness to embrace change as we transform this Company for unparalleled success. I am extremely optimistic about the positive industrial growth that has been set in motion by the government of Uttar Pradesh, and our experience of the support and encouragement that we receive from various government agencies and officials is a testament to the changing investment environment in Uttar Pradesh.

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

Sachin Agarwal,

Chairman and Managing Director

MESSAGE FROM THE COO

ENHANCING OUR CUSTOMER SUPPORT EXPERIENCE AND COMMUNICATION

Over the last year the dynamics of the global marketplace have continued to create a receptive atmosphere for our products as we begin to get rewarded for our innovation, consistency, and efficiency. An additional environment of consolidation within our industry has further created favourable conditions for our business, and the outlook for growth remains robust. This increasing demand from our targeted market sectors shows that the technology driven capacity expansion of our Ahmedabad plant, and the Advanced Manufacturing and Technology Centre (AMTC) have been timely.

The second area has been to maintain and accelerate our technological leadership through continuous improvement in our flagship processes, and introduction of new processes and technologies.

Within our client base, PTC has a strong brand awareness which is defined by the diversity in our technical capability and manufacturing processes. We have continued to engage with our existing customers, who in recognition of our service continue to expand their portfolios, and we have seen a growing trend towards completely finished cast parts, utilising all aspects of our process route and world class CNC machining capability.

Our twelve-months trategic development road map was identified last April through our new Business Planning Framework, and the past year has certainly been one of intense activity. Three key development themes were chosen and these have been worked upon methodically and diligently by our team.

Firstly, to support our growth in a sustained way, we have focused on **enhancing our customer support experience and communication.** Introduction of our Customer Relations Management software was the starting point, and this has been used to standardise the way we communicate with our customers by collecting and organising actionable customer data. All our Customer Support team are now trained in this discipline and we have visualised a minute-to-minute dashboard reporting correlated to our performance indicators. We will be rolling out these systems to other areas of our organisation in the coming year.

Tools such as this have been invaluable in the development of new business through direct sales and marketing activities and providing value-added solutions for our customers. Furthermore, in support of the new technologies, we have commenced the development of a global sales strategy to deliver greater revenue and margin across new market sectors, including Aerospace and Space. This has also entailed expanding our global presence through appointment of our new European Sales Manager, Steve Wadsworth.

The second area has been to **maintain and accelerate our technological leadership** through continuous improvement in our flagship processes, and introduction of new processes and technologies.

Advancements such as Reactive Alloy Production, Vacuum Melting and Metal Powder Manufacture have widened our material capability, consequently increasing requirements for metallurgical competence. To this end we strengthened our senior management team by employing one of our industry's leading technical experts: James Collins. Additionally, we have also recruited almost a dozen new Materials Graduate Engineers to build an ecosystem of constant metallurgical development, exploration and innovation.

Jim and his team have now implemented a Production Control System for our new capabilities in the areas Ultra Large Investment Casting, Titanium & Superalloys and Additive & Powder Metallurgy. These areas are now working to industry recognised standards and quality, contributing significantly to production output.

Our success in the field of vacuum melting has created a capability for us to engage in Aerospace projects, and to this end we have started the implementation of AS 9100 standards which will be specifically for our business related to aerospace and manufacture of super-critical components. This demonstrates PTC's wide vision with both an alignment to the customer's requirements and a strong commitment to upskilling the workforce.

Now, we have the appropriate structure and systems, which when combined with our unique manufacturing technologies are ready to offer volume Rapid Manufacturing or manufacturing through 3D Printing and make us uniquely qualified for the applications we serve.

In Rapidcast™ we can make investment cast quality parts up to 6,000 kgs in weight; few suppliers around the world have the capability to produce such large parts, with consistent dimensional accuracy and exceptional surface finish. To facilitate this, our casting manufacturing capabilities are characterised by Robotics and Automation, we employ 7-Axis Robotic Machining and Automated Investment Shell production lines for even the largest castings.

MESSAGE FROM THE COO

CHANGE MANAGEMENT AND BUSINESS PROCESS RE-ENGINEERING

The high design flexibility offered by these processes gives end-users the liberty to choose the shape and size of investment casting, and more importantly the perfect process to produce a part as per the designer's intent. In addition, both techniques can be used with our new PourPure™ system which we have created specifically for the manufacture of Oxidisable Alloy grades such as Nickel Aluminium Bronze.

Our reactive alloy casting facility is now becoming fully operational where we produce both castings and forging pre-forms in Titanium, Zirconium, Inconel and Superalloys with up to 100 kilograms poured weight. These are essential components in applications such as petrochemical, marine propulsion and aerospace.

Many of these high integrity components are subject to Hot Isostatic Pressing (HIP), consequently we will shortly commence NADCAP and AS9100 approval for our in-house facility which will be the largest and only commercial unit in India. More recently, by employing HIP, we also have the capability to produce consolidated parts in high purity and exotic metals through our own unique Powder Metallurgy processes in Titanium, Zirconium, Cobalt and Additive Manufacturing.

Finally, we have worked hard in the area of **Change Management and Business Process Re-engineering** to meet the changing nature of our business and deliver bottom line improvement. The rate of technological development with our business has made it essential that we create change from within by nurturing our people to. Skill-development and training have been at the heart of this, while also we have continued to further unlocking the potential of our ERP systems, compliance and QMS software. Using these tools, the PTC team have also worked to identify gaps in performance so we that have been able to quantify main areas of opportunity and development. With this approach, productivity has been increased in every department and this is clearly demonstrated in the growth of our revenue in our annual results.

With all these new developments and initiatives, we are now well positioned to capitalise on the potential of our installed base to accelerate the growth of the Company. It is clear that the intrinsic knowledge from all these developments will flow down into all our businesses and have a lasting impact on our future potential, and the future of India in this sector. As always, we remain committed to creating a unique capability in the country and delivering unprecedented growth for all our stakeholders in the coming years.

Anthony Rowett
Chief Operating Officer


PTC INDUSTRIES

COMPANY PROFILE

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

EARLY YEARS AND GROWTH

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

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

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

PTC began to expand its operations and in 1990 acquired a sand-moulding foundry in Bhiwadi, Rajasthan to supplement its growing export demand in the US for castings with marine applications. In 1991, a machine shop was acquired in Lucknow for value addition to the existing products. The Ahmedabad Plant was set up in 2001 with facilities for Investment Castings and later a CNC Machine Shop fully equipped with Turning Centres, Turn Mill Centres, Vertical & Horizontal Machining Centres was also added.

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

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

ACCOLADES AND ACHIEVEMENTS

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

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

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

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

COMMITMENT TO QUALITY

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

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

PTC has the following approvals in place:

Quality Management System:

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

Marine Classification Approvals:

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

Other Approvals:

- Department of Scientific and Industrial Research (DSIR) Approval of our In-House R&D Unit

MANPOWER - OUR KEY STRENGTH

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

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

PTC encourages employees to perform to their best ability and supports open collaboration, engagement and involvement. Constant improvements are brought about in work practices and productivity by adherence to the best practices and an efficient system of motivation. PTC believes in being an equal opportunity employer and strives to attract the best available talent and ensure diversity in its workforce. Diversity and Inclusion are important aspects of sustainable business growth and we call this the 'winning balance'. The culture imbibes values that aim to enhance the quality of life of the employees. PTC's team of highly motivated and dedicated employees is its primary asset, who are also considered to be the seeds for its holistic growth and prosperity.

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

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

INFRASTRUCTURE

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

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

A large Robotic 7-Axis Machining Centre has been developed by PTC to machine patterns using the concept of Virtual Tooling for the its RapidCast™ technology. Fully automated Robot assisted Shell Coating systems have been installed in both the Lucknow and Ahmedabad plants for shelling and moulding leading to remarkable consistency in quality, increase in efficiency, shorter lead times and less wastage.

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

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

BUILDING CAPACITY & CAPABILITY

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

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

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

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

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

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

GLOBAL RECOGNITION AND LOCAL STRENGTH

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

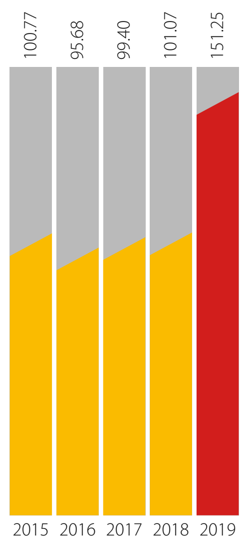
PTC manufactures products for various critical applications for a wide spectrum of industries including Aerospace, Oil & Gas, Liquefied Natural Gas (LNG), Ships & Marine, Valves and Flow-control, Power plants and turbines, Pulp & Paper machinery, Marine Propulsion and Mining and Earth moving machinery.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

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

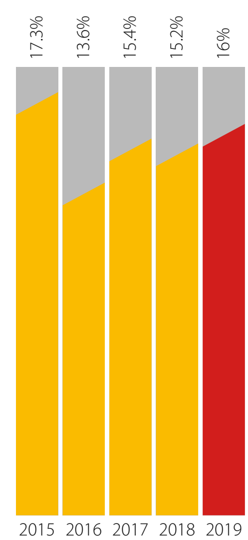
PTC has been exporting over three fourths of its products for more than 30 years to countries all over Europe, North America as well as other countries in Asia and South America. It has been contributing towards foreign exchange for the nation for the past 3 decades by generating nearly 80 percent of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

FINANCIAL HIGHLIGHTS

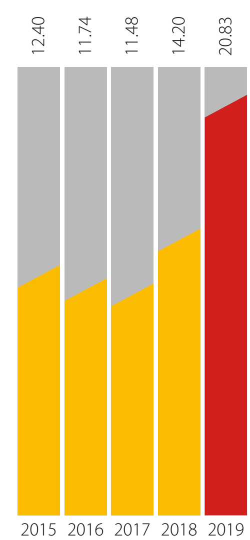
Revenue



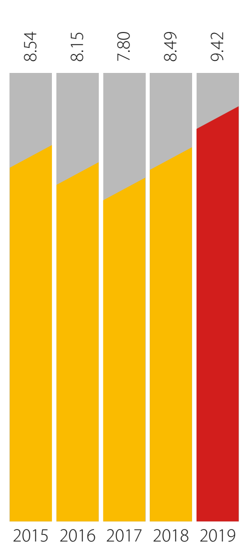
EBITDA



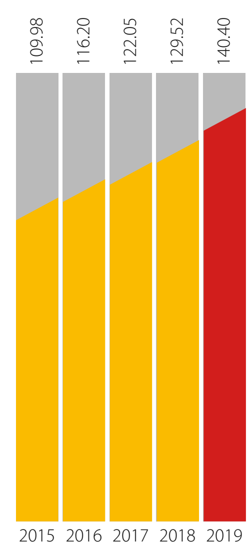
EPS



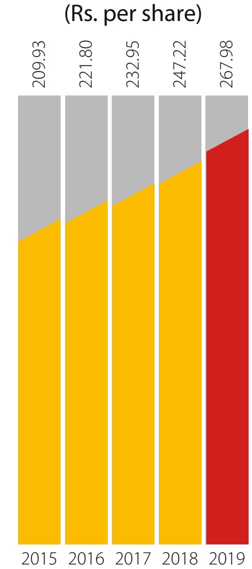
Profit Before Tax



Net Worth



Book Value of Shares
(Rs. per share)



GEOGRAPHICAL SALES
% of Total Revenue

27% Norway

19% Finland

14% India

13% Netherlands

10% USA

8% China

10% Others

COMPANY INFORMATION

Website: www.ptcil.com
CIN: L27109UP1963PLC002931

1

COMPANY SECRETARY
Anuj Nigam
CHIEF OPERATING OFFICER
Anthony Milne Rowett

2

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

3

AUDITORS
Walker Chandiok & Associates
L-41 Connaught Circus
New Delhi 110 001
India

4

REGISTERED OFFICE
Advanced Manufacturing &
Technology Centre,
NH25A, Sarai Shahjadi,
Lucknow 227 101
Uttar Pradesh, India

5

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

6

LUCKNOW PLANT 1
Malviya Nagar, Aishbagh
Lucknow 226 004
Uttar Pradesh, India

7

LUCKNOW PLANT 2
C-5 Sarojini Nagar
Industrial Estate
Lucknow 226 008
Uttar Pradesh, India

8

MEHSANA PLANT
Rajpur, Taluka Kadi,
District Mehsana 382 740
Gujarat, India

9

AMTC PLANT
NH 25A Sarai Shahjadi
Lucknow 227 101
Uttar Pradesh, India

10

WINDMILL POWER DIVISION
Surajbari Region
Shikarpur Village
Kutch District
Gujarat, India

BOARD OF DIRECTORS

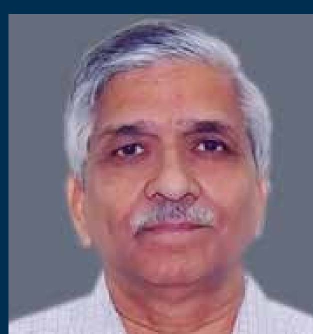
SACHIN AGARWAL
Chairman &
Managing Director, 47 Years
MBA, M.Sc (Finance)
Joined June18, 1998

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

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

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

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



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

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

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

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

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

DIRECTORS' REPORT

DEAR MEMBERS,

Your Directors are pleased to present the 56th Annual Report of the Company along with financial statements for the year ended 31st March 2019.

1. RESULTS OF OUR OPERATIONS

FINANCIAL HIGHLIGHTS

Table 1 gives the financial performance of the Company for the financial year 2018-19 as compared to the previous financial year.

TABLE 1 FINANCIAL HIGHLIGHTS		Rs. In Lakhs
	2018-2019	**2017-2018**
Revenue from Operations		
Revenue from Operations	15,124.80	10,133.38
Other Income	422.02	288.66
Total Income	**15,546.82**	**10,422.04**
Profit before Finance Cost, depreciation exceptional items and tax	**2,835.02**	**1,827.26**
Less: Finance Cost	921.36	401.53
Less: Depreciation	909.42	576.68
Less: Exceptional items	61.81	
Profit before Tax	**942.43**	**849.05**
Tax Expenses		
Current Tax	(91.41)	296.52
Deferred tax	(57.70)	(191.48)
Total Tax Expense	**(149.11)**	**105.04**
Profit after Tax	**1,091.54**	**744.01**

OPERATING RESULTS

The Company witnessed a substantial growth in revenue from operations by around 50% to Rs. 151.25 crores from Rs. 101.33 crores in the previous year. This is a result of improved and modern facility set up at AMTC Plant. The Company continues to use a part of its capacity for trials and research for the new technologies that are being introduced in its new manufacturing facility, the Advanced Manufacturing & Technology Centre, thereby utilizing part of its capacity for development of new products for the future.

Profit before finance cost, depreciation and amortisation, exceptional items and tax, as a percentage of revenue from operations, has marginally improved to 18.7% from 18.0% in previous year, although in absolute terms it has risen by an astounding 55%. The Profit after tax also increased to Rs. 10.92 crores from Rs. 7.44 crores in the previous year due to increase in revenue from the AMTC plant which has commenced commercial production during the year.

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

DIVIDEND

The Company has already commercialized the first phase of manufacturing at the Advanced Manufacturing & Technology Centre (AMTC) in Lucknow, Uttar Pradesh. At this stage, a substantial investment has already been made in new technologies and capabilities for this new facility, effects of which are expected to show in the Company's financial performance in the coming years. The Company's investment in this plant for commercialization of the next phase is still underway for which further outlay of funds is envisioned. Hence, the directors do not consider it prudent to recommend any dividend for the year ended on March 31, 2019 The Company has also not transferred any amount to General Reserve during the year. The amount of Rs. 10.92 crores is proposed to be retained in the profit and Loss Account for the year ended on March 31, 2019.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As per the requirement of section 186(4) of Companies Act, 2013, particulars of loans given, investments made, guarantees given or securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statements starting from page number 123. The Company is in compliance with the limits as prescribed under Section 186 of Companies Act, 2013 read with rule 11 of the Companies (Meeting of Board and its Powers) Rules, 2014.

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

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

Particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013, are presented in Annexure II to the Directors' Report in Form AOC 2. The Company's policy on related party transactions may be accessed on the Company's website at http://www.ptcil.com.

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

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

2. BUSINESS

NEW UNIT

The company had envisioned a state-of-the-art project called the Advanced Manufacturing & Technology Centre, (AMTC) in Lucknow, India to house the most advanced component manufacturing technologies and infrastructure in the world. This facility has been set up in Lucknow, Uttar Pradesh and shall manufacture products for super-critical applications like Aerospace, Power Plants, Oil & Gas, Chemical Processing and Medical Implants.

The technologies and facilities available in this plant have created an indigenous capability for manufacture of high precision components with unparalleled quality, consistency and reliability for super-critical applications. For the first time ever, Titanium Casting technology and manufacturing capability is being brought to India within this facility. The unit shall provide import substitution for key components and pave the way for a new era of best-in-class-manufacturing in the country.

This facility houses more than 20 unique advanced technologies in metal component manufacturing under a single roof making it the most advanced manufacturing facility in the world in this segment. Apart from exhibiting PTC's trademarked indigenously developed technologies like RapidCast™, PrintCast™, forgeCast™, Powderforge™ and TiCast™, the new unit has also created direct employment opportunities for over 500 people and indirect employment for even a greater number. This facility shall also help in the training and development of skills of the employees on advanced equipment, robots, CNC machines, automation and best-in-class technologies with the help of technology partners, machine manufacturers and vendors across the world from countries like the United Kingdom, USA, Germany, Japan etc.

The Company had submitted a proposal amounting to Rs. 51 Crores to the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Government of India for acquisition and customisation of Technology for Development & Commercialisation of Titanium Castings with Ceramic Shelling under the Technology Acquisition Fund Programme (TAFP). The department has committed partial support as a grant of Rs. 10 Crores out of a total cost of Rs. 51 crores for a project duration of four years from the date of signing of MoU with Global Innovation and Technology Alliance (GITA). Further, the Department of Science & Technology, Government of India has also funded PTC's RapidCast™ Commercialization Project under the Technology Development & Demonstration Programme for an amount of Rs. 5 Crores.

With the new technology and capabilities that have been added to this project including TAFP Project, the total capital expenditure planned for this project is being met by borrowing from bank and financial institutions, internal accruals, government grants and raising fresh funds through issue of equity/convertible securities.

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

SUBSIDIARY

During the year under report company have no subsidiary company nor have any controlling interest in any body corporate.

RESEARCH AND DEVELOPMENT

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

The Company has successfully completed its Technology Development and Demonstration Programme (TDDP) for development and commercialization of the RapidCast™ technology for manufacture of stainless steel castings of weight up to 6,000 kilograms. The Company has been conducting several trials in this project and the project has been reviewed and approved by the Project Review Committee appointed by DSIR.

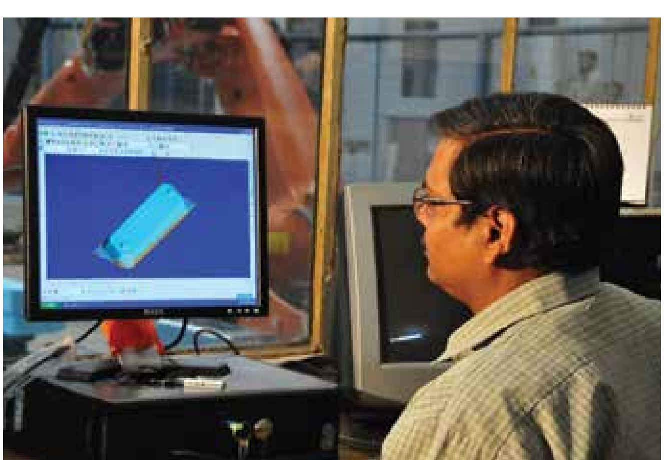
Additionally, the Company's project for acquisition and customisation of Technology for Development & Commercialisation of Titanium Castings with Ceramic Shelling under the Technology Acquisition Fund Programme (TAFP) during the year has also been approved by the Department of Heavy Industry, Ministry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

The company has also been devoting a lot of time and effort into development of technologies related to 3D printing and additive manufacturing using metal powders. The technologies and processes developed from these initiatives shall also have a significant impact on the metal component industry and the manufacture of critical metal components in the future.

QUALITY AND SAFETY

The Company has always held quality, safety, training, development, health and environment at the highest level of importance. It continues to deliver value to its customers through its commitment to quality. It holds international quality standard certifications such as ISO 9001:2015, PED (Pressure Equipment directive), AD 2000 Merkblatt and various Marine Classification Approvals along with a DSIR approved Research and Development laboratory.

The Company strengthened its commitment to health and safety with continuing investment in building safe and reliable production facilities. The usage of Personal Protective Equipment (PPE) and safety awareness of every employee is vital to an injury, hazard and accident free workplace. The new Advanced Manufacturing & Technology Centre has been designed keeping in mind the key principles of the company for environmental preservation and protection. It focuses significantly on improving the efficiency of the operations



through implementation of innovative technologies, and the use of global best practices to minimize its impact on the environment. The company continues to carry out comprehensive reviews of its health and safety principles and put in place improvement measures to ensure compliance with international standards. With the induction of qualified personnel and the management of operations by a capable Chief Operating Officer and a qualified management team, the Company's foundations of a quality-centric work culture have also been strengthened for an enabling and positive work environment. The company has invested in equipment to extract dust, smoke and smell in order to make the working environment clean and healthy. Every employee is tasked with ensuring safety for themselves and those around them, as well as has the right to intervene in a situation where work may be performed in an unsafe manner.

The Company works to efficiently manage its operations to minimize the impact on the environment to preserve it for the present and future generations. It also regularly initiates activities to contribute positively to the communities around or near its operations for the wellbeing of all.

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

AWARDS & RECOGNITIONS

PTC was selected winner of CII (Confederation of Indian Industries) Industrial Innovation Awards 2018 in the category of Manufacturing – Medium. This is an extremely prestigious honour that has been bestowed on the Company by one of the foremost industrial association of the country. During the year, Ms. Smita Agarwal, Director and Chief Financial Officer of the Company was recognised by NITI Aayog as one of the top 60 women entrepreneurs in the country at their Women Transforming India Awards 2018.

3. HUMAN RESOURCE MANAGEMENT

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

The efficiency of our workers has always been a key priority for the Company as it is moving towards larger capacities and greater capabilities. PTC already began to focus even on business process optimization, efficiency improvement and cost reduction since the last few years. This initiative is being given even more focus and administrative and organizational changes have been implemented with the initiation of operations in the new plant.

The Company continued to undertake both internal and external training programs and seminars in varied fields relating to management, operations, finance and technology to ensure that its employees' competencies are constantly updated to meet PTC's current and future business needs. Employees are encouraged to constantly learn about technological developments in the industry and novel approaches adopted by others in the world to update their knowledge and skills.

Cross-functional training and skill development is constantly encouraged. Traditionally, the Company pays attention to the development of training resources with the aim to accumulate and spread knowledge within the Company and to develop employees' educational and training base at the level of international standards. The Company has initiated a number of in-house and external training programs especially with a substantial focus on building manufacturing excellence. Work is constantly underway for development of in-house training resources and infrastructure to help inculcate a strong culture of learning and process improvement in the organisation.

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

The management at PTC is committed to its dictum of innovation and regularly demonstrates this intent with its words and actions. This active participation enables them to spot inflection points that may be missed by their staff and also gives them a deeper intuition when it's time to take a decision. Apart from regular interaction, the management provides ample opportunities for inventive thoughts to come forward through exclusive pages and time devoted to creative and innovative thinking in our in-house magazine and office functions.

PARTICULARS OF EMPLOYEES

The disclosure as required under the provisions of Section 197 (12) of the Companies Act, 2013, read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been given at Annexure III of this report.

Pursuant to Section 197(12) of the Companies Act, 2013 read with the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars are given for employees drawing remuneration in excess of specified therein at Annexure III of this report.

4. CORPORATE GOVERNANCE

As stipulated in Schedule V Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance forming part of the Directors' Report and certificate from Practicing Company Secretary confirming the compliance of the conditions on Corporate Governance are included in the Annual Report.

NUMBER OF MEETINGS OF THE BOARD

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company seeks to maintain an appropriate mix of executive and independent directors in order to maintain the independence of the Board and segregate the functions of governance and management. The Board consists of professionally qualified individuals from diverse backgrounds with wide experience in business, education, finance and public service. As at year end, the Board consists of 8 directors, one of whom is Chairman & Managing Director, three are Whole-time directors and four are Independent directors. The casual vacancy caused by the resignation of Ms. Shashi Vaish on February 15, 2019, was filled on June 01, 2019 by the appointment of Ms. Smita Agarwal as a Whole-time director. One more Independent director has been inducted on the Board with effect from August 10, 2019. Your Company, in compliance with section 178(1) of the Companies Act, 2013 read with The Companies (Meeting of Board and its Powers) Rules, 2014, has duly constituted a Nomination and Remuneration Committee. This committee is chaired by an independent director and formulates the criteria for determining qualifications, positive attributes, independence of a director and other matters.

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

INDUCTION AND CHANGES

In accordance with the provisions of Section 152 of the Act read with Article 158 and 159 of the Articles of Association of the Company, Mr. Alok Agarwal will retire by rotation at the ensuing AGM and being eligible, offer himself for reappointment. The Board has recommended his reappointment.

Mr. Kasiviswanathan Mukundan, Nominee Director, resigned from the Directorship of the Company with effect from February 1, 2019.

Ms. Shashi Vaish, Independent Director, resigned from the Directorship of the Company with effect from February 15, 2019 on account of her age and health.

The Board at the meeting held on May 27, 2019, on the recommendation of the Nomination and Remuneration Committee, recommended for the approval of the Members appointment of Ms. Smita Agarwal as a Whole Time Woman Director of your Company, liable to retire by rotation, for a period of five years with effect from June 01, 2019.

The Board at their meeting held on August 10, 2019, on the recommendation of the Nomination and Remuneration Committee, recommended for the approval of the Members, the appointment of Mr. Vishal Mehrotra, a legal professional with an experience of 21 years, as an Independent Director of the Company for the period of five years with effect from August 10, 2019.

Further, the Board at the meeting held on May 27, 2019, on the recommendation of the Nomination and Remuneration Committee, recommended for the approval of the Members, the re-appointment of Mr. Krishna Das Gupta, Mr. Rakesh Chandra Katiyar and Mr. Ajay Kashyap as Independent Directors of your Company in terms of Section 149 of the Act and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015') for the second term of five years with effect from the ensuing 56th annual general meeting.

Requisite Notices under Section 160 of the Act have been received in respect of Ms Smita Agarwal, Mr. Vishal Mehrotra, Mr. Krishna Das Gupta, Mr. Rakesh Chandra Katiyar and Mr. Ajay Kashyap, who have filed their consents to act as Directors of the Company, if appointed. Appropriate resolutions seeking your approval to the above are appearing in the Notice convening the 56th AGM of your Company.

ATTRIBUTES, QUALIFICATIONS & INDEPENDENCE OF DIRECTORS AND THEIR APPOINTMENT

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

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

DECLARATION BY INDEPENDENT DIRECTORS

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

BOARD EVALUATION

The Nomination and Remuneration Committee, as reported in earlier years, formulated the Policy on Board evaluation, evaluation of Board Committees' functioning and individual Director evaluation, and also specified that such evaluation will be done by the Board, pursuant to the Act and the Rules thereunder and the Listing Regulations 2015. In keeping with PTC's belief that it is the collective effectiveness of the Board that impacts Company's performance, the primary evaluation platform is that of collective performance of the Board as a whole. Board performance is assessed against the role and responsibilities of the Board as provided in the Act and the Listing Regulations 2015 read with the Company's Governance Policy. The parameters for Board performance evaluation have been derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as to fulfil expectations of other stakeholders through strategic supervision of the Company. Evaluation of functioning of Board Committees is based on discussions amongst Committee members and shared by the respective Committee Chairman with the Board. Individual Directors are evaluated in the context of the role played by each Director as a member of the Board at its meetings, in assisting the Board in realising its role of strategic supervision of the functioning of the Company in pursuit of its purpose and goals. While the Board evaluated its performance against the parameters laid down by the Nomination and Remuneration Committee, the evaluation of individual Directors was carried out against the laid down parameters, anonymously in order to ensure objectivity. Reports on functioning of Committees were placed before the Board by the Committee Chairmen. The Independent Directors Committee of the Board also reviewed the performance of the non-Independent Directors and the Board, pursuant to Schedule IV to the Act and Regulation 25 of the Listing Regulations 2015

KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013 the Key Managerial Personnel of the Company are Mr. Sachin Agarwal, Chairman & Managing Director, Ms. Smita Agarwal, Director and CFO and Mr. Anuj Nigam, Company Secretary. There has been change in the Key Managerial Personnel during the year under report; Mr. Anuj Nigam has joined as a Company Secretary and Compliance Officer of the Company in place of Mr. Arun Kumar Gupta.

COMMITTEES OF THE BOARD

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

Name of the committee	Composition of the committee	Highlights of duties, responsibilities and activities
Audit committee	Dr. Rakesh Chandra Katiyar, Chairperson, Mr. Brij Lal Gupta, Member Mr. Krishna Das Gupta, Member Ms. Smita Agarwal, Member (CFO)	• All recommendations made by the committee during the year were accepted by the Board. • The Company has adopted the adopted the Higher Education Loan Policy for directors and employees to encourage employees to support higher education for their family members. • The Company also reviewed and enforced the Related Party Transaction Policy during the year.
Nomination and remuneration committee	Mr. Krishna Das Gupta, Chairperson, Mr. Brij Lal Gupta, Member Dr. Rakesh Chandra Katiyar, Member	• The Committee oversees and administers executive compensation. • All recommendations made by the committee during the year were accepted by the Board.
Stakeholders relationship committee	Dr. Rakesh Chandra Katiyar, Chairperson, Mr. Ajay Kashyap, Member Mr. Sachin Agarwal, Member Mr. Krishna Das Gupta, Member	• The Committee reviews and ensures redressal of investor grievances, ratifies share transfers, duplicate issue of certificates and transmissions. • The committee noted that no grievances of the investors have been reported during the year.

Corporate social responsibility committee	Mr. Krishna Das Gupta, Chairperson, Mr. Alok Agarwal, Member Dr. Rakesh Chandra Katiyar, Member	• The Board as laid down the Company's policy on Corporate Social Responsibility (CSR). • The CSR policy is available on Company website, www.ptcil.com
Project monitoring and environment committee	Mr. Sachin Agarwal, Chairperson Mr. Krishna Das Gupta, Member Mr. Alok Agarwal, Member Mr. Ajay Kashyap, Member	• It oversees and monitors the progress of large capital expenditures and projects being implemented by the Company • It monitors and oversight all the requirements which is required for smooth establishment of Company's new Plant, Advanced Manufacturing and Technology Centre. • It also assesses the impact of the operations of the Company on the environment and initiates steps for the identification of potential issues and provision of support in setting a direction for improvements.
Banking committee	Mr. Sachin Agarwal, Chairperson, Mr. Alok Agarwal, Member Mr. Brij Lal Gupta, Member	• Approval of sanction letters and/or borrowings at a time or by cumulative sum not exceeding Rs. 35,00,00,000 (Rupees thirty five crores) subject to fact that the Chairman of the Committee will place such approval at the subsequent meeting of the Board. • Passing of resolution(s) for opening, closing and operation of bank accounts with present bankers of the Company viz., State Bank of India, Punjab National Bank, HDFC bank, Yes Bank or any of the banks in future. • To authorise additions/deletions to the signatories pertaining to banking transactions. • To approve investment of surplus fund for an amount not exceeding Rs. 10,00,00,000 (Rupees Ten crores) as per the policy approved by Board. • To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivatives products. • Any approval and/or execution for day to day banking matters of the Company. • To attend to any other responsibility as may be entrusted by the Board to perform any activity within terms of reference.
Risk management committee	Dr. Rakesh Chandra Katiyar, Chairperson, Mr. Priya Ranjan Agarwal, Member Mr. Brij Lal Gupta, Member	• It makes recommendations to the Board to manage the risk of the Company and appraises the Board regarding any noticeable and relevant risks which can have an adverse effect on the affairs of the Company. • The Risk Management Policy of the Company can be accessed at www.ptcil.com.
Listing committee	Mr. Sachin Agarwal, Chairperson, Mr. Alok Agarwal, Member Ms. Smita Agarwal, Member (CFO), *Mr. Anuj Nigam, Company Secretary	• To oversee and monitor all tasks in relation to the listing of equity shares of the Company at stock exchanges.

*with effect from May 23, 2018

DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) in preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with the requirements set out under Schedule III of the Act have been followed and that there are no material departures from the same;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2019 and of the profit of the Company for year ended on that date;

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

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

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

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

ADOPTION OF IND-AS

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

LISTING

The Company has its equity shares listed on BSE Limited. The Company has paid listing fees for the year 2019-20. The Company has also established connectivity with both depositories, NSDL and CDSL.

4. AUDITORS

STATUTORY AUDITORS

The statutory auditors of the Company, M/s Walker Chandiok & Associates, Chartered Accountants were appointed as statutory auditors of the Company in the 51st Annual General Meeting of the Company to hold office until the conclusion of the 56th Annual General Meeting.

The Board on the recommendation of the Audit Committee, recommended for the appointment of M/s. Walker Chandiok & Co LLP, Chartered Accountants (Reg. No.001076N/N500013) as a statutory auditors for the period of five years, to hold office from the conclusion of 56th annual general meeting up to 61st Annual General Meeting of the Company, in accordance with the provisions of section 139 of the Companies Act, 2013 reads with Rule 3(7) of The Companies (Audit & Auditors) Rules, 2014. In this regard, the Company has received a certificate from the auditors to the effect that if they are appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. Appropriate resolution seeking your approval to the appointment and remuneration of Walker Chandiok & Co LLP as the Statutory Auditors is appearing in the Notice convening the 56th AGM of the Company.

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

SECRETARIAL AUDITOR

M/s Amit Gupta & Associates, Practicing Company Secretaries were appointed as secretarial auditors of the Company for the year 2018-19 as required under Section 204 of the Companies Act, 2013 and Rules made thereunder. The secretarial audit report for FY 2018-19, in Form MR3, forms part of the Annual Report at Annexure –V and carries no qualifications, reservations, adverse remarks or disclaimers and hence no explanations are required.

The Board has appointed M/s. Amit Gupta & Associates, Practicing Company Secretaries, as the secretarial auditor of the Company for the financial year 2019-20.

COST AUDIT

The Company maintains necessary cost records as specified by Central Government under sub-section 1 of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014. In terms of the provisions of Section 148 of the Companies Act, 2013, the Company is not required to have its cost records audited by a Cost Accountant in practice, as provide under Rule 7(i) of Companies (cost records and audit) Rules, 2014, since the Company has revenue from exports exceeding 75% of its total turnover. Mr. Arun Kumar Srivastava, Cost Auditor, has conducted Cost Audit for past several years, including FY 2017-18.

SIGNIFICANT AND MATERIAL ORDERS

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

AUDIT COMMITTEE AND VIGIL MECHANISM

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

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

EXTRACT OF ANNUAL RETURN

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

INTERNAL FINANCIAL CONTROLS

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

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

CREDIT RATING

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

Instrument	Rating Agency	Rating*	Outlook	Remarks
Term loan	India Ratings	IND BBB+	Negative	Rating affirmed
Fund Based Debt	India Ratings	IND BBB+ / IND A2	Negative	Rating affirmed
Non Fund Based Debt	India Ratings	IND A2		Rating affirmed

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

RISK MANAGEMENT

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

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

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

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

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

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

SECRETARIAL STANDARDS

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

GOING CONCERN STATUS

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

KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year ended 31st March, 2019, are provided in the Annexure forming part of this report.

CHANGES IN SHARE CAPITAL

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

EMPLOYEES STOCK OPTION SCHEME

In line with the recommendation of the nomination & remuneration committee, the board has recommended for approval of members of the company to create, issue, offer, grant and allot to or for the benefit of such person(s), who are the permanent Employees or Directors of the Company as may be permissible under the SEBI Regulations (hereinafter referred to as 'Employees') and as maybe decided by the Board under the scheme titled 'PTC Employee Stock Option Scheme 2019' (hereinafter referred to as 'PTC-ESOS 2019'), not exceeding 157,170 stock options convertible into 157,170 equity shares of the face value of Rs. 10 each fully paid-up, in such manner, during such period, in one or more tranches and on such terms and conditions including the price as the Board may decide in accordance with the SEBI Regulations or other provisions of the law as maybe prevailing at the relevant time. Appropriate resolutions seeking your approval to the above are appearing in the Notice convening the 56th AGM of your Company.

5. CORPORATE SOCIAL RESPONSIBILITY

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

As per the Companies Act, 2013, all companies with a net worth of Rs. 100 crore or more, or turnover of Rs. 1,000 crore or more or a net profit of Rs. 5 crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) committee of the Board of Directors comprising of three or more directors, at least one of whom should be an independent director and such company shall spend at least 2% of the average net profits of the company's immediately preceding three financial years on CSR activities. The Company has duly constituted a Corporate Social Responsibility (CSR) Committee pursuant to the requirement of Section 135(1) of Companies Act, 2013 and the Rules made thereunder. On the recommendation of CSR committee, the Board has approved the Corporate Social Responsibility Policy which is available on the company's website www.ptcil.com.

The Company has formed a trust, viz. PTC Foundation, in the year 2014-2015 for the purpose of undertaking CSR activities exclusively. PTC Foundation shall work along with the Board and the CSR committee in order to identify and implement CSR initiatives of the Company. Key CSR initiatives of the Company focus for providing primary and secondary education, supporting technical learning institutes, empowering women, improving health and sanitation facilities and promoting Indian art and culture. The Company has spent Rs. 16.29 Lakhs for its CSR activities during the financial 2018-19. Details of initiatives taken by PTC Foundation during the year are covered in the Corporate Social Responsibility Report attached as Annexure IV to this Directors' Report as per the requirement of Rule 9 of The Companies (Accounts) Rule, 2014.

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

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

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

The Company's has always had a very strict policy on the sexual harassment issues and has zero tolerance in this matter. Ensuring a safe environment for its women employees is a major priority for the Company and its management. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. It has formed an Internal Compliant Committee (ICC) to deal with all the matters or matters incidental thereof. In your Company's legacy of more than 55 years, no instance of sexual harassment has ever been reported by any employee. During the year 2018-19 also, the Company has not received any complaints of sexual harassment.

8. GENERAL

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

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

FORWARD-LOOKING STATEMENTS

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

ACKNOWLEDGEMENTS

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

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

On behalf of the Board of Directors

Place: Lucknow	**Sachin Agarwal**	**Alok Agarwal**
Date: August 10, 2019	Chairman & Managing Director	Director - Quality & Technical

ANNEXURE TO DIRECTORS' REPORT TO THE MEMBERS

Form No. MGT. 9 **ANNEXURE I**

Extract of Annual Return

(As on the financial year ended on March 31, 2019)

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Casting of Iron and Steel	2431	92%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company has no Subsidiaries and does not control, directly or indirectly, or have any direct or indirect equity participation in any corporation, partnership, limited liability company, trust or other business association.

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - April 1, 2018				Shareholding at the end of the year - March 31, 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	**Indian**									
(a)	Individuals / Hindu Undivided Family	2035160	0	2035160	38.85	2033760	0	2033760	38.82	-0.03
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	**1253260**	**0**	**1253260**	**23.92**	**1254660**	**0**	**1254660**	**23.95**	**0.03**
	Sub Total (A)(1)	**3288420**	**0**	**3288420**	**62.77**	**3288420**	**0**	**3288420**	**62.77**	**0.00**
[2]	**Foreign**									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**3288420**	**0**	**3288420**	**62.77**	**3288420**	**0**	**3288420**	**62.77**	**0.00**
(B)	**Public Shareholding**									
[1]	**Institutions**									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00

(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
[2]	**Central Government/ State Government(s)/ President of India**									
	Sub Total (B)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
[3]	**Non-Institutions**									
(a)	**Individuals**									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	156285	108610	264895	5.06	176214	93210	269424	5.14	0.09
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	270869	51400	322269	6.15	268100	51400	319500	6.10	-0.05
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Hindu Undivided Family	34167	0	34167	0.65	35503	0	35503	0.68	0.03
	Foreign Companies	1047813	0	1047813	20.00	1047813	0	1047813	20.00	0.00
	Non Resident Indians (Non Repat)	1150	0	1150	0.02	1477	0	1477	0.03	0.01
	Non Resident Indians (Repat)	2345	19300	21645	0.41	2973	14000	16973	0.32	-0.09
	Clearing Member	2513	0	2513	0.05	4415	0	4415	0.08	0.04
	Market Maker	0	7100	7100	0.14	0	7100	7100	0.14	0.00
	Bodies Corporate	162291	86800	249091	4.75	166638	81800	248438	4.74	-0.01
	Sub Total (B)(3)	**1677433**	**273210**	**1950643**	**37.23**	**1703133**	**247510**	**1950643**	**37.23**	**0.00**
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	**1677433**	**273210**	**1950643**	**37.23**	**1703133**	**247510**	**1950643**	**37.23**	**0.00**
	Total (A)+(B)	**4965853**	**273210**	**5239063**	**100.00**	**4991553**	**247510**	**5239063**	**100.00**	**0.00**
(C)	**Non Promoter - Non Public**									

[1]	**Custodian/DR Holder**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	**4965853**	**273210**	**5239063**	**100.00**	**4991553**	**247510**	**5239063**	**100.00**	

ii. Shareholding of Promoters

Sr No	Shareholder's Name	Shareholding at the beginning of the year - 1 April 2018			Shareholding at the end of the year - 31 March 2019			% change in shareholding during the year
		No. of Shares Held	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares Held	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	SACHIN AGARWAL	1245960	23.78	0.0	1244560	23.76	0.0	-0.02
2	MAPPLE COMMERCE PRIVATE LIMITED	623750	11.91	0.0	625150	11.93	0.0	0.02
3	NIRALA MERCHANTS PRIVATE LIMITED	460200	8.78	0.0	460200	8.78	0.0	0.00
4	PRIYA RANJAN AGARWAL	386000	7.37	0.0	386000	7.37	0.0	0.00
5	ALOK AGARWAL	215600	4.12	0.0	215600	4.12	0.0	0.00
6	VIVEN ADVISORY SERVICES PRIVATE LIMITED	169310	3.23	0.0	169310	3.23	0.0	0.00
7	ANSHOO AGARWAL	62300	1.19	0.0	62300	1.19	0.0	0.00
8	SATISH CHANDRA AGARWAL	30400	0.58	0.0	30400	0.58	0.0	0.00
9	BINA AGRAWAL .	28500	0.54	0.0	28500	0.54	0.0	0.00
10	KANCHAN AGARWAL	21200	0.40	0.0	21200	0.40	0.0	0.00
11	KIRAN ARUN PRASAD	19200	0.37	0.0	19200	0.37	0.0	0.00
12	MANU AGARWAL	10000	0.19	0.0	10000	0.19	0.0	0.00
13	RITIKA AGARWAL	10000	0.19	0.0	10000	0.19	0.0	0.00
14	REENA AGARWAL	4000	0.08	0.0	4000	0.08	0.0	0.00
15	ARUN JWALA PRASAD	2000	0.04	0.0	2000	0.04	0.0	0.00
	Total	**3288420**	**62.7673**	**0.0**	**3288420**	**62.7673**	**0.00**	**0.00**

iii. Change in Promoters' Shareholding

Sr No.		Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
	Name & Type of Transaction	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	SACHIN AGARWAL	1245960	23.7821			1245960	23.78
	Transfer			26 Oct 2018	-1400	1244560	23.76
	AT THE END OF THE YEAR					**1244560**	**23.76**
2	MAPPLE COMMERCE PRIVATE LIMITED	623750	11.9058			623750	11.91
	Transfer			26 Oct 2018	1400	625150	11.93
	AT THE END OF THE YEAR					**625150**	**11.93**

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

Sr No.		Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year – 2019	
	Name & Type of Transaction	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	PRAGATI INDIA FUND LIMITED	1047813	20.00			1047813	20.00
	AT THE END OF THE YEAR					**1047813**	**20.00**
2	JOLEN MARKETING PRIVATE LIMITED	152002	2.90			152002	2.90
	AT THE END OF THE YEAR					**152002**	**2.90**
3	SHASHI BALA AGARWAL	46700	0.89			46700	0.89
	Transfer			29 Mar 2019	-100	46600	0.89
	AT THE END OF THE YEAR					**46600**	**0.89**
4	RAHEJA LEASING AND INVEST PVT LTD	43200	0.82			43200	0.82
	AT THE END OF THE YEAR					**43200**	**0.82**
5	AJAY KUMAR KAYAN	32875	0.63			32875	0.63
	Transfer			11 May 2018	-336	32539	0.62
	Transfer			14 Sep 2018	-781	31758	0.61
	Transfer			11 Jan 2019	-890	30868	0.59
	Transfer			18 Jan 2019	-5	30863	0.59
	AT THE END OF THE YEAR					**30863**	**0.59**
6	DHRUVA JI AGRAWAL (HUF)	26500	0.51			26500	0.51
	AT THE END OF THE YEAR					**26500**	**0.51**
7	AVINASH JAIN	25986	0.50			25986	0.50

	AT THE END OF THE YEAR					**25986**	**0.50**
8	PADMANABH TRADING (P) LTD.	0	0.00			0	0.00
	Transfer			29 Sep 2018	5000	5000	0.10
	Transfer			26 Oct 2018	18600	23600	0.45
	AT THE END OF THE YEAR					**23600**	**0.45**
9	RAVINDRA KUMAR AGARWAL	20200	0.39			20200	0.39
	AT THE END OF THE YEAR					**20200**	**0.39**
10	MANALI TRADING AND HOLDINGS PRIVATE LIMITED	21300	0.41			21300	0.41
	Transfer			26 Oct 2018	-21300	0	0
	AT THE END OF THE YEAR					**0**	**0**

V. INDEBTEDNESS

Indebtedness of the Company is as follows:

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year April 1, 2018				
i) Principal Amount	8,474.28	-	-	8,474.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	62.56	-	-	62.56
Total (i+ii+iii)	**8,536.84**	**-**	**-**	**8,536.84**
Change in Indebtedness during the financial year				
- Addition	-			-
- Reduction	(43.91)	-	-	(43.91)
Net Change	**(43.91)**			**(43.91)**
Indebtedness at the end of the financial year March 31, 2019				
i Principal Amount	8,475.96	-	-	8,475.96
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	16.97	-	-	16.97
Total (i+ii+iii)	**8,492.93**	**-**	**-**	**8,492.93**

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Sachin Agarwal, Managing Director	Alok Agarwal, Director (Quality & Technical)	Priya Ranjan Agarwal, Director (Marketing)	Ashok Kumar Shukla Executive Director*	
1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961	9,476,655	2,781,534	2,627,202	6,805,879	**21,691,270**
	(b)Value of perquisites u/s 17(2) Income-tax Act, 1961	28,800	28,800	28,800	28,800	**115,200**
	(c)Profits in-lieu of salary under section17(3) Income-tax Act, 1961	-	-	-	-	**-**
2.	Stock Option	-	-	-	-	**-**
3.	Sweat Equity	-	-	-	-	**-**
4.	Commission - as % of profit - others	3% of profit of the Company -	- -	- -	7% of Adjusted profit of Mehsana Plant	
5.	Others	-	-	-	-	**-**
	Total(A)	**9,505,455**	**2,810,334**	**2,656,002**	**6,834,679**	**21,806,470**
	Ceiling as per the Act					Refer Note *

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

B. Remuneration to other directors

Particulars of Remuneration	Name of Director						Total Amount
	Rakesh Chandra Katiyar	Krishna Das Gupta	Shashi Vaish	Ajay Kashyap	Brij Lal Gupta	Kasiviswanathan Mukundan	
Independent Directors ·Fee for attending board committee meetings	57,600	51,300	6,300	9,000	54,000	-	1,78,200
·Commission	-	-	-	-	-	-	-
·Others	-	-	-	-	-	-	-
Total(1)	**57,600**	**51,300**	**6,300**	**9,000**	**54,000**	**-**	**1,78,200**

Other Non-Executive Directors							
-Fee for attending board committee meetings	-	-	-	-	-	18,000	-
- Commission	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total(2)	**-**	**-**	**-**	**-**	**-**	**18,000**	**18,000**
Total(B)=(1+2)	**57,600**	**51,300**	**6,300**	**9,000**	**54,000**	**18,000**	**196,200**
Total Managerial Remuneration	**57,600**	**51,300**	**6,300**	**9,000**	**54,000**	**18,000**	**196,200**
Overall Ceiling as per the Act							Refer Note *

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

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

Sr. No.	**Particulars of Remuneration**	**Key Managerial Personnel**			
		Arun Kumar Gupta Company Secretary wef. April 01, 2018 to May 22, 2019.	***Anuj Nigam Company Secretary wef. May 23, 2018 to March 31, 2019**	**Smita Agarwal Chief Financial Officer**	**Total**
	Gross salary a) Salary as per provisions contained in section17(1)of the Income-tax Act,1961	945,337	2,813,718	2,832,592	**6,591,647**
	b) Value of perquisites u/s 17(2)Income-tax Act,1961			28,800	**28,800**
	c) Profits in-lieu of salary under section 17(3)Income-tax Act,1961				
	Stock Option	-		-	**-**
	Sweat Equity	-		-	**-**
	Commission - as% of profit - others	- -		- -	**-** **-**
	Others, please specify	-		-	**-**
	Total	**945,337**	**2,813,718**	**2,861,392**	**6,620,447**

* Mr. Anuj Nigam has joined as a Company Secretary and Compliance Officer of the Company in place of Mr. Arun Kumar Gupta wef. May 23, 2018.

VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There are no penalties, punishments or compounding of offence on directors or on Company or any other officer in default for the year ended as on March 31, 2019.

FORM NO. AOC. 2 **ANNEXURE II**

Particulars of contracts/arrangements entered with related parties

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

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

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

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

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

   During the year, the Company has no contracts or arrangement or transactions which are material in nature. All the transactions were at arm's length basis. For and on behalf of Board of Directors

For and on behalf of Board of Directors

	(Sachin Agarwal)	**(Alok Agarwal)**
Place: Lucknow	Chairman & Managing Director	Director, Quality & Technical
Date: May 27, 2019	(DIN: 00142885)	(DIN: 00129260)

Particulars of Employees

ANNEXURE III

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

(Amount in lakhs)

Name of Whole time Directors	Designation	Remuneration in year 2018-19 (In Rs.)	Remuneration in year 2017-18 (In Rs.)	% increase in remuneration	Ratio of remuneration to median remuneration of employees	Ratio of the remuneration to Net Profit (2018-19)
Sachin Agarwal	Chairman & Managing Director	95.05	91.79	3.55	50	0.09
Alok Agarwal	Director (Quality & Technical)	28.10	27.61	1.78	15	0.03
Priya Ranjan Agarwal	Director (Marketing)	26.56	25.23	5.27	14	0.02
Ashok Kumar Shukla	Director	68.35	15.80	- *	36	0.06

* Not determinable as Mr. Ashok Kumar Shukla was appointed as Director w.e.f. Oct 1, 2017 hence his salary in FY 2017-18 has been for 6 months only.

(Amount in lakhs)

Name of Non-Executive Director (Independent Director)	Remuneration in year 2018-19 (In Rs.)	Remuneration in year 2017-18 (In Rs.)	% increase in remuneration
Krishna Das Gupta	0.51	0.47	10.38
Ajay Kashyap	0.09	0.13	(30.77)
Dr. Rakesh Chandra Katiyar	0.58	0.44	32.41
Shashi Vaish	0.06	0.21	(69.27)
Brij Lal Gupta	0.54	0.38	42.11

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

(Amount in lakhs)

Name of Non-Executive Director	Remuneration in year 2018-19 (In Rs.)	Remuneration in year 2017-18 (In Rs.)	% increase in remuneration
Kasiviswanathan Mukundan	0.18	0.32	(45.00)

(Amount in lakhs)

Name of KMP	Remuneration in year 2018-19	Remuneration in year 2017-18	% increase in remuneration	Ratio of the remuneration to Net Profit (2018-19)
Sachin Agarwal	95.05	91.79	3.55	0.09
Smita Agarwal	28.61	25.02	14.34	0.03
Arun Kumar Gupta*	9.45	20.75	- *	0.01
Anuj Nigam*	28.14	0.0	- *	0.03

* Not determinable as Mr. Anuj Nigam has joined as a Company Secretary and Compliance Officer of the Company in place of Mr. Arun Kumar Gupta wef. May 23, 2018.

i. The median remuneration of employees for the year is Rs. 1,89,618 (previous year Rs. 1,71,664). Increase in the median remuneration is 10.46% over the previous year.

ii. The Company has 603 permanent employees (previous year 622) on the rolls, as at the year ended on March 31, 2019.

iii. The Company's profit for the year stood at Rs. 10.92 crores at the year ended on March 31, 2019 as compared to Rs. 7.44 crores for the year ended on March 31, 2018. The percentage of increase in the net profit of the Company is 45.56%. The increase in the remuneration of all KMPs has been 17.22% in year 2019 as compared to year 2018. Variation in remuneration has been based on the recommendation of Nomination and Remuneration Committee of the Company, the remunerations are at par with comparable industry average.

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

Sl. No.	Particulars	Value
1.	**Market Cap variation**	
	MCap on March 31, 2018 (in Lacs)	29,705
	MCap on March 31, 2019 (in Lacs)	20,961
	Variation (in Lacs)	(8744)
2.	**Price Earnings ratio**	
	PE as on March 31, 2018	39.93
	PE as on March 31, 2019	19.21
	Variation	(20.72)
3.	**% Decrease/Increase in market quotations of shares from last public offer**	
	OFS price per share (on May 2, 1995) (in Rs.)	55
	Market price as on March 31, 2019 (in Rs.)	400.10
	Increase from last IPO (%)	627.45%

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

Particular of remuneration	Key Managerial Personnel						
	Mr. Sachin Agarwal, Chairman & Managing Director	Mr. Alok Agarwal, Whole time Director	Mr. Priya Ranjan Agarwal, Whole time Director	Mr. Ashok Kumar Shukla, Executive Director	Mrs. Smita Agarwal, Chief Financial Officer	*Mr. Arun Kumar Gupta Company Secretary wef. April 01, 2018 to May 22, 2019.	*Mr. Anuj Nigam, Company Secretary wef. May 23, 2018 to March 31, 2019
Remuneration during the year (in lakhs)	95.05	28.10	26.56	68.35	28.61	9.45	28.14
Revenue (lakhs)	15,124.80						
Remuneration as % of Revenue	0.63	0.19	0.18	0.45	0.19	0.06	0.19
Profit before tax (in lakhs)	9,42.43						
Remuneration as % of Profit before tax	10.09	2.98	2.82	7.25	3.04	1.00	3.04

* Mr. Anuj Nigam has joined as a Company Secretary and Compliance Officer of the Company in place of Mr. Arun Kumar Gupta w.e.f. May 23, 2018.

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

Sr. No.	Name	Remuneration (Gross) (In Rs.)	Designation	Qualification	Date of Employment	Total Experience (Years)	Age in Years	Particular of Last Employment and Designation	No. of Equity shares held	% of Shareholding
1.	Mr. Anthony Milne Rowett	1,42,51,840	Chief Operating Officer	B. Eng (Hons) – Material Science	March 15, 2017	27	48	General Manager, Bradken Europe	-	-

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

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

Sr. No.	Name	Remuneration (Gross) (In Rs. Lakhs)	Designation	Qualification	Date of Employment	Total Experience (Years)	Age in Years	Particulars of Last Employment and Designation	No. of Equity shares held	% of Shareholding
1	Mr. Anthony Milne Rowett	142.52	Chief Operating Officer	B. Eng (Hons) - Material Science	March 15, 2017	27	48	Bradken Europe, General Manager	-	-
2	Mr. Sachin Agarwal	95.05	Chairman & Managing Director	MBA, M.Sc (Finance)	June 18, 1998	21	47	-	1,244,560	23.76
3	Mr. Ashok Kumar Shukla	68.35	Whole Time Director	B.Tech	October 01, 2017	29	51	-	81,369	1.55
4	James Michael Collins	68.33	Product & Process Development Manager	B.Eng(hons) Material Science and Engineering	December 11, 2017	12	32	Foundry Process Engineer/ Consultant with Castings Technology International Ltd (UK)	-	-
5	Ms. Smita Agarwal	28.61	Chief Financial Officer	C.A., DISA (ICAI)	January 1, 2009	22	43	Pricwaterhouse Coopers, Executive	-	-
6	Mr. Anuj Nigam	28.14	Company Secretary	C.A., C.M.A. & C.S.	May 08, 2018	22	49	Rio Tinto Exploration India Private Limited, Director Commercial and CFO	-	-
7	Alok Agarwal	28.10	Director, Technical and Quality	B.Tech (IIT Kanpur)	July 27, 1994	25	57	-	215,600	4.12
8	Priya Ranjan Agarwal	26.56	Director, Marketing	B.Eng Mechanical	December 28, 1992	32	60	-	386,000	7.37
9	Mr. Rohit Agrawal	18.96	Senior Manager, Machine Shop	M.E. Mehcanical	December 11, 2017	19	41	JNJ Machines Private Limited, Surat, Head - Operations	-	-
10	Mr. Vipin Kumar Agrawal	16.99	General Manager, Export Import	B. Com.	February 1, 1986	46	65	Yoga Fastners, Company Manager	5,900	0.11

Notes:

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

(Sachin Agarwal)
Chairman & Managing Director

(Alok Agarwal)
Director, Quality & Technical

Place: Lucknow
Date: May 27, 2019

PTC Foundation

ANNUAL REPORT ON CSR ACTIVITIES

ANNEXURE IV

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

1. Brief Outline of the policy

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

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

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

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

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

2. Composition

The composition of CSR committee is as follows:

SI. No.	Names	Category
1.	Mr. Krishna Das Gupta	Chairperson, Independent Director
2.	Mrs. Shashi Vaish*	Member, Independent Director
3.	Mr. Alok Agarwal	Member, Executive Director, Non-Independent
4.	Mr. R.C. Katiyar	Member, Independent Director

*Ms. Shashi Vaish was resigned from the Directorship of the Company as well as Corporate Social Responsibility Committee with effect from February 15, 2019.

3. Average Net Profit of last three years

(Rupees in lakhs)

Financial year	Net Profit
2015-2016	815.41
2016-2017	756.29
2017-2018	849.05
TOTAL	2,444.04
Average of three year's net profits	814.68
Prescribed CSR expenditure (2% of the average net profit of three years)	16.29

4. Details of CSR expenditure

Total amount to be spent for the financial year	16.29 lakhs
Amount unspent	Nil
Manner in which amount is spent	As detailed Below

SI. NO.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (Budget) project or programs wise	Amount Spent on the projects or programs Sub –heads: (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	The education project	Education	Rural areas, near Lucknow, Uttar Pradesh	Rs. 60 Lakhs (approx)		Rs. 36.17 Lakhs	Through Foundation (CSR Trust)
2	Skill Development project	Skill Development	Rural areas, near Lucknow, Uttar Pradesh	Rs. 80 Lakhs (approx)	16.29 Lakhs	Rs. 55.76 Lakhs	Through Foundation (CSR Trust)
TOTAL (in Lakhs)				**140.00**	**16.29**	**91.93**	

*The calculated amount of Rs. 16.29 lakhs for the current year has been transferred to the PTC Foundation which has been founded with the objective of undertaking PTC's Corporate Social Responsibility. The primary objective has been expanded in view of the new capabilities acquired by the Company to develop industrial and mechanical skills and capabilities in the population to offer better employment opportunities. The Company has transferred the current year amount in a corpus which now gross at Rs. 91.93 Lakhs.

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

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

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

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

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

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

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

Place: Lucknow
Date: August 10, 2019

(Sachin Agarwal)
Chairman & Managing Director

(K.D. Gupta)
Chairperson, CSR Committee

FORM NO. MR.3 **ANNEXURE V**

SECRETARIAL AUDIT REPORT

(For the financial year ended on March 31, 2019)

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

To,

The Members,

PTC Industries Limited,

NH 25A, Sarai Shahjadi, Lucknow 227 101

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

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

We hereby report that in our opinion

i. The company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

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

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

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

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

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

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

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (w.e.f 15.05.2015)

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable as the Company has not issued any securities during the financial year under review;

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) - Not applicable as the Company has not granted any options during the financial year under review;

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued any listed debt securities during the financial year under review;

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

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review;

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back/propose to buyback any of its securities during the financial year under review.

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

i. The Hazardous Wastes (Management and Handling) Rules 1989

j. The Environment Protection Act, 1986

k. The Water (Prevention and Control Pollution) Act, 1974

l. The Air (Prevention and Control Pollution) Act, 1981

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

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

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

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

We further report that:

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

For Amit Gupta & Associates
Company Secretaries

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

Date: May 27, 2019
Place: Lucknow

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

To,

The Members,

PTC Industries Limited,

NH-25A, Sarai Shahjadi, Lucknow 227 101

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

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

For Amit Gupta & Associates

Company Secretaries

Amit Gupta

Proprietor

Membership No. : F5478

C.P. No. 4682

Date: May 27, 2019

Place: Lucknow

Secretarial Compliance Report of PTC Industries Limited

for the financial year ended at 31st March, 2019

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015]

To,

PTC Industries Limited, (CIN - L271090P1963PLC002931), Advance Manufacturing and Technology Centre, NH-2S A, Sarai Shahjadi, Lucknow-227101, Uttar Pradesh, India

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

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

b. the filings/ submissions made by the listed entity to the stock exchanges, website of the listed entity,

c. any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended March 31, 2019 ("Review Period") in respect of compliance with the provisions of:

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

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

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include

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

b. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the review period);**

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

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

e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the review period);**

f. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the review period);**

g. Securities and Exchange Board of India(Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations, 2013 **(Not applicable to the Company during the review period);**

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

i. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies and dealing with client;

j. Depositories Act, 1996;

and circulars/ guidelines issued thereunder and based on the above examination.

I/We hereby report that, during the Review Period:

a. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

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

c. There are no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

d. The listed entity has taken the following actions to comply with the observations made in previous reports: Not applicable being first report.

For Amit Gupta & Associates

Company Secretaries

Amit Gupta

Proprietor

Membership No. : F5478

C.P. No. 4682

Date: May 30, 2019

Place: Lucknow

To,

The Members,

PTC Industries Limited,

Advance Manufacturing and Technology Centre, NH-2S A, Sarai Shahjadi,

Lucknow-227101, Uttar Pradesh, India

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

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

For Amit Gupta & Associates

Company Secretaries

Amit Gupta

Proprietor

Membership No. : F5478

C.P. No. 4682

Date: May 30, 2019

Place: Lucknow

ANNEXURE VI

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

A. CONSERVATION OF ENERGY	
(a) Energy Conservation measures taken	- Pool system in force for transportation to reduce fuel consumption and air pollution. - Convenient forklifts have been used, which are battery operated and energy saving with fumes free system installed. - Efficient CNC machines with 8 axes have been installed to reduced maximum energy, time and main power. - A large size Robotic System has been installed to improve coating efficiency of big shells. - Recycling of indirect waste materials like used ceramic to reduce solid waste generation and increase efficient utilization of resources. - Heat treatment furnaces have been converted to electrical furnaces in order to enhance productivity and energy conversation. - Energy saving is increased by optimum utilization of induction furnaces. Systematic maintenance of furnaces is carried out to ensure optimum performance on a sustainable basis. - Transparent fibre glass sheets have been fixed at various places on the roof of the shop floors to allow natural light to save on electrical lighting load. - Mercury Vapor Lamps 250W and Metal Halide 150W have replaced by more energy saving LED Lights in shop floors. - 700 kW Rooftop Solar Plant has been commissioned in the AMTC plant for generation of energy by sunlight as a renewable source of energy. - Battery operated forklift and hydraulic pallet have been procured to reduce diesel consumption. - Energy efficient 200 KVA UPS has been installed to control maximum load. - Energy saving LED Lights have been installed in shop floors and offices for new requirements / replacement. - Waste heat recovery systems have been installed in the new AMTC plant to utilize residual heat from the casting process. - Comprehensive recycling and reuse systems have been implemented for reuse of direct and indirect materials to reduce solid waste generation and make production more environments friendly. - Use of large size glass window panels in all areas of the new plant and office space at the AMTC Plant provide ample daylight and save on electrical lighting load.

(b) Additional investments and proposal, if any being implemented for reduction of energy consumption.	- Power active filters to be integrated in overall plant to save energy and will control maximum load. - Geo-thermal heating and cooling systems to be set up to transfer heat from the ground and reduce energy cost for heating and cooling of shells and castings respectively. - Comprehensive recycling and reuse systems are being implemented for reuse of direct and indirect materials to reduce solid waste generation and make production more environments friendly. - The Energy Logger instrument shall be procured for observation of Energy trend to save energy. - Additional active filter device has been installed with sophisticated machines. - High frequency grinder to be planned to replace old one to increase production and energy conservation.
(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact of cost of production of goods.	Reduced energy consumption Significant reduction of carbon footprint Energy hedge against rise in power costs Shift to use of renewable energy instead of traditional energy sources
B. TECHNOLOGY ABSORPTION	
I. RESEARCH & DEVELOPMENT (R&D)	
(a) Specific areas in which R&D carried out by the Company	- Company has taken up an innovative project for development of new casting technology overcoming limitations of existing casting technologies for large sized castings required for critical applications like Power, Oil & Gas & Refining Sectors. - The Company has successfully developed 5,000 kgs single piece casting by RapidCast™ Technology. - The Company has already been recognized by the Department of Scientific and Industrial Research (DSIR), under the Ministry of Science & Technology, Government of India, for its in-house Research and Development facilities. DSIR has also granted approval to PTC Industries Limited u/s 35 (2AB) of the Income Tax Act, 1961 for availing various incentives provided under the Act in connection with its research and development activities. The Company has developed innovative manufacturing process whereby pouring is carried out under vacuum in order to minimize defects normally associated with traditional casting processes. - Solid modeling and simulation done before actual production in order to optimize the manufacturing process. - Rapid prototyping is done to reduce production cycle times and manufacture small volume parts with high integrity and reliability. - Capabilities have been developed to manufacture large size castings up to 6,000 kilograms a piece by the RapidCast™ Process. - A high level of automation and process control is employed through the Company's path-breaking technologies.

	- The Company has established a Titanium Casting manufacturing capability using Ceramic Shelling for the first time in India. A significant amount of research, development and technology development has been made for this. The company's project for development and commercialization of Titanium Casting Technology has been approved by the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises under their Technology Acquisition Fund Program (TAFP). - A VAR furnace required for skull melting has been installed. - The company has also successfully developed its Printcast™ technology using 3D printed patterns for manufacture of highly complex, high integrity and high precision parts in smaller weight ranges.
(b) Benefits derived as a result of above R&D	- The establishment of capabilities for manufacture of a large number of metal components for the first time ever in the country, including Titanium castings, highly critical parts for aerospace and space-exploration applications. - The availability of the latest and best-in-class manufacturing processes at par with international technology and standards in the country. - Import substitution and creation of viable export revenues through the establishment of facilities offering products that shall be manufactured with the best technologies and equipment in the world. - High levels of integrity and consistency in the products manufactured by the Company. - Significant developments have been made to reduce casting weights and improve surface finish in order to manufacture parts for super-critical applications. - Conservation of scarce resources and better environment. - Reduced cycle times with Zero Defect Quality – Level 1 Radiography castings in exotic and difficult-to-make alloys which ordinarily cannot be manufactured through the casting process. - Significant weight reduction and reduced total cost of ownership of parts which is beneficial to the customers as well.
(c) Future plan of action	- Significant developments and research are being undertaken in the area of additive manufacturing including the manufacture of complex metal parts through 3D printing and metal powders. Development of environmentally neutral manufacturing processes which reduce solid wastes and toxic gaseous emissions. - Increase in export turnover and consequently foreign exchange earnings for the country. - Import substitution for critical components leading the path to self-reliance in manufacturing in aerospace, space-exploration and other industries.

(d) Expenditure on R&D	2018-19 (Rupees in lakhs)	2017-18 (Rupees in lakhs)
i. Capital	-	-
ii. Revenue	111.05	85.80
iii. Total	111.05	85.80
iv. % of total turnover	0.73	0.85

II. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

(a) Efforts in brief, made towards technology during selection, absorption and innovation	- In the past, the technology to produce castings by Replicast® process has been absorbed successfully by the Company. This technology has brought about remarkable improvements in the quality of castings that are manufactured by the Company. - However, the limitation of the process was the maximum size which could be produced. In order to break this limit, the Company undertook a Research and Development Project to develop the Rapidcast™ process to make large size castings without manufacturing any tooling. - This project has been completed and approved by the Department of Scientific and Industrial Research of the Government of India. - The Company has already successfully produced up to 6,000 kgs single piece casting - Benefits derived as a result of this process are • Reduced production times for manufacture of small volume, large size parts for critical and super critical applications. • Significant improvements in quality, reduction in total cost of ownership, development of more efficient parts, import substitution etc. • Certain complex castings can be produced by in a more cost-effective and efficient manner. • A high degree of dimensional accuracy can be achieved with less machining allowances. • The 'uncastable' can now to be 'cast' – costly fabricated parts can be converted into castings. - There are very few foundries in the world who have such a wide range to moulding processes including Replicast®, RapidcastTM and the latest machining facilities within a single facility. Hence, the Company will have a vast range of products for a wide range of applications which shall make it the supplier of choice both in the domestic as well as export markets. - An increase in exports of better quality products at competitive price. - Development of the RapidCast™ Process will break the weight barrier limitation of castings to 5 Tons per piece.

	- Working towards development of processes to enhance the mechanical and metallurgical properties of castings to be at par or better than forged parts through use of the forgeCAST™ technology using India's first commercial Hot Iso-static Pressurization equipment. - Intensive research and extensive trials on imported equipment led to the creation of a process where various techniques were combined, and equipment was modified to create a process leading to densification of the part and creating a smaller grain or microstructure equivalent to that of forgings. - This radical technology shall enable the Company to manufacture any size, near-net-shape, complex parts in exotic and higher metallurgies with mechanical properties, strength, reliability and quality equivalent to that of forgings.
(b) In case of imported technology, (imported during the last five years), reckoned from the beginning of the financial year.	- The Company has licensed the Titanium Casting technology using ceramic shelling and has built a Titanium Casting facility in the new AMTC plant. - This shall be the first such facility in the country and shall have the capability to manufacture high integrity cast components in titanium, zirconium and other exotic alloys for critical and super critical applications in a wide range of industries. - With the Company's successful history of absorbing and using the latest technologies, this shall be a big step towards indigenization of a very important set of products. - PTC has brought in unique technologies like Vacuum Melt, HIP, Powder Metallurgy, etc from different countries in order to bring in best-in-class manufacturing to the cast metal component manufacturing industry in the country.
(c) Technology imported and Year of Import	- An agreement has been signed for an exclusive use of technology to produce castings by Replicast® process from M/s Casting Technology International, UK during the financial year 2007-2008. - An agreement has also been signed for exclusive licensing of titanium casting technology using ceramic shelling with M/s Casting Technology International, UK during the financial year 2015-16.
(d) Has technology been fully absorbed?	- Yes, Replicast® Castings are being commercially produced by the Company. - The titanium casting technology transfer process has been initiated and the technology shall be commercialised by the Company over the next 1-2 years.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO		
(a) Activities relating to exports, initiatives taken, increase exports, development of new export market for products and services and export plans	- The Company's continuous efforts have led to consistency in high percentage of export turnover, reduction in manufacturing costs and improvement in operating efficiencies. After the commissioning of the new Advanced Manufacturing and Technology Centre, significant business opportunities are opening up and a the Company offers a competitive edge through all the technologies and systems that have been added in the new unit. - The Company has also made significant progress towards increasing its capabilities in terms of introducing and indigenizing new technologies which shall enable remarkable improvements in performance, efficiencies, significant weight reduction and will be environmentally neutral. With the focus of the world shifting on Indian manufacturing facilities, the Company is in a position to offer world-class products at affordable prices. - Many new customers are being added by the Company in its bid to expand its export operations and augment its revenue from exports. During the year, the new Advanced Manufacturing & Technology Centre, the Company's new state-of-the-art manufacturing facility in Lucknow has begun commercial production. With this, the Company has already begun to add significantly to its export turnover due to increased capacity and capabilities being offered in this new unit.	
(b) Total Foreign Exchange used and earned	**2018-19 (Rupees in lakhs)**	**2017-18 (Rupees in lakhs)**
Expenditure	949.94	714.37
Earnings	12,385.85	7,657.95
Net foreign exchange earning	11,435.91	6,943.58
Net foreign exchange earning %	92.33	90.67

Place: Lucknow
Date: August 10, 2019

Sachin Agarwal
Chairman & Managing Director

Alok Agarwal
Director - Quality & Technical

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

FORWARD LOOKING STATEMENTS

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

Economic Overview

As per the World Bank reports, global economic activity continued to soften at the start of 2019, with international trade and manufacturing showing signs of marked weakness. An increased policy uncertainty, including recent re-escalation of trade tensions between major economies, has been accompanied by a deceleration in global investment and a decline in overall economic confidence. Hence, global growth in 2019 has been downgraded to 2.6 percent, reflecting weaker-than-expected trade and investment at the start of the year. This is the weakest pace of growth since the global financial crisis.

This growth is projected to gradually rise to 2.8 percent by 2021, predicated on continued benign global financing conditions and a modest recovery in emerging market and developing economies. However, growth in these economies remains constrained by subdued investment. Continued risks reflect in part the possibility of a further escalation of trade tensions. Hence, it is urgent for these emerging markets and developing economies to reinforce policy buffers and to implement reforms that boost growth prospects. Export growth is expected to decelerate across these regions in 2019 amid moderating external demand. As recent softness abates, global GDP growth is projected to edge up to 2.7 percent in

2020 and to 2.8 percent in 2021. Slowing activity in advanced economies and China is expected to be accompanied by a modest cyclical recovery in major commodity exporters and in a number of emerging economies affected by recent pressure.

The United Nations briefs also state that high trade tensions and policy uncertainty continue to damage prospects for economic growth and hence has also downgraded growth forecasts for many countries. In recent months, some of the risks to the outlook that were previously highlighted have materialized, and the slowdown in momentum has in many cases been more pronounced than expected. Trade tensions have escalated; Brexit uncertainty has persisted longer than expected; and geopolitical tensions and domestic political uncertainties have intensified in some areas. On top of these setbacks, the global slowdown also reflects the waning effects of fiscal stimulus measures in the United States, disruptions to the automobile sector in Europe, and factors such as power shortages in South Africa, and oil production cuts by OPEC and other oil producers. Amid elevated downside risks, many countries today have limited macroeconomic policy space to mitigate the effects of an adverse shock. Tackling the current slowdown and placing the world economy on a more robust and sustainable growth path requires a comprehensive policy response, including a combination of monetary, fiscal and development-oriented measures. It is clearly not sufficient to focus exclusively on policies to stimulate economic growth in the short-term. In tandem with an urgent and coordinated approach to global climate policy, well-targeted policy measures are needed, for example, to improve fiscal management, channel available finance into productive investment, boost agricultural productivity, build resilient infrastructure, and strengthen education and health services.

Growth in China is projected to moderate from 6.6 percent in 2018 to 6.3 percent in 2019 and 6.2 percent in 2020. Recent monetary and fiscal stimulus measures are expected to bolster domestic demand, partially offsetting the adverse impact of trade tariffs on overall growth. Nevertheless, these measures could also exacerbate domestic financial imbalances, raising the risk of a disorderly deleveraging process in the future. In its latest annual assessment of China's economy, the International Monetary Fund found the quality of growth had improved in three ways in 2018. First, the pace of debt accumulation had slowed. Second, the financial system is better regulated and supervised. Finally, the current account surplus is no longer excessive. But trade tensions cloud the outlook, and reforms need to deepen if this progress is to be continued.

South Asia remains on a strong growth path, even as forecasts have been revised downward. Following an expansion of 5.7 percent in 2018, GDP is forecast to grow by 5.0 percent in 2019 and 5.8 percent in 2020. Across the region, output continues to be constrained by infrastructure bottlenecks. The Indian economy, which generates two-thirds of regional output, expanded by 7.2 percent in 2018. Strong domestic consumption and investment will continue to support growth, which is projected at 7.0 percent in 2019 and 7.1 percent in 2020. A slowdown in government consumption was offset by solid investment, which benefitted from public infrastructure spending.

Growth in India is projected to accelerate to 7.5% and private consumption and investment will benefit from strengthening credit growth in an environment of more accommodative monetary policy, and with inflation below the Reserve Bank of India's target. However, fiscal deficits continue to exceed official targets, and supply bottlenecks and business climate obstacles could hold back investment potential in the region. The new GST (goods and services tax) regime is still in the process of being fully established, creating some uncertainty about projections of government revenues. In addition, non-performing assets in the region remain high. A sharper-than expected deceleration of growth in major economies or an intensification of trade frictions could have spill-over effects for the region. South Asia, an oil importing region and where a number of economies have preferential trade arrangements with the United Kingdom, would be vulnerable to a turbulent U.K. exit from the European Union or an oil price spike.

India has retained its position as the third largest start-up base in the world with over 4,750 technology start-ups. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors.

India continues to make progress on structural reforms, including the effective implementation of the GST, which will help reduce internal barriers to trade, increase efficiency, and improve tax compliance. Hence, while the medium-term growth outlook for India remains strong, an important challenge ahead shall be to enhance inclusiveness. India's high public debt and recent failure to achieve the budget's deficit target call for continued fiscal consolidation into the medium term to further strengthen fiscal policy credibility. The main priorities for lifting constraints on job creation and ensuring that the demographic dividend is not wasted are to ease labour market rigidities, reduce infrastructure bottlenecks, and improve educational outcomes.

India's industrial production growth eased to 2 percent year-on-year in June 2019 from an upwardly revised 4.6 percent in the previous month, but above market expectations of 1.5 percent. Looking forward, Industrial Production in India is expected to stand at 3.2 percent in 12 months' time. In the long-term, the India Industrial Production is projected to trend around 6.50 percent in 2020, according to IIP data.

The Make in India initiative was launched by Prime Minister Narendra Modi with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 percent of the GDP from the current 17 percent.

The Government of India has been taking several initiatives to promote a healthy environment for the growth of manufacturing sector in the country including the new industrial policy which envisions development of a globally competitive Indian industry. The Government has now extended the reduced income tax rate of 25 percent for all companies having a turnover of up to Rs. 400 crores from the previous limit of Rs. 250 crores and under the Mid-Term Review of Foreign Trade Policy (2015-20), it also increased export incentives available to labour intensive MSME sectors by 2 percent.

India is an attractive hub for foreign investments in the manufacturing sector. The manufacturing sector of the country has the potential to reach US$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Background

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

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

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

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

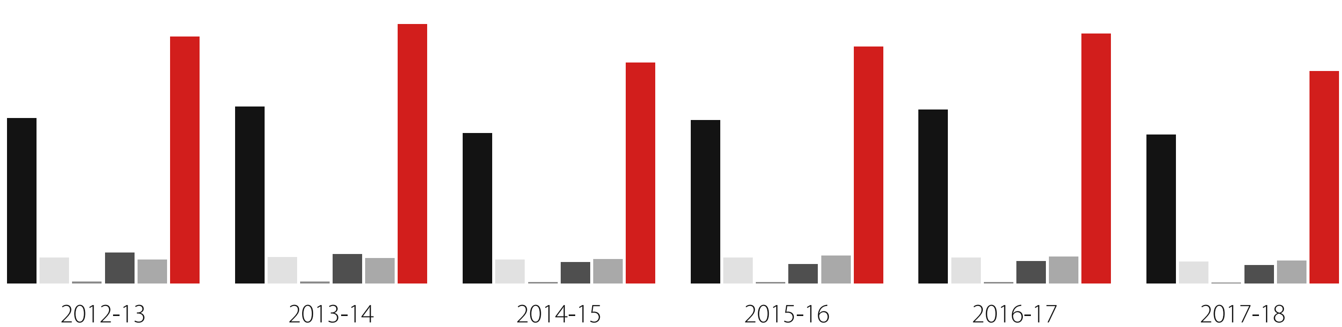
Steel castings make up about 10 percent of all castings (ferrous and nonferrous). In general, steel castings have better strength, ductility, heat resistance, durability and weldability than iron castings. There are a number of different classes of steel castings based on the carbon or alloy content,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

Global Trends in the Casting Industry

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

In 2017, global production increased to more than 109.8 million metric tons, an increase of 5.3% when compared to the previous year, according to this year's Census of World Casting Production. The nearly 110 million metric tons of metal castings produced in 2017 represent an increase of 5.5 million tons. This rate of growth comes after two years of less than a half percent growth. Among the top-10 countries in total output, Russia had the highest growth in 2017 with an increase of 8.3% in production. China increased its total production by two million metric tons to a total of 49.4 million. Meanwhile, the U.S. saw its tonnage increase by 4%, and the gray-iron heavy India saw an increase of 6.2%. Total production of iron increased, with gray iron growing 6% and ductile iron expanding by 3.8%. Steel output grew by 6%, while aluminium production jumped by 6.7%. The global foundry industry is facing rising investment requirements. Together with succession-related problems in midsized companies, this might increase industry consolidation. The growing trend towards surface treatments necessitates respective investments, while complexity of alloys will further grow and will require investments in this area. The number of metal-casting facilities in the world declined in 2016, following a trend of the last decade of fewer metal-casting facilities making an increasing tonnage of castings. Casting businesses worldwide are consolidating and becoming more efficient. Germany continues to be the highest casting producer per plant, with an average of 8,895 metric tons annually. The U.S. averaged 4,791 metric tons per plant in 2016.

Production of Castings in Million M.T. (2016-17)-INDIA



Grey C.I.	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	6.254	6.7	6.83	7.41	7.89	8.44
S Giron	0.981	1.000	1.07	1.18	1.18	1.23
Malleable	0.0604	0.060	0.06	0.05	0.05	0.05
Steel	1.158	1.100	0.968	0.88	1.01	1.03
Non Ferrous	0.891	0.95	1.093	1.25	1.22	1.3
Total	9.3444	9.810	10.021	10.77	11.35	12.05

Indian Casting Industry

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

There are nearly 5,000 foundry units in the country out of which 90% can be classified as MSMEs in 17 foundry clusters. Approximately 1500 units have International Quality Accreditations. Several large foundries are modern are globally competitive. There is growing awareness about environment amongst this sector also and many foundries are switching over to induction furnaces. The total manpower employed in the foundry sector is about 500,000 directly and a further 150,00,00 people employed indirectly. Currently, the foundry sector is highly labour intensive and is responsible for generation of employment for over 2 million people. It has the potential to generate additional employment of a further 2 million in the next 10 years.

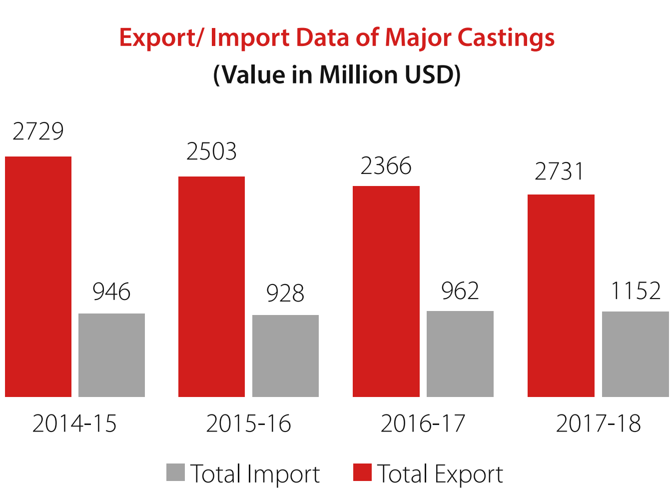
The foundry industry currently produces over 12 million tonnes of cast components in ferrous and nonferrous category as per various international standards. The sector's annual turnover is nearly $19 billion at current production rates of which $2.7 billion comes from exports. It is estimated that the demand will grow threefold in the next 10 years, which will throw open new opportunities and challenges too.

The new manufacturing policy envisages the increase in the share of manufacturing in the GDP to 25% from the current 15% and to create 100 million additional jobs in next 10 years. Since all engineering and other sectors use metal castings in their manufacturing, the role of foundry industry in supporting manufacturing is very vital. It is not possible to achieve this goal without the sustainable corresponding growth of the foundry sector.

While still dominating in terms of global casting output, China is now learning how to cope with the demands often associated with rapid growth rates - a more demanding workforce, skills development and increasing legislative pressures. With 2.6 million foundries, the country has excess manufacturing capacity and at least 10 percent of Chinese foundries are not able to meet the advanced technical and environmental demands now required to increase the country's stronghold on the market. Inevitably labour costs have increased and the need for high-end research and development into technically advanced innovative solutions is putting the industry under pressure in terms of developing equipment to cope with the advanced requirements, consequently foundries are reliant on importing equipment from trusted global suppliers.

At this time, the Indian foundry industry is also faced with a downturn in growth rate as demand slackens. Growth in the sector has been stagnant for the past three to four years but optimism is in the air thanks to new national projects in infrastructure and defence. It is true that real growth of India is not possible without manufacturing and exports and the foundry industry is backbone of engineering. Although the Indian foundry industry is reasonably strong, there lies a huge potential for global market share. The target could be three-fold growth in next 10 years with improvement in utilization of installed capacity and collaboration and synergy among cluster members.

The country's 'Make in India' campaign - which predicts India



to become the fastest growing economy - will require the foundry industry to grow significantly in the next few years to cater for other sectors. The major challenges to achieve this are: lack of skilled manpower, good power supply at competitive rates, sand availability due to mining and environmental issues, and the short-term slowdown in demand which could hinder medium and long-term investment.

India is expected to have an edge on the castings export front with close to 40-45 percent of total exports to the US. There is expectation of good growth at least for the next decade as India's manufacturing competitiveness has changed dramatically and with the government's thrust on 'Make in India', a greater momentum is foreseen. Since all engineering and other sectors use metal castings in manufacture, the role of the foundry industry is expected to be vital. If such growth momentum continues, the industry is expected to achieve 7-8 percent growth in 2019. The industry is focusing on value addition rather than tonnage, investing huge sums on automation and efficient production processes. Hence, capacity utilisation has been hovering at 60-70 percent.

PTC has positioned itself ideally in this scenario and is equipped with the latest technologies and advanced manufacturing techniques, to take advantage of the paradigm shift happening worldwide in the industry. Its commitment to sustainable manufacturing practices with little or no impact on the environment shall ensure a positive future for the Company.

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

HIGHLIGHTS AND KEY EVENTS

PTC has always followed a growth strategy of creating a differentiation for itself in terms of capabilities and quality and becoming the preferred choice of its customers due to its high performance and delivery standards. Since its inception, PTC has believed in investing in the latest technologies and creating an infrastructure which supports its inherent strength of producing high quality, high precision cast components for critical and super critical applications. PTC long and resilient history in the casting industry is testament to its competence and capability to persevere in adverse circumstances also.

In its new avatar, PTC Industries has focused on the establishing a new world class manufacturing facility, the Advanced Manufacturing & Technology Centre housing the latest technologies, most advanced equipment and comprehensive manufacturing facilities which are both sustainable and environmentally positive. Even in these challenging times, the Company's leadership and committed workforce has held on to its ideals and continued to sustain its position in the market. Financial performance has shown a significant growth as the AMTC Plant commenced commercial production during the year. The Company's new vision and missions statement reflect its long-term strategic plans and the benefits from the efforts that are being made in the current period are expected to arise in the coming years.

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

- Phase I production has commenced at the Advanced Manufacturing and Technology Centre (AMTC) a new state-of-the art facility in Lucknow. This unit is a one-of-its-kind unit with the most advanced technologies, state-of-the-art automation and robot assisted manufacturing. This new plant shall also have Titanium casting capability for the first time in India.
- PTC won the prestigious CII Industrial Innovation Awards in the Medium category for the most innovative company

in the country. This is a remarkable achievement, one that brings a tremendous amount of pride and accomplishment for the company and its efforts.

- The Company showed a remarkable growth in its financial performance growing revenue during this period by nearly 50 percent.

PTC's innovations have led to the creation of a unique capability, enabling it to manufacture any size, near-net-shape, complex parts in exotic and higher metallurgies with mechanical properties, strength, reliability and quality far superior to that in a conventional casting process. Using its unique technologies and processes, PTC is able to deliver parts with reduced tolerances, high dimensional accuracies, excellent surface finish, no gas porosity and no sand inclusions in a highly consistent and repeatable manner. Further, majority of the materials used in these technologies are reclaimed and recycled and the process uses only a fraction of the materials, resources and energy as compared to conventional technologies.

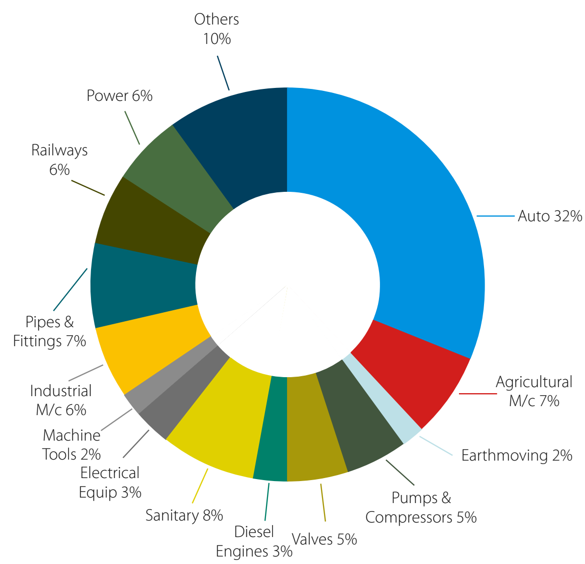
OUTLOOK

India still retains its position as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. However, GDP data has come in lower than expected, with a five-year low of 5.8 percent year over year in the fourth quarter of 2019. Further, annual growth for 2019 was 6.8 percent year over year compared to 7.2 percent year over year in 2018. Private domestic demand performed even poorly at 6.4 percent year over year, indicating government spending helped boost growth last year.

Private final consumption expenditure, which has been the sole engine of growth, declined. One of the primary reasons for the drop was rural distress and tightening lending conditions, which were, in turn, a result of ailing health of the financial institutions, specifically the Non-Banking financial companies. At the same time, growth in gross fixed capital formation dipped to 3.6 percent in the fourth quarter of 2019 because of political uncertainty.

On the industry side, construction and manufacturing registered better growth than in 2018, but growth in agriculture and allied activities as well as in mining declined significantly, resulting in poor rural income. Services, the biggest contributor to GDP, grew by 7.5 percent, half a percentage point slower than last year.

Sectorwise Major Consumers of Castings



The foundry sector in the country is expected to witness an annual growth of 13-14 percent from the present 5-7 percent. This would see production of castings increase from 12 million tonnes to 14-15 million tonnes by 2021 and set to reach 20 million tonnes by 2025. The demand for foundry products has been increasing owing to its quality, and the industry is the second largest producer of castings in the world after China. Apart from this, the opportunities coming from the defence, railways and the automobile sectors are expected to boost the demand.

The foundry sector has witnessed an investment of 500 million dollars in the last two years for expansion and modernisation, and this huge investment was already likely in the sector as it has been focussing on 'Make in India' and 'Ease of Doing Business' and relaxing of FDI norms by the government of India. With the government focusing on infrastructure development with over Rs 100,000 crore of proposed investment over the next few years, the demand of metal castings is expected to surge in the years to come. Business confidence in last few months has started to look upbeat after several years of economic slowdown. There are clear indications in the policies of government focusing on increasing GDP, which will require scaling up of manufacturing and skill development -- the backbone of economic activity.

As noted earlier, there are about 5,000 foundries in India, largely in the MSME sector, spread across clusters, from Punjab in the north to Coimbatore in the south. The casting industry produces over 12 million tonne of cast components worth about $19 billion, which is nearly 10.9% of global production by weight. With a sustainable growth plan in place, this global share can go up to 20% in five years. The industry is exporting castings worth $2.7 billion a year. This also has the potential to go up to $8-10 billion with greater productivity, value addition and market expansion.

The 'Make in India' campaign augurs well for the foundry industry as it is a key feeder to engineering and manufacturing. Demand for the foundry industry is estimated to grow three-fold in the ten years, which will throw up new opportunities and challenges, too. New niche markets are opening up for the industry, such as application of light weight and specially alloyed metal castings for reduced energy consumption. The advancements in downstream industry are creating requirements for metal castings that can withstand critical applications in nuclear and ultra-critical mega power plants, railways, aerospace and defence sectors. At the same time there could be several challenges such as the need for investments in modern manufacturing/design tools, balanced automation, and up-scaling of IT. These will create skilling opportunities for the future, which must be met by timely interventions by all stakeholders.

The industry needs to take upon itself the mantle of scaling up production to 25-30 million tonnes per annum, which entails a 100% improvement in productivity through balanced automation, skill development, application of modern manufacturing/design tools and IT, and reduced consumption of natural resources by efficient management, recycling and waste reduction.

As manufacturing activity climbs, demand for ferrous foundry products shall also grow. In addition, previously delayed construction projects are expected to pick up again and input cost for iron and steel have declined since 2013. While this benefits industry margins, lower iron and steel prices lead to reduced raw material surcharges and therefore lower product prices. Until now, weaker demand from the machinery manufacturing sector had placed downward pressure on industry performance. In the next five years to 2022, rising industrial production and construction activity are projected to drive revenue growth.

With the optimism in sales expectations, a large number of foundries have indicated that they would be investing in upgrades to improve processes and testing equipment. However, employment growth may not be driven proportionally as nearly one-quarter of the companies believe that robotics technology is high on their list of improvements. The challenge for today's foundries is to develop new and more efficient processes and material designs that will meet the technology of tomorrow. New technologies such as 3D scanning, 3D measurement instruments along with 3D printing and the introduction of robotics and automation in the manufacturing cycle are dramatically changing the way products are designed, constructed, and perfected. These new breakthroughs in technology enable faster, more accurate, and more reliable production of products and prototypes. Not only does this advent of technology and automation make the process of metal casting more efficient and cost-effective, it also provides innovative breakthroughs that were not possible even five years ago. As foundry operations evolve into the modern world of automated technology, the manufacturers need to work on providing the most innovative and advanced techniques for process level automation in order to maintain their market positions.

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

As mentioned in earlier years, the medium to long-term outlook for the sectors to which the Company caters is quite positive, but the domestic as well as export markets in the current period are still reviving and the short-term growth outlook is positive but expected to be slow. The Company has commenced the first phase of commercial production of its new 'Advanced Manufacturing & Technology Centre' in June 2018 in Lucknow, Uttar Pradesh and shall be geared to take advantage of the upturn in industry in the coming period. Significant investments have been made in building manufacturing capabilities and capacity, making technology enhancements, developing product platforms and putting together manpower upgrades for sustenance and enhancement of growth. The Company's investment in all these areas is targeted to seize the considerable opportunity that is evident both at the domestic and international level in the future.

OPPORTUNITIES AND THREATS

India is poised to become the new China. It is the fastest growing economy in the world. The growth is due to internal demand coupled with international companies shifting production from China to India. Production costs in India from the global viewpoint are now lower than China although transportation is slightly higher, but the net result is that landed cost is lower. India has nearly 5,000 foundries that are mainly clustered in 17 areas. They produce over 12 million metric tons per year with 500,000 direct employees. India has seen major increases in internal demand competing for capacity that have moderated in the last year. The country has an automobile building mandate designed to produce vehicles not only for India but also for export. It is estimated that India needs to double its casting capacity in the next five years to meet projected demand.

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

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

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

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

In this scenario, PTC continues to enjoy a unique position where it is hugely ahead of its peers in technological advancement, sophisticated equipment, automation and best processes and practices that include an environmentally conscious approach. Hence, the Company expects to steady growth with its new facility becoming operational. The Company's differentiation from its high quality, near-net-shape cast components available at an overall cost-effective level gives it an edge in terms of pricing, quality and demand. The creation of indigenous capabilities for manufacturing high integrity castings in a range of alloys including titanium and zirconium shall open untapped markets for the Company. It must also be understood that, the gestation period in this industry is considerably longer than other types of manufacturing. While the Company has begun exploring new markets and new products aggressively, translating them in to viable commercial production would require time. The sluggish domestic and global scenario are further dampening the rate at which new opportunities are realized.

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

Technology Upgradation and Modernisation

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

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

Customer Bargaining Power

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

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

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

Supplier Bargaining Power

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

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

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

Intensity of Competition

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

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

Substitute Products

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

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

Sustainable Energy

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

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

RISKS AND CONCERNS

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

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

- **Strategic Risks**

  These include market risks like uncertainties in the global economic scenario and declining demand in domestic sectors like power and infrastructure. Prolonged unfavourable conditions in the market result in delay or cancellation of projects. The Company's diverse portfolio has helped it to shift focus to other industries, customers and geographies. Hence, while a decline was witnessed in certain segments, the Company has been able to maintain its performance by expanding its product and geographical portfolio. Further, the Company is creating facilities which shall be perfectly positioned to supply to a wide range of industries including oil & gas, marine transport, pulp & paper manufacturing, power, chemical processing, desalination, transportation, etc. thereby mitigating the risks associated with a particular sector.

- **Operational Risks**

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

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

- **Financial Risks**

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

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

- **Compliance Risk**

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

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

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

  The risk mitigation plans are reviewed regularly by the Audit Committee of the Company. The Company's contingent liabilities are disclosed in Note 43(ii) Contingent Liabilities of Notes to Accounts.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

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

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

FINANCIAL PERFORMANCE

Total Income

₹In Crores

Particulars	FY 19	FY 18	% Change
Revenue from sale of products	143.55	97.37	47.4
Other Operating Income	7.70	3.97	93.9
	151.25	101.33	49.3
Other Income	4.22	2.89	46.0
Total Income	**155.47**	**104.22**	**49.2**

The Company witnessed increase in total revenue by over 49% to Rs. 151.25 crores from Rs. 101.33 crores in the previous year. This is driven by commencement of commercial production at AMTC Plant, from June 2018, which has led to growth in operations.

Employee benefits expense

₹In Crores

Particulars	FY 19	FY 18	% change
Payments to & provisions for employees	19.46	16.5	17.9

Increase in Payments to & provisions for employees can be attributed to employment of highly skilled manpower and also strengthening of senior management of the Company to support high growth, besides annual increase in employees compensations.

Other expenses

₹In Crores

Particulars	FY 19	FY 18	% change
Manufacturing expenses	55.11	33.08	66.6
Administrative and selling expenses	10.76	7.77	38.5
Total	**65.87**	**40.85**	

Manufacturing expenses rose by 67% while Administrative and Selling expenses increased by over 38%. This is due to increase in operations and growth in production at the new AMTC Plant.

Finance costs

₹In Crores

Particulars	FY 19	FY 18	% change
Finance costs	9.21	4.02	129.2

Finance costs rose by a steep 129% during previous year. This is due to the increase in borrowings as well as interest cost charged to Profit and Loss Account in FY 2018-19, which was capitalised till June 2018, to the extent of funds used for AMTC project, and hence was not part of Finance cost.

Fixed Assets

₹In Crores

Particulars	FY 19	FY 18	% change
Tangible & intangible assets	129.68	61.03	112.5
Capital work in progress	96.52	152.73	-36.8
Total	**226.21**	**213.75**	**5.8**

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

Inventories

₹In Crores

Particulars	FY 19	FY 18	% change
Raw material	11.59	11.52	0.6
Work-in-progress	26.24	22.09	18.8
Finished goods	0.08	0.12	-32.8
Stores and spares	5.30	3.46	53.3
Loose tools	0.74	1.02	-27.1
TOTAL	**43.96**	**38.21**	**15.1**

Inventory overall increased by 15% due to the increase in operations and growth in production volumes.

Sundry Debtors

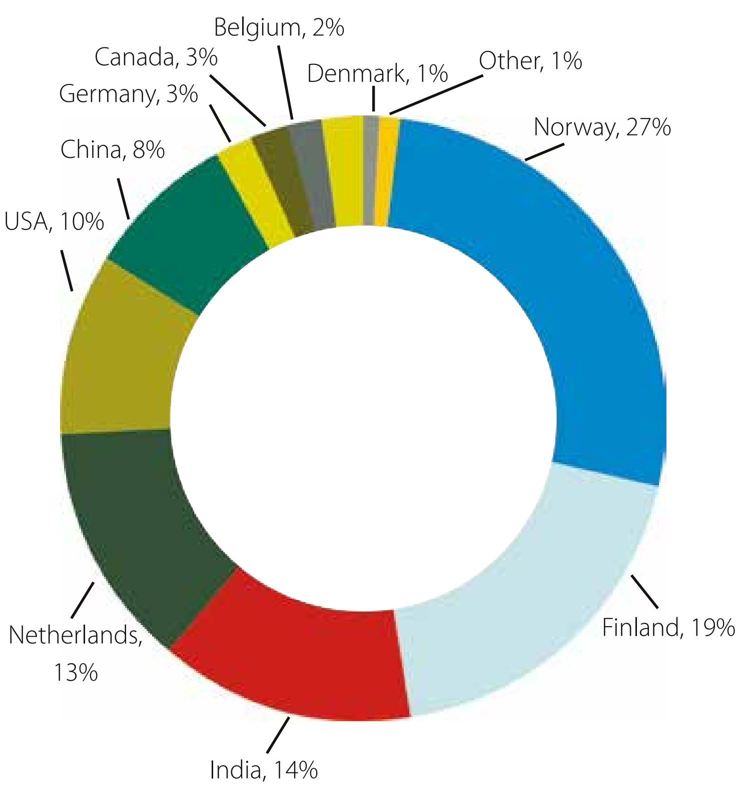
₹In Crores

Particulars	FY 19	FY 18	% change
Gross Debtors	44.00	33.66	30.7
Less: provisions	0.04	0.04	-
Total	**43.96**	**33.62**	**30.7**

An increase of 30% has been observed in Sundry debtors due to increase in revenue with the commencement of commercial production of phase one at the AMTC plant.

GEOGRAPHICAL SALES

Sales (Geographic mix)



COUNTRY	Net Sales (in Rs.) 2018-19	Net Sales (in Rs.) 2017-18
Norway	38,39,43,341.00	15,26,07,446.00
Finland	27,96,79,896.00	23,93,70,216.00
India	19,69,05,373.00	20,79,18,680.00
Netherlands	18,73,20,794.00	10,35,82,923.00
USA	14,10,33,898.00	7,63,53,475.00
China	10,80,94,595.00	9,27,14,355.00
Germany	3,99,56,489.00	6,38,03,007.00
Canada	3,91,82,067.00	0.00
Belgium	2,69,04,184.00	1,43,05,234.00
Denmark	1,89,20,211.00	0.00
Other	1,35,46,611.00	2,30,58,963.00
Sub Total	**1,43,54,87,459.00**	**97,37,14,299.00**
Export Incentives	7,10,90,172.00	3,43,56,992.00
Total	**1,50,65,77,631.00**	**1,00,80,71,291.00**

HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

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

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

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

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

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

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

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

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

The Company has excellent co-operation and support from the entire hierarchy of well-trained and experienced personnel. The total strength of employees on the roll at the end of the year was 603.

STATUTORY COMPLIANCE

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

CEO & CFO CERTIFICATION

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

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

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

To,

The Board of Directors,

PTC Industries Limited

1. We have reviewed financial statements and the cash flow statement of PTC Industries Limited (hereinafter referred to as the 'Company') for the year ended at March 31, 2019 (hereinafter referred to as the 'year') and to the best of our knowledge and belief:
   I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   II. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We, along with other certifying officers, accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, that there are no deficiencies in the design or operation of such internal controls of which we are aware.
4. We have indicated to the auditors and the Audit committee:
   I. That there are no significant changes in internal control over financial reporting during the year;
   II. That there no significant changes in accounting policies during the year;
   III. That there are no instances of significant fraud of which we have become aware.
5. We confirm that all Directors and Members of the Senior Management have affirmed compliance with PTC's Code of Business Conduct & Ethics.

Place: Lucknow	**Smita Agarwal**	**Sachin Agarwal**
Date: May 27, 2019	Chief Financial Officer (CFO)	Chairman & Managing Director (CEO)

REPORT ON CORPORATE GOVERNANCE

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

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

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

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

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

Board of Directors

Size and composition of the board

PTC has an effective mix of Executive Directors, Non-Executive Directors and Independent Directors in order to maintain the Board's independence and separate the functions of governance from the day to day management activities. The board of directors of the Company consists of eight (8) directors out of which five (5) are Non-Rotational directors (including Independent directors and Managing Director) and three (3) are Rotational directors. The casual vacancy caused by the resignation of a Woman Director on February 15, 2019, was filled on June 01, 2019. One more Independent director has been inducted on the Board with effect from August 10, 2019. The composition of the board is in compliance with Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The board periodically evaluates the need for change in its composition and size.

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

Composition of the board, and directorships held on March 31, 2019

Name of Director	Age	Other directorships held	Number of Committee Membership in domestic public companies (including this company)	
			As Chairman	As Member
Executive Directors, Non-Independent				
Sachin Agarwal	47	6	3	1
Priya Ranjan Agarwal	60	1	-	1
Alok Agarwal	57	1	-	4
Ashok Kumar Shukla	51	-	-	-

Non-Executive Directors, Independent				
Rakesh Chandra Katiyar	63	1	3	2
Ajay Kashyap	70	4	-	2
Krishna Das Gupta	76	4	4	6
Brij Lal Gupta	67	-	-	4

* Mr. Kasiviswanathan Mukundan, Nominee Director, resigned from the Directorship of the Company with effect from February 1, 2019.

* Ms. Shashi Vaish, Independent Director, resigned from the Directorship of the Company with effect from February 15, 2019 on account of her age and health.

* Ms. Smita Agarwal has been appointed as Director (Woman Director) of the Company with effect from June 01, 2019, subject to the approval of the shareholders in ensuing annual general meeting

* Mr. Vishal Mehrotra has been appointed as Independent Director of the Company with effect from August 10, 2019, subject to the approval of the shareholders in ensuing annual general meeting

Note:

1. Directorship of directors in other companies also includes directorship in Private Limited Companies.
2. Non-Executive Directors of the Company do not hold any securities of the Company.
3. There is no relationship inter-se between any of the Directors of the Company.
4. Familiarization program imparted to Independent Directors of the Company can be found at www.ptcil.com

A brief profile of the directors is given below:

Sachin Agarwal

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

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

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

Priya Ranjan Agarwal
Mr. Priya Ranjan Agarwal joined PTC in 1992 and has been working with company for the last 26 years. He is a Whole-time director on the Board of the Company. He has made a substantial contribution in creation of a wide base of customers in the domestic market. Mr. Priya Ranjan Agarwal is a Bachelor of Engineering (Mechanical).

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

Alok Agarwal
Mr. Alok Agarwal began working with PTC Industries in the year 1994, nearly 23 years ago. He is a Whole-time director designated as an Executive Director on the Board of the Company. Mr. Alok Agarwal has done his B.Tech from a premiere engineering institution, the Indian Institute of Technology (IIT), Kanpur.

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

Ashok Kumar Shukla
Mr. Ashok Kumar Shukla joined PTC IN 2003 (and was appointed as director with effect from October 1, 2017) and has been working with the Company for the last 15 years in various capacities. He is an Executive Director of the Company. Mr. Ashok Kumar Shukla is a Bachelor of Technology (Mechanical). He has over 29 years of experience in the foundry industry with a specialization in investment castings and Replicast®. In the past, other than PTC Industries, he has worked with a number of metal casting companies including Indian Smelting and Refining Company Limited (a part of the Birla group) and Alloy Steel Castings, Kenya.

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

Ajay Kashyap
Mr. Ajay Kashyap joined PTC in April 2007 and is an Independent Director on the Board of the Company. He is also a director on the Board of various other companies. Mr. Kashyap is a Bachelor in Technology (Chemistry) and has a Masters in Science (Chemistry). He has a vast experience in the engineering Industry.

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

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

Brij Lal Gupta
Mr. Brij Lal Gupta's educational qualifications include B.Sc from Meerut University, IRDA and CAIIB. Mr. Brij Lal Gupta has retired as General Manager from Punjab National Bank after 40 years of experience in banking. He holds the position of panel head in interview board of IBPS and serves as guest faculty in various Bank Training Colleges. He is presently also associated as Business Associate with BRICK (Risk Rating company). His experience includes the areas of sales, marketing operations, control, strategic planning and banking operations, recovery in NPAs.

Smita Agarwal
Ms. Smita Agarwal, Director and Chief Financial Officer, PTC Industries Limited qualified as a Chartered Accountant in 1997 and has worked with Price Water house Coopers in their New Delhi and London offices between 1994 to 1998. Smita has also completed her Diploma in Information Systems Audit from ICAI. As her first project, she helped to set up e.Soft Technologies Limited, one of Lucknow's leading software development and business process Consultancy Company which today has offices in New York, Mumbai and Lucknow. She began to take an active leadership role in PTC nearly 7 years ago and steered the management of the FDI investment into the company in 2013. She was also the winner of the 2017 Women Achiever Awards by LMA in the corporate category. Recently, she was also recognised by NITI Aayog as one of the

top 60 women entrepreneurs in the country at their Women Transforming India Awards 2018.

She served as Chairperson for CII Young Indians Lucknow Chapter and spent her year in office by working tirelessly towards promotion of youth leadership and social awareness in Lucknow through many programs, workshops and awareness activities. She held the position of National Chair – Project Masoom at CII Young Indians heading the vertical for 40 chapters across the nation doing measurable and extremely impactful work in area of prevention of Child Sexual Abuse by sensitising children and adults against this evil. She is now the Northern Region Chair of CII Young Indians and also a member of the CII UP State Council and the CII Northern Regional Committee.

Vishal Mehrotra

Mr. Vishal Mehrotra is an advocate by profession and has 21 years of experience of practice before Registration authorities, Revenue authorities, Commercial Tax authorities, Income Tax authorities, Appellate authorities and Hon'ble High Court. He is based in Lucknow (U.P.) and dealing in legal matters of leading private companies, non corporate houses and renowned individuals.

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

Name of directors	Director Identification Number	Number of Board Meeting during the year		Attendance at Last AGM held on 15th September 2018
		Held	Attended	
Sachin Agarwal	00142885	4	4	Present
Priya Ranjan Agarwal	00129176	4	4	Present
Alok Agarwal	00129260	4	3	Present
Ashok Kumar Shukla	08053171	4	2	Absent
Kasiviswanathan Mukundan	02756249	4	2	Absent
Rakesh Chandra Katiyar	00556214	4	4	Present
Ajay Kashyap	00661344	4	1	Absent
Krishna Das Gupta	00374379	4	3	Present
Shashi Vaish	00655901	4	1	Absent
Brij Lal Gupta	06503805	4	3	Present

*Mr. Kasiviswanathan Mukundan resigned from the Directorship of the Company with effect from February 1, 2019.

*Ms. Shashi Vaish resigned from the Directorship of the Company with effect from February 15, 2019.

The board met four times during the financial year ended 31st March, 2019 and the attendance of each director in board meeting is as under:

Name of Directors	Dates of Board Meetings in 2018-2019			
	29th May, 2018	13th August, 2018	13th November, 2018	13th February, 2019
Sachin Agarwal	✓	✓	✓	✓
Priya Ranjan Agarwal	✓	✓	✓	✓
Alok Agarwal	✓	-	✓	✓
Ashok Kumar Shukla	✓	-	✓	-
Ajay Kashyap	-	✓	-	-
Rakesh Chandra Katiyar	✓	✓	✓	✓
Krishna Das Gupta	✓	✓	-	✓
Kasiviswanathan Mukundan	✓	-	✓	NA
Shashi Vaish	-	✓	-	-
Brij Lal Gupta	✓	✓	-	✓

Committees of the Board

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

AUDIT COMMITTEE

Composition

The Audit Committee comprised of five members (3 Independent-Non-Executive, 1 Key Managerial Personnel and 1 Nominee Director). The composition and attendance of the Audit Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2018-19	
			Held	Attended
1.	Rakesh Chandra Katiyar	Chairman, Independent Director	4	4
2.	Brij Lal Gupta	Member, Independent Director	4	3
3.	Krishna Das Gupta	Member, Independent Director	4	3
4.	Smita Agarwal	Member, Chief Financial Officer	4	3
5.	Kasiviswanathan Mukundan*	Member, Nominee Director	4	2
6.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	4	4

*Mr. Kasiviswanathan Mukundan resigned from the Directorship of the Company as well as member of the Audit Committee with effect from February 1, 2019.

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

Terms of Reference

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

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

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

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

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

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

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

h) To review functioning of the whistle blower mechanism.

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

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

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

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

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

Nomination and remuneration committee

Composition

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

Sl. No.	Name	Category	Number of meetings during 2018-19	
			Held	Attended
1.	Krishna Das Gupta	Chairman, Independent Director	1	1
2.	Shashi Vaish*	Member, Independent director	1	-
3.	Brij Lal Gupta	Member, Independent Director	1	1
4.	Rakesh Chandra Katiyar	Member, Independent Director	1	1
5.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	1	1

*Ms. Shashi Vaish resigned from the Directorship of the Company as well as Nomination and remuneration committee with effect from February 15, 2019.

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

Terms of Reference

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

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

c) To devise a policy on board diversity.

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

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

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

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

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

Remuneration of directors for the Financial Year 2018-2019

Name	Salary	Contribution to funds	Sitting fees	Perquisite/ Commission	Total
Sachin Agarwal	6,185,515	279,720		3,057,220	9,505,455
Priya Ranjan Agarwal	2,627,202	-		28,800	2,656,002
Alok Agarwal	2,600,094	181,440		193,222	2,810,334
Ashok Kumar Shukla	3,753,999	251,880		2,828,800	6,834,679
Krishna Das Gupta	-	-	51,300	-	51,300
Ajay Kashyap	-	-	9,000	-	9,000
Rakesh Chandra Katiyar	-	-	57,600	-	57,600
Shashi Vaish	-	-	6,300	-	6,300
Brij Lal Gupta	-	-	54,000	-	54,000
Kasiviswanathan Mukundan	-	-	18000	-	18,000
TOTAL					**22,002,670**

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings during 2018-19	
			Held	Attended
1.	Rakesh Chandra Katiyar	Chairman, Independent Director	1	1
2.	Sachin Agarwal	Member, Executive Director	1	1
3.	Krishna Das Gupta	Member, Independent Director	1	1
4.	Ajay Kashyap	Member, Independent Director	-	-
5.	Anuj Nigam, Company Secretary & Compliance Officer	Secretary to the Committee	1	1

Terms of Reference

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

The details pertaining to the number of complaints received and responded and the status thereof during the financial year ended **March 31, 2019** are as under:

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

The pending complaint has been resolved on 8th April 2019.

Physical Share Transfers (from April 1, 2018 to March 31, 2019)

No. of shares transferred / transmitted	300/0
No. of shares pending for transfer	Nil
Pending due to Exchange of Counter Receipts (CR) to share certificates	NA

There are 77,080 equity shares against which shareholders have not claimed share certificates in lieu of the Counter Receipts (CR) aggregating to 1.56% of the total paid-up equity share capital of the Company.

Project Monitoring and Environment Committee

Composition

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

Sl. No.	Name	Category	Number of meetings during 2018-19	
			Held	Attended
1.	Sachin Agarwal	Member, Executive Director	1	1
2.	Alok Agarwal	Member, Executive Director	1	1
3.	Ajay Kashyap	Member, Independent Director	-	-
4.	Krishna Das Gupta	Member, Independent Director	1	1
5.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	1	1

Terms of Reference

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition

The Corporate Social Responsibility Committee comprises of four directors (3 Independent and an Executive director). The composition and attendance of the Corporate Social Responsibility Committee is as under:

Sl. No.	Name	Category	Number of meetings during 2018-19	
			Held	Attended
1.	Krishna Das Gupta	Chairman, Independent Director	2	2
2.	Alok Agarwal	Member, Executive Director	2	2
3.	Rakesh Chandra Katiyar	Member, Independent Director	2	2
4.	Shashi Vaish	Member, Independent Director	2	0
5.	Anuj Nigam, Company Secretary & Compliance Officer	Secretary to the Committee	2	2

*Ms. Shashi Vaish resigned from the Directorship of the Company as well as Corporate Social Responsibility Committee with effect from February 15, 2019.

Terms of Reference

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

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

BANKING COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings held during 2018-19	
			Held	Attended
1.	Sachin Agarwal	Chairman, Managing Director	7	7
2.	Alok Agarwal	Member, Executive Director	7	7
3.	Brij Lal Gupta	Member, Independent Director	7	7
4.	Anuj Nigam Company Secretary & Compliance Officer	Secretary to the Committee	7	7

Terms of Reference

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

- Approval of sanction letters and/or borrowings at a time or by cumulative sum as specified by the Board subject to fact that the Chairman of the Committee will place such approval at the subsequent meeting of the Board.
- Passing of resolution(s) for opening, closing and operation of bank accounts with present bankers of the Company viz., State Bank of India, Punjab National Bank, HDFC bank, Yes Bank, ICICI Bank or any of the banks in future.
- To authorise additions/deletions to the signatories pertaining to banking transactions.
- To approve investment of surplus fund for an amount as per the policy approved by Board.
- To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivatives products.
- Any approval and/or execution for day to day banking matters of the Company.
- To attend to any other responsibility as may be entrusted by the Board to perform any activity within terms of reference.

RISK MANAGEMENT COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings held during 2018-19	
			Held	Attended
1.	Rakesh Chandra Katiyar	Chairman, Independent Director	-	-
2.	Priya Ranjan Agarwal	Member, Executive Director	-	-
3.	Brij Lal Gupta	Member, Independent Director	-	-

During the year there has been no meeting held of the Committee.

Terms of Reference

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

LISTING COMMITTEE

Composition

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

Sl. No.	Name	Category	Number of meetings held during 2018-19	
			Held	Attended
1.	Sachin Agarwal	Chairman, Executive Director	-	-
2.	Alok Agarwal	Member, Executive Director	-	-
3.	Smita Agarwal	Member, Chief Financial Officer	-	-

During the year no meeting was held of the Committee.

Terms of Reference

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

INDEPENDENT DIRECTORS COMMITTEE

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

Composition

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

Meetings and Attendance

Details of Independent Directors Committee Meeting during the financial year

During the financial year ended 31st March, 2019, one meeting of the Independent Directors Committee was held.

BOARD EVALUATION AND TRAINING

Familiarisation and training of board members

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

Evaluating the performance of non-executive directors

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

Whistleblower policy

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

General Body Meetings

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

AGM No.	Date	Time	Location	Special Resolution Passed
55th	September 15, 2018	03:00 P.M.	Registered Office	No
54th	September 29, 2017	03:00 P.M.	Hotel Golden Tulip, Lucknow	Yes
53rd	September 28, 2016	03:00 P.M.	Registered Office	Yes

Postal Ballot- During the year under report no resolution were passed by shareholder through Postal Ballot. No Extraordinary General Meeting was held during the year under report.

Resolutions, if any, to be passed through Postal Ballot during the current financial year will be taken up as and when necessary.

PTC CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING – 2019

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

PTC CODE OF CONDUCT

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

Disclosures

1. Details of non-compliances, penalties and strictures by Stock Exchanges / SEBI / Statutory Authorities on any matter related to capital markets during the last three years: None
2. Inter-se relationships between Directors and Key Managerial Personnel of the Company: None
3. Materially significant related party transactions which may have potential conflict with the interests of the Company at large: None
4. Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large: None
5. Details of utilisation of funds raised through preferential allotment or qualified institutions placement: Not Applicable
6. None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities, which has also been confirmed by Messrs. Amit Gupta & Associates, Practising Company Secretaries.
7. Confirmation by the Board with respect to the Independent Directors is provided in the Report of the Board of Directors & Management Discussion and Analysis, forming part of the Report and Accounts.
8. A certificate, by practising Company Secretary to the effect that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies, is annexed to this report.
9. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the Board Report.
10. Information with respect to Commodity Price Risk or Foreign Exchange Risk and Hedging Activities is provided in the Report of the Board of Directors & Management Discussion and Analysis and in the Notes to the Financial Statements, forming part of the Report and Accounts.
11. In view of the diversified business portfolio of the Company, its exposure in none of the individual commodities which are sourced either for use as inputs in its businesses or for agri-commodity trading, is material in the context of its overall operations, and also in terms of the Policy for determination of materiality of events and information for disclosure to the Stock Exchanges, as approved by the Board. Accordingly, the disclosure requirements prescribed under the SEBI Circular dated 15th November, 2018 are not applicable for the Company.
12. The total fees paid by the Company and its subsidiaries to Messrs. Walker Chandiok & Associates, Statutory Auditors of the Company, and all other entities forming part of the same network, aggregate Rs. 24.12 Lakhs for the current financial year.
13. Compliance Officer under the Listing Regulations 2015: Mr. Anuj Nigam, Company Secretary & Compliance Officer
14. Your Company has not entered into any transaction of a material nature except transactions with related parties which have been given under notes to the financial statements as stipulated under Indian Accounting Standard (Ind AS) 24 and Annexure to the Director's report in Annexure III, with the promoters, directors, management, their subsidiaries or relatives etc. All transactions were carried

out on an arms-length basis and were not prejudicial to the interest of the Company.

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

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

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

18. Policy on Materiality and Policy on Related party Transactions can be accessed at http://www.ptcil.com/PoliciesandReports.aspx

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

Means of Communication

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

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

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

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

General Shareholders' Information

Annual General Meeting	Date: September 28 , 2019 Time: 03:00 P.M. Venue: Registered Office at Advanced Manufacturing & Technology Centre, NH 25A, Sarai Shahjadi, Lucknow 227 101, Uttar Pradesh, India
Book Closure Dates	September 21, 2019
Financial calendar (Tentative)	1st April 2018 to 31st March 2019
Dividend Payment date	The Company has already made a substantial investment in new technologies and capabilities for its new AMTC facility, effects of which are expected to show in the Company's financial performance in the coming years. The Company's investment in this plant for commercialization of the next phase is still underway for which further outlay of funds is envisioned. Hence, the directors do not consider it prudent to recommend any dividend for the year ended on March 31, 2019
Listing on Stock Exchange	BSE Limited The Company has paid Annual Listing Fees to BSE Limited for the current year.
Stock Exchange Code	539006

Market Price Data

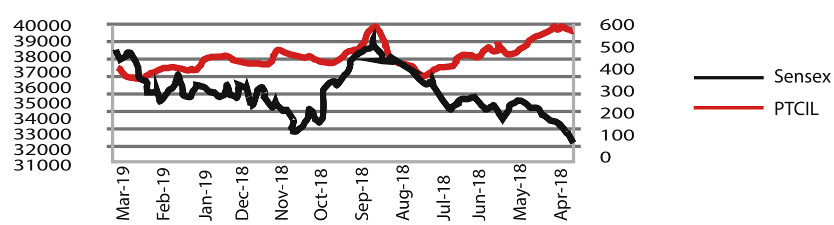
Stock market price data for the financial year 2018-19. High/Low of daily closing market price of the Company's shares traded at BSE during each month in the Financial Year ended on March 31, 2019 are as under:

Month	High	Low	No. of Shares
Apr-18	620	530	8,250
May-18	559	452.1	7,570
Jun-18	518	400	6,498
Jul-18	465	368	6,824
Aug-18	620	402.3	9,465
Sep-18	540	400	5,488
Oct-18	493.5	407.4	1,814
Nov-18	498.8	390	1,557
Dec-18	465	405.2	2,842
Jan-19	476	400	3,245
Feb-19	420	381	932
Mar-19	422	341.2	6,404

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

(During 2018-19)

% change in Company Share price	% change in SENSEX
-29.44%	16.29%



Registrar and Transfer Agent

M/s Link Intime India Private Limited

C-101, 247 Park, LBS Marg Vikhroli West, Mumbai 400 083

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

Share Transfer System

Share transfer work of physical segment is attended to by the Company's Registrar and Share Transfer Agent within the period prescribed under the law and the listing agreement. Share transfers are approved by a committee of directors which meets periodically.

Plant Locations	AMTC Plant NH 25A, Sarai Shahjadi, Lucknow 227101, Uttar Pradesh, India.	Lucknow Plant 1 Malviya Nagar, Aishbagh, Lucknow 226 004, Uttar Pradesh, India.
	Windmill Power Division Surajbari Region, Shikarpur Village, Kutch District, Gujarat, India.	Lucknow Plant 2 C-5 Sarojini Nagar, Industrial Estate, Lucknow 226 008, Uttar Pradesh, India.
	Mehsana Plant Rajpur, Taluka Kadi, District Mehsana 382 740, Gujarat, India.	
Address for correspondence	The Company Secretary PTC Industries Limited Advanced Manufacturing and Technology Centre NH-25A Sarai Shahjadi, Lucknow-227101, Uttar Pradesh, India.	

Dematerialization of Shares

The Company has signed a tri-partite agreement with both depositories National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and Company's Registrar and Share Transfer Agent M/s Link Intime India Private Limited to facilitate dematerialization of Shares. The Company's equity shares have been admitted to dematerialisation w.e.f. July 20, 2002 and the ISIN is INE596F01018. The details of shares in physical and Demat form as on March 31, 2019 is as under:

Description of Shares	Number of Shares	Percentage
No. of shares in physical mode	247,510	4.72
No. of shares in electronic mode	49,91,553	95.28
Total	52,39,063	100.00

Distribution of shareholding (As on March 31, 2019)

Number of shares	Number of shareholders	Number of shares	Percentage to total number of shares
From-To			
1 - 500	1101	1,42,559	2.7211
501 - 1000	82	64,058	1.2227
1001 - 2000	24	36,988	0.7060
2001 - 3000	9	23,552	0.4495
3001 - 4000	2	7,650	0.1460
4001 - 5000	3	14,400	0.2749
5001 - 10000	10	74,821	1.4281
10001 and above	32	48,75,035	93.0517
Total	**1263**	**52,39,063**	**100.00**

Shareholding Pattern	No. Of Shares	% of Capital
Promoters and directors (including relatives)	33,69,789	64.32
Foreign companies	10,47,813	20.00
Corporate bodies (other than promoters' companies)	2,48,438	4.75
Indian public	5,07,555	9.68
NRIs	18,450	0.35
Market makers	7,100	0.14
HUF	35,503	0.68
Clearing Members	4,415	0.08
Total	**52,39,063**	**100.00**

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

Name	Mr. Alok Agarwal
Date of Birth	August 29, 1962
Date of Joining	July 27, 1994
No. of shares held	2,15,600
Qualification	B.Tech (IIT Kanpur)
Experience	25 years
Expertise	Quality, Technical, Operations
Other Listed Company Directorship	-
Chairman/ membership in other listed company committees	-

Name	Mr. Krishna Das Gupta
Date of Birth	October 7, 1942
Date of Joining	July 31, 2008
No. of shares held	-
Qualification	M.Com, LLB, M.Phil
Experience	38 years
Expertise	Income tax
Other Listed Company Directorship	3
Chairman/ membership in other listed company committees	6

Name	Dr. Rakesh Chandra Katiyar
Date of Birth	July 1, 1956
Date of Joining	April 19, 2007
No. of shares held	-
Qualification	M.Com, Ph.D, FICMA and D.Litt
Experience	43 years
Expertise	Accounting and Finance
Other Listed Company Directorship	-
Chairman/ membership in other listed company committees	-

Name	Mr. Ajay Kashyap
Date of Birth	August 11, 1949
Date of Joining	April 19, 2007
No. of shares held	-
Qualification	B.Tech and M.Sc (Chemical Engineering)
Experience	46 years
Expertise	Marketing and Management
Other Listed Company Directorship	-
Chairman/ membership in other listed company committees	-

Name	Ms. Smita Agarwal
Date of Birth	April 15, 1976
Date of Joining	June 1, 2019, as Director on the Board. She has been associated with the Company since January 1, 2009 as Chief Information Officer, she got elevated to Chief Financial Officer w.e.f. May 24, 2014.
No. of shares held	-
Qualification	C.A. and DISA (ICAI)
Experience	22 years
Expertise	Finance and Administration
Other Listed Company Directorship	-
Chairman/ membership in other listed company committees	-

Name	Mr. Vishal Mehrotra
Date of Birth	April 13, 1972
Date of Joining	August 10, 2019
No. of shares held	-
Qualification	LL.B
Experience	21 years
Expertise	Legal
Other Listed Company Directorship	-
Chairman/ membership in other listed company committees	-

GREEN INITIATIVE

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

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
PTC Industries Limited,

1. We have examined the status of directors for the year ended on March 31, 2019, pursuant to the provisions of Clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") .
2. It is neither an audit nor an expression of opinion regarding the legality of debarring or disqualification by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs (MCA) or any such statutory authority.
3. Our examination was limited to a review of the relevant records of the Company and website of MCA, stock exchange(s), SEBI and other relevant statutory authority (ies) (specify) as specified in Annexure to this certificate and it is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the declarations and disclosures made by the Directors and the representation given by the Management, we certify that none of the directors on the board of PTC Industries Limited, have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority during the year ended at March 31, 2019.

For **Amit Gupta & Associates**
Company Secretaries

Place: Lucknow
Date: August 10, 2019

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

CERTIFICATE ON CORPORATE GOVERNANCE

UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS

To

The Members of PTC Industries Limited

AMTC, NH-25A, Sarai Shahjadi

Lucknow

We have examined the compliance of conditions of Corporate Governance by PTC Industries Limited ("the Company"), for the year ended on March 31, 2019, as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period April 01, 2018 to March 31, 2019.

1. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and Clause (b) to (i) of Regulation 46 (2) of the Listing Agreements and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2019.
3. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Place: Lucknow
Date: August 10, 2019

(C.P Shukla)
Membership No. : F3819
C.P. No. 513

Independent Auditor's Report

To the Members of PTC Industries Limited

Opinion

1. We have audited the accompanying financial statements of PTC Industries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

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

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

Key audit matter	How our audit addressed the key audit matter
Valuation of capital work in progress comprising of capitalization of new plant	
Refer note 4 (d) for the accounting policy and note 6 for the related disclosures. The Company has constructed its new plant, i.e., the Advanced Manufacturing and Technology Centre (AMTC) at Banthra. As at 31 March 2019, the Company has incurred a total sum of Rs. 19,003.83 lakhs towards cost of construction of the new plant. Out of this, till 31 March 2019, the Company has capitalised Rs. 9,351.54 lakhs pertaining to the initial phase of the plant as property, plant and equipment based on completion of such portion of the project as per recognition criteria given under Ind AS 16, Property, plant and equipment. An amount of Rs. 9,652.29 lakhs has been disclosed as capital work-in-progress in note 6 to the financial statements which primarily comprises of plant and machinery that is not ready for its commercial use as at 31 March 2019. Further, as per principles of Ind AS 23 - Borrowing Costs, borrowing cost pertaining to the loans taken by the Company for construction of the new plant has also been included in the above project cost being capitalized. Apart from the non-routine nature of transactions involved in construction of the plant, there are complexities involved in the allocation and valuation of finance costs, pre-operative expenses and employee benefits expenses totaling to Rs. 842.45 lakhs, which have been apportioned to capital work-in progress. Considering the overall significance of the amounts involved, complexity and judgement involved in determination and allocation of related costs, valuation, accounting and disclosure of capital work-in-progress was determined to be a key audit matter for the current year.	Our audit procedures included, but were not limited to, the following: • Obtained an understanding of the management's process of recording the transactions pertaining to capital expenditure incurred by the company as capital work-in-progress. • Evaluated the design and tested the operating effectiveness of internal controls implemented by the Company over such process including for approvals, payments, budgets etc. • Evaluated the appropriateness of the accounting policy in accordance with the Indian accounting standards. • Tested the amounts capitalized, on a sample basis, to supporting documents and evaluating whether assets capitalised satisfies the recognition criteria. • Tested the amounts allocated to capital-work-in-progress, on a sample basis, to supporting documents. Tested the allocation of pre-operative expenses, employee benefits expenses and finance cost to evaluate whether they are directly attributable to the assets and satisfy the recognition criteria under the respective applicable accounting standards. • Assessed the appropriateness and adequacy of the related disclosures in the financial statements in accordance with the applicable accounting standards.

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

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

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

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

    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;

    f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 27 May 2019 as per Annexure II expressed an unmodified opinion;

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

        i. the Company, as detailed in note 43 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;

        iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019; and

        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Associates

Chartered Accountants

Firm's Registration No.: 001329N

Arun Tandon

Partner

Membership No.: 517273

Place: Gurugram

Date: 27 May 2019

Annexure I

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

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

(c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods lying with third parties. For stock lying with third parties at the year end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.

(iii) The Company has granted interest free unsecured loans to a party covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest.

(b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of the principal amount and the interest are regular;

(c) there is no overdue amount in respect of loans granted to such companies, firms, LLPs or other parties.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

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

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	1.71	-	October 2015 to December 2016	Commissioner of Excise Tax
Central Excise Act, 1944	Excise duty	1.12	-	Financial year 2013-2014	Assessing Authority of Excise Tax
Finance Act, 1994	Service Tax	12.87	-	Financial year 2014-15 and 2015-16	Commissioner of Service Tax

(viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained, though idle funds which were not required for immediate utilisation have been kept in the current accounts of banks.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Associates

Chartered Accountants

Firm's Registration No.: 001329N

Arun Tandon

Partner

Membership No.: 517273

Place: Gurugram

Date: 27 May 2019

Annexure II

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of PTC Industries Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the IFCoFR criteria established by the Company considering the essential components of internal financial controls 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the IFCoFR criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Associates

Chartered Accountants

Firm's Registration No.: 001329N

per Arun Tandon

Partner

Membership No.: 517273

Place: Gurugram

Date: 27 May 2019

Balance sheet as at 31 March 2019

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	5	12,913.18	6,102.68
Capital work-in-progress	6	9,652.29	15,272.66
Other intangible assets	7	55.23	66.66
Financial assets			
(i) Investments	8(a)	0.21	0.21
(ii) Loans	9(a)	92.10	188.07
(iii) Other financial assets	10(a)	13.14	3.81
Non current tax assets (net)	11	2.28	38.53
Other non current assets	12	284.90	222.21
Total non-current assets		**23,013.33**	**21,894.83**
Current assets			
Inventories	13	4,396.14	3,821.01
Financial assets			
(i) Investments	8(b)	11.77	10.68
(ii) Trade receivables	14	4,395.56	3,362.21
(iii) Cash and cash equivalents	15	558.51	109.39
(iv) Other bank balances	16	87.42	62.40
(v) Loans	9(b)	316.74	80.15
(vi) Others financial assets	10(b)	378.07	236.61
Other current assets	17	882.75	1,358.58
Total current assets		**11,026.96**	**9,041.03**
TOTAL ASSETS		**34,040.29**	**30,935.86**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	523.91	523.91
Other equity	19	13,515.71	12,427.97
Total equity		**14,039.62**	**12,951.88**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	20(a)	7,414.33	7,708.24
Provisions	21	75.48	68.89
Deferred tax liabilities (net)	22	69.45	469.25
Other non-current liabilities	23	1,155.56	788.89
Total non-current liabilities		**8,714.82**	**9,035.27**

Balance sheet as at 31 March 2019

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at 31 March 2019	As at 31 March 2018
Current liabilities			
Financial liabilities			
(i) Borrowings	20(b)	5,865.09	5,483.80
(ii) Trade payables	24		
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		3,500.12	1,747.70
(iii) Other financial liabilities	25	1,724.38	1,590.44
Other current liabilities	26	80.09	102.32
Provisions	21	68.23	8.70
Current tax liabilities (net)	27	47.94	15.75
Total current liabilities		**11,285.85**	**8,948.71**
TOTAL EQUITY AND LIABILITIES		**34,040.29**	**30,935.86**

Notes 1 to 48 form an integral part of these financial statements

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

For Walker Chandiok & Associates
Chartered Accountants

Arun Tandon
Partner
Membership No. 517273

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

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

Smita Agarwal
Chief Financial Officer
ICAI Membership No.: 095716

Anuj Nigam
Company Secretary
Membership No.: FCS9515

Place: Gurugram
Date: 27 May 2019

Place: Lucknow
Date: 27 May 2019

Statement of Profit and Loss as at 31 March 2019

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations	28	15,124.80	10,133.38
Other income	29	422.02	288.66
Total income		**15,546.82**	**10,422.04**
Expenses			
Cost of materials consumed	30	4,479.21	2,521.92
Changes in inventories of finished goods and work-in-progress	31	(411.42)	225.16
Excise duty on sale of goods	48	-	26.61
Employee benefits expense	32	1,945.97	1,649.95
Research and development expense	33	111.05	85.80
Other expenses	34	6,586.99	4,085.34
Total expenses		**12,711.80**	**8,594.78**
Profit before finance cost, depreciation and amortisation, exceptional items and tax		**2,835.02**	**1,827.26**
Finance costs	35	921.36	401.53
Depreciation and amortisation expense	36	909.42	576.68
Profit before exceptional items and tax		1,004.24	849.05
Exceptional items	37	61.81	-
Profit before tax		**942.43**	**849.05**
Tax expense:	38		
Current tax - current year		194.52	296.52
MAT credit entitlement - current year		(194.52)	-
Current tax - earlier years		(91.41)	-
Deferred tax charge		123.12	(191.48)
MAT credit entitlement - previous years		(180.82)	-
Total tax expenses		**(149.11)**	**105.04**
Profit for the year		**1,091.54**	**744.01**
Other comprehensive income			
A) i) Items that will not be reclassified to profit and loss			
a) Remeasurements of post-employement benefit obligations		(5.27)	4.86
b) Changes in fair value of FVOCI equity instruments		-	0.01
ii) Income tax relating to these items		1.47	(1.60)
Other comprehensive income			
B i)Items that will be reclassified to profit or loss		-	-
ii)Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year (net of tax)		**(3.80)**	**3.27**
Total comprehensive income for the year		**1,087.74**	**747.28**

Statement of Profit and Loss as at 31 March 2019

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Earnings per equity share [Nominal value ₹10]	39		
Basic (₹)		20.83	14.20
Diluted (₹)		20.83	14.20

Notes 1 to 48 form an integral part of these financial statements

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

For Walker Chandiok & Associates
Chartered Accountants

Arun Tandon
Partner
Membership No. 517273

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

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

Smita Agarwal
Chief Financial Officer
ICAI Membership No.: 095716

Anuj Nigam
Company Secretary
Membership No.: FCS9515

Place: Gurugram
Date: 27 May 2019

Place: Lucknow
Date: 27 May 2019

Statement of cash flows as at 31 March 2019

(All amounts in ₹ lakhs, unless stated otherwise)

	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
A	**Cash flow from operating activities**		
	Net profit before tax	942.43	849.05
	Adjustment for :		
	Depreciation and amortisation expense	909.42	576.68
	Unrealised foreign exchange fluctuation loss/(gain)	134.02	59.06
	Loss on sale of property, plant and equipment (net)	2.63	7.95
	Provision for doubtful debts, loans and advances	-	4.27
	Bad debts written off	-	2.55
	Loans and advances written off	50.62	1.68
	Investment in subsidiary written off	-	2.12
	Liabilities no longer required written back	-	(48.73)
	Amortisation of deferred income- government grant	(33.33)	(11.11)
	Dividend income	(0.15)	-
	Gain on MTM foreign exchange fluctuation	(76.60)	-
	Interest paid	840.13	348.88
	Remeasurement of defined benefit plan	(5.27)	4.86
	Gain on investment at fair value through profit or loss (net)	(1.09)	(2.04)
	Interest from assets valued at amortised cost	(12.41)	(8.09)
	Exceptional items	61.81	-
	Operating profit before working capital changes	**2,812.22**	**1,787.13**
	Inflow and outflow on account of :		
	Trade receivables	(1,079.00)	(658.98)
	Inventories	(575.13)	7.50
	Financial assets	(192.08)	(35.43)
	Other assets	413.14	(300.49)
	Investments	-	(0.07)
	Loans	(140.63)	(71.20)
	Provisions	66.11	31.12
	Trade payables	1,740.64	892.25
	Financial liabilities	256.19	17.45
	Other liabilities	(84.04)	(41.32)
	Cash generated from operations	**3,217.42**	**1,627.96**
	Income-tax paid (net)	(180.77)	(142.28)
	Net cash flow from operating activities (A)	**3,036.65**	**1,485.68**

Statement of cash flows as at 31 March 2019

(All amounts in ₹ lakhs, unless stated otherwise)

	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment including capital advances	(1,765.23)	(2,927.99)
	Sale of property, plant and equipment	12.69	6.09
	Interest received	12.41	15.45
	Proceeds from fixed deposits	(34.34)	249.05
	Dividend received	0.15	-
	Net cash used in investing activities (B)	**(1,774.32)**	**(2,657.40)**
C	**Cash flows from financing activities**		
	Proceeds from long-term borrowings	613.08	634.60
	Repayment of long-term borrowings	(907.00)	(333.34)
	Proceeds from government grant	400.00	300.00
	Proceeds from short-term borrowings (net)	381.30	1,538.26
	Interest paid	(1,300.59)	(924.16)
	Net cash used in financing activities (C)	**(813.21)**	**1,215.36**
	Net increase in cash and cash equivalents (A)+(B)+(C)	**449.12**	**43.64**
	Cash and cash equivalents at beginning of the year	109.39	65.75
	Cash and cash equivalents at end of the year	**558.51**	**109.39**
	Components of cash and cash equivalents (refer note 15):		
	Balances with banks	518.37	40.05
	Cash on hand	8.64	3.86
	Balances in deposit account with original maturity upto 3 months	31.50	65.48
		558.51	**109.39**

Statement of cash flows as at 31 March 2019

(All amounts in ₹ lakhs, unless stated otherwise)

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Non-current borrowings	Current borrowings	Interest accrued
Opening balance as on 1 April 2018	**8,466.57**	**5,483.80**	**62.56**
Add: Non cash changes due to-			
- Interest expense debited to statement of profit and loss	-	-	840.13
- Interest expense capitalised to capital work-in-progress	-	-	414.87
Add: Cash inflows during the year			
- Proceeds from non-current borrowings	916.39	-	-
- Proceeds from current borrowings	-	381.29	-
Less: Cash outflow during the year			
- Repayment of non-current borrowings	907.00	-	-
- Interest paid	-	-	(1,300.59)
Closing balance as on 31 March 2019	**8,475.96**	**5,865.09**	**16.97**

Notes 1 to 48 form an integral part of these financial statements

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

For Walker Chandiok & Associates
Chartered Accountants

Arun Tandon
Partner
Membership No. 517273

Place: Gurugram
Date: 27 May 2019

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

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

Smita Agarwal
Chief Financial Officer
ICAI Membership No.: 095716

Anuj Nigam
Company Secretary
Membership No.: FCS9515

Place: Lucknow
Date: 27 May 2019

Statement of changes in equity as at 31 March 2019

(All amounts in ₹ lakhs, unless stated otherwise)

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at 1 April 2017	**52,39,063**	**523.91**
Changes in equity share capital during the year	-	-
Balance as at 1 April 2018	**52,39,063**	**523.91**
Changes in equity share capital during the year	-	-
Balance as at 31 March 2019	**52,39,063**	**523.91**

B. Other equity

Particulars	Reserves and surplus				Other reserve	Total
	Capital reserve	Securities premium reserve	General reserve	Retained earnings	Equity instruments through other comprehensive income	
Balance as at 1 April 2017	**1.75**	**4,120.72**	**4,624.17**	**2,934.05**	**-**	**11,680.69**
Profit for the period	-	-	-	744.01	-	744.01
Remeasurement of defined benefit plan	-	-	-	3.26	-	3.26
Other comprehensive income	-	-	-	-	0.01	0.01
Balance as at 1 April 2018	**1.75**	**4,120.72**	**4,624.17**	**3,681.32**	**0.01**	**12,427.97**
Profit for the period	-	-	-	1,091.54	-	1,091.54
Remeasurement of defined benefit plan	-	-	-	(3.80)	-	(3.80)
Balance as at 31 March 2019	**1.75**	**4,120.72**	**4,624.17**	**4,769.06**	**0.01**	**13,515.71**

Refer Note 19 for nature of reserves.

Notes 1 to 48 form an integral part of these financial statements

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

For Walker Chandiok & Associates
Chartered Accountants

Arun Tandon
Partner
Membership No. 517273

Place: Gurugram
Date: 27 May 2019

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

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

Smita Agarwal
Chief Financial Officer
ICAI Membership No.: 095716

Anuj Nigam
Company Secretary
Membership No.: FCS9515

Place: Lucknow
Date: 27 May 2019

Notes to the financial statements for the year ended 31 March 2019

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

1. Company information

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

2. General information and statement of compliance with Ind AS

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

The financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The financial statements of PTC Industries Limited as at and for the year ended 31 March 2019 (including comparatives) were approved and authorised for issue by the Board of Directors on 27 May 2019.

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

3. Basis of preparation and presentation

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

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

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

4. Summary of significant accounting policies

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

a. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. Accounting estimates could change from period to period. Actual results may differ from these estimates.

These estimates and judgments are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other estimates and judgments that are believed to be reasonable under the circumstances. Accounting estimates could change from period to period. Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial statements in the period in which changes are made. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect of the amounts recognized in the financial statements.

b. Current/non-current classification

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

Notes to the financial statements for the year ended 31 March 2019

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

Assets

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

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

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

Liabilities

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

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

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

c. Property, plant and equipment

Recognition, measurement and de-recognition

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

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

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

Subsequent expenditure

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

Depreciation

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

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

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

Notes to the financial statements for the year ended 31 March 2019

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

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

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

d. Capital work-in-progress

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

e. Intangible assets

Recognition, measurement and de-recognition

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

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

Subsequent expenditure

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Amortisation

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

f. Impairment

i. Impairment of financial assets

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

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

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

ii. Impairment of non-financial assets

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

g. Inventories

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

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

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

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

h. Foreign exchange transactions

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. All monetary assets and liabilities denominated in foreign

Notes to the financial statements for the year ended 31 March 2019

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

currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

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

i. Employee benefits

i. Short-term employee benefits

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

ii. Defined contribution plans

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

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

iii. Defined benefit plans

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

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

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

iv. Other long-term employee benefits

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

j. Revenue

i. Sale of goods

Revenue arises from sale of goods. It is measured at the fair value of the consideration received or receivable excluding taxes collected from customers and reduced by any rebates and trade discount allowed. Revenue is recognised upon transfer of control of promised products to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

ii. Interest income

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

iii. Dividend income

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

iv. Income from power generation:

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

v. Export benefits/incentives

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

k. Borrowings

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

l. Government grants

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

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

m. Leases

Company as a lessee

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

Company as a lessor:

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

Notes to the financial statements for the year ended 31 March 2019

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

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

n. Financial instruments

i. Recognition and initial measurement

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

ii. Subsequent measurement

Financial assets

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

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

ii. Financial assets at fair value

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

  If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

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

De-recognition of financial assets

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

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40 details how the Company determines whether there has been a significant increase in credit risk.

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

Financial liabilities

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

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

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

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

Offsetting of financial instruments

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

o. Fair value measurement

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

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

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

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

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

p. Cash and cash equivalents

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

q. Earnings per share

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

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

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

r. Provisions, contingent liabilities and contingent assets

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

Notes to the financial statements for the year ended 31 March 2019

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Company, and requires interpretation of laws and past legal rulings.

s. Taxation

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

i. Current tax

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

ii. Deferred tax

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

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

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

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred

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

tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

t. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's Board of Directors assesses the financial performance and position of the Company, and makes strategic decision. The Board has been identified as the chief operating decision maker. The Company's business activity is organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Company's primary business segment is reflected based on principal business activities carried on by the Company. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Company operates in one reportable business segment i.e., manufacturing and selling of metal components for critical and super critical applications. The geographical information analyses the Company's revenue and trade receivables from such revenue in India and other countries. In presenting the geographical information, segment revenue and receivables has been based on the geographic location of customers. Refer note 44 (b) for segment information presented.

u. Research and development costs

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

v. Derivative financial instruments

The Company holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms. Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred.

w. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Notes to the financial statements for the year ended 31 March 2019

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

i. Estimation of defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

ii. Estimation of current tax and deferred tax

Management judgment is required for the calculation of provision for income-taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in the financial statements.

iii. Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain property, plant and equipment.

iv. Impairment of trade receivables

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

v. Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 40).

x. Recent accounting pronouncements

Ind AS 116 'Leases'

On March 30, 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after April 1, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 12, Income taxes

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind AS 12 Income taxes – "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is April 1, 2019. Further, there has been amendments in relevant paragraphs in Ind AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind AS 109. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 19, Employee benefits

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 109, Financial instruments

On March 30, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 23, Borrowing costs

On March 30, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind AS 23 "Borrowing Costs" clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Notes to the financial statements for the year ended 31 March 2019

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

5 Property, plant and equipment

Particulars	Freehold land	Leasehold land	Factory building	Plant and machinery	Computer	Mould and dies	Vehicles	Furniture and fixtures	Office equipment	Research and development assets				
										Plant and machinery	Computer	Mould and dies	Vehicles	Total
Gross Block														
As at 1 April 2017	701.81	50.23	874.68	5,910.90	170.25	1,212.22	222.21	112.03	99.20	253.28	1.12	111.77	6.35	9,726.05
Additions	-	-	0.89	1,772.06	4.79	13.67	21.37	2.72	2.77	-	0.06	-	-	1,818.33
Disposals/assets written off	-	-	-	44.36	-	12.52	-	-	-	-	-	-	-	56.88
Balance as at 31 March 2018	701.81	50.23	875.57	7,638.60	175.04	1,213.37	243.58	114.75	101.97	253.28	1.18	111.77	6.35	11,487.50
Additions	-	-	3,484.91	3,887.77	18.11	111.16	71.97	74.07	74.92	-	-	-	-	7,722.90
Disposals/assets written off	-	-	-	15.34	-	-	46.05	-	-	-	-	-	-	61.39
Balance as at 31 March 2019	701.81	50.23	4,360.48	11,511.03	193.15	1,324.53	269.50	188.82	176.89	253.28	1.18	111.77	6.35	19,149.01
Accumulated depreciation														
As at 1 April 2017	-	13.72	326.62	3,100.03	152.43	752.16	116.52	77.24	79.07	134.72	1.04	101.37	2.85	4,857.77
Charge for the year	-	0.60	27.48	372.43	9.20	104.47	25.37	6.92	3.92	17.72	-	1.26	0.51	569.90
Adjustments for disposals	-	-	-	39.90	-	2.95	-	-	-	-	-	-	-	42.85
Balance as at 31 March 2018	-	14.32	354.10	3,432.56	161.63	853.68	141.89	84.16	82.99	152.44	1.04	102.63	3.36	5,384.82
Charge for the year	-	0.61	108.38	621.42	3.67	88.00	32.64	11.29	14.72	14.80	-	1.25	0.30	897.08
Adjustments for disposals	-	-	-	14.69	-	-	31.38	-	-	-	-	-	-	46.07
Balance as at 31 March 2019	-	14.93	462.48	4,039.29	165.30	941.68	143.15	95.45	97.71	167.24	1.04	103.88	3.66	6,235.83
Net block as at 31 March 2018	701.81	35.90	521.47	4,206.04	13.41	359.69	101.69	30.59	18.98	100.83	0.14	9.14	2.99	6,102.68
Net block as at 31 March 2019	701.81	35.29	3,898.00	7,471.74	27.85	382.85	126.35	93.37	79.18	86.03	0.14	7.89	2.69	12,913.18

Notes:

a) Refer note 46 "Assets pledged as security" for details regarding property, plant and equipment pledged as security.

b) Refer note 43(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c) Plant and machinery includes assets amounting to ₹ 500.00 lakh acquired under the Technology Development and Demonstration Programme (TDDP) project which have restricted use under the project.

Notes to the financial statements for the year ended 31 March 2019

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

6. Capital work-in-progress

Particulars	Amount
Balance as at 1 April 2017	**13,488.27**
Additions	3,609.44
Capitalised during the year	(1,825.06)
Balance as at 31 March 2018	**15,272.66**
Additions	1,906.12
Capitalised during the year	(7,526.49)
Balance as at 31 March 2019	**9,652.29**

Notes:

Additions to capital work in progress include interest of ₹ 414.87 lakh (31 March 2018: ₹ 596.60 lakh) capitalised during the year

7. Other intangible assets

Particulars	Software	Licences	Research and development asset - Software	Total
Gross block				
At 1 April 2017	95.67	39.70	4.72	140.09
Additions	60.76	-	-	60.76
Balance as at 31 March 2018	**156.43**	**39.70**	**4.72**	**200.85**
Additions	0.90	-	-	0.90
Balance as at 31 March 2019	**157.33**	**39.70**	**4.72**	**201.75**
Accumulated amortisation				
At 1 April 2017	**83.30**	**39.70**	**4.41**	**127.41**
Charge for the year	6.78	-	-	6.78
Balance as at 31 March 2018	**90.08**	**39.70**	**4.41**	**134.19**
Charge for the year	12.31	-	0.01	12.33
Balance as at 31 March 2019	**102.39**	**39.70**	**4.42**	**146.52**
Net block as at 31 March 2018	**66.35**	**-**	**0.31**	**66.66**
Net block as at 31 March 2019	**54.94**	**-**	**0.30**	**55.23**

Notes to the financial statements for the year ended 31 March 2019

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

8(a) Non-current investments

Particulars	As at 31 March 2019	As at 31 March 2018
Quoted equity shares		
Investment in equity instruments (at fair value through OCI)		
1,125 equity shares (31 March 2018- 1,125 shares) of ₹ 10 each of Valecha Engineering Limited	0.21	0.21
	0.21	**0.21**
Aggregate amount of quoted investments and market value thereof	0.21	0.21

8(b) Current investments

Particulars	As at 31 March 2019	As at 31 March 2018
Quoted equity shares		
Investment in mutual fund (at fair value through profit or loss)		
8.76 units (31 March 2018 - 8.76 units) of ₹ 1,972.26 each of PNB Mutual Fund	0.27	0.24
190.68 units (31 March 2018 - 190.68 units) of ₹ 1,527.32 each of IDFC Mutual Fund	4.30	4.01
5,000 units (31 March 2018 - 5,000 units) of ₹ 10 each of UTI Equity Fund (Prev. Mastergain1992 of UTI)	7.20	6.43
	11.77	**10.68**
Aggregate amount of quoted investments and market value thereof	11.77	10.68

Note:

Refer note 40 (A)(3) for disclosure of fair values in respect of financials asset measured at cost.

9(a) Non-current financial assets - loans

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Security deposits	91.10	110.69
Loan to employees*	1.00	70.53
Accrued interest	-	3.85
Balances with statutory and government authorities	-	3.00
	92.10	**188.07**

* This includes loan given to director amounting to ₹ 1.00 lakh (31 March 2018: 10 lakh)

9(b) Current financial assets - loans

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Loan to employees*	110.44	55.04
Other loans and advances	206.30	-
Interest accrued on loan	-	25.11
	316.74	**80.15**

* This includes loan given to director amounting to ₹ 9.00 lakh (31 March 2018: 9.00 lakh)

Notes to the financial statements for the year ended 31 March 2019

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

10(a) Non-current financial assets - others

Particulars	As at 31 March 2019	As at 31 March 2018
Deposits with banks with maturity more than 12 months*	13.14	3.81
	13.14	**3.81**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

10(b) Current financial assets - others

Particulars	As at 31 March 2019	As at 31 March 2018
Export incentives receivable	378.07	236.61
	378.07	**236.61**

11. Non-current tax assets (net)

Particulars	As at 31 March 2019	As at 31 March 2018
Advance income-tax (net)	2.28	38.53
	2.28	**38.53**

12. Other non-current assets

Particulars	As at 31 March 2019	As at 31 March 2018
Capital advances	284.90	222.21
	284.90	**222.21**

13. Inventories

Particulars	As at 31 March 2019	As at 31 March 2018
(Valued at lower of cost or net realisable value)		
Raw materials	1,159.07	1,151.76
Work-in-progress	2,624.29	2,208.98
Finished goods	8.07	11.96
Stores and spares	530.38	346.49
Loose tools	74.33	101.82
	4,396.14	**3,821.01**

14. Trade receivables

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good	4,395.56	3,362.21
Unsecured, considered doubtful	4.27	4.27
	4,399.83	**3,366.48**
Less: Provision for expected credit loss	(4.27)	(4.27)
	4,395.56	**3,362.21**

Notes to the financial statements for the year ended 31 March 2019

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

Movement in the provision for expected credit loss

Particulars	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	4.27	-
Add: Allowance provided during the year	-	4.27
Balance at the end of the year	**4.27**	**4.27**

15. Cash and cash equivalents

Particulars	As at 31 March 2019	As at 31 March 2018
Balances with banks	518.37	40.05
Cash on hand	8.64	3.86
Balances in deposit account with original maturity upto 3 months*	31.50	65.48
	558.51	**109.39**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Note:

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

16. Other bank balances

Particulars	As at 31 March 2019	As at 31 March 2018
Deposits with original maturity more than 3 months but remaining less than 12 months*	87.42	55.90
Interest accrued on deposits	-	6.50
	87.42	**62.40**

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

17. Other current assets

Particulars	As at 31 March 2019	As at 31 March 2018
Prepaid expenses	23.75	23.60
Balances with statutory and government authorities	773.63	1,254.23
Claims receivable	-	0.32
Gratuity asset	8.77	-
Other loans and advances	76.60	80.43
	882.75	**1,358.58**

Notes to the financial statements for the year ended 31 March 2019

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

18. Equity share capital

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Authorised:				
Equity shares of ₹ 10 each	89,75,000	897.50	89,75,000	897.50
Redeemable cumulative preference shares of ₹ 10 each	20,25,000	202.50	20,25,000	202.50
	1,10,00,000	**1,100.00**	**1,10,00,000**	**1,100.00**
Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 each	52,39,063	523.91	52,39,063	523.91
	52,39,063	**523.91**	**52,39,063**	**523.91**

a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	52,39,063	523.91	52,39,063	523.91
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	**52,39,063**	**523.91**	**52,39,063**	**523.91**

b) Terms and rights attached to equity shares

"The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of shareholders holding more than 5% of the equity share capital:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number	% of holding	Number	% of holding
Sachin Agarwal	12,44,560	23.76%	12,45,960	23.78%
Pragati India Fund Limited	10,47,813	20.00%	10,47,813	20.00%
Mapple Commerce Private Limited	6,25,150	11.93%	6,23,750	11.91%
Nirala Merchants Private Limited	4,60,200	8.78%	4,60,200	8.78%
Priya Ranjan Agarwal	3,86,000	7.37%	3,86,000	7.37%

d) Information regarding issue of shares in the last five years

i) The Company has not issued any shares without payment being received in cash except shares issued in the year ended 31 March 2016, 1,047,813 equity shares of ₹ 10 each in lieu of the conversion of 400,000 Zero Coupon Compulsory Convertible Debentures of face value ₹ 1,000 each to Pragati India Fund Limited.

ii) There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

Notes to the financial statements for the year ended 31 March 2019

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

19. Other equity

Particulars	As at 31 March 2019	As at 31 March 2018
a. Capital reserve		
Balance at the beginning of the year	1.75	1.75
Add: Additions during the year	-	-
Balance at the end of the year	**1.75**	**1.75**
b. Securities premium		
Balance at the beginning of the year	4,120.72	4,120.72
Add: Additions during the year	-	-
Balance at the end of the year	**4,120.72**	**4,120.72**
c. General reserve		
Balance at the beginning of the year	4,624.17	4,624.17
Add: Additions during the year	-	-
Balance at the end of the year	**4,624.17**	**4,624.17**
d. Retained earnings		
Balance at the beginning of the year	3,681.33	2,934.05
Add: Additions during the year	1,087.74	747.28
Balance at the end of the year	**4,769.07**	**3,681.33**
e. Other comprehensive income		
Balance at the beginning of the year	0.01	0.01
Add: Additions during the year	-	-
Balance at the end of the year	**0.01**	**0.01**
Total	**13,515.71**	**12,427.97**

Nature and purpose of other reserves:

(a) Capital reserve

Capital reserve was created in respect of proceeds of forfeited shares.

(b) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(c) General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(d) Retained earnings

Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

Notes to the financial statements for the year ended 31 March 2019

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

20(a) Non-current borrowings

Particulars	As at 31 March 2019	As at 31 March 2018
Secured		
Term loans from banks	8,116.37	8,453.65
Term loans from financial institutions	285.70	-
Vehicle loans from banks and financial institutions	73.89	12.92
	8,475.96	**8,466.57**
Less: Current maturities of long term borrowings (refer note 25)	(1,061.63)	(758.33)
	7,414.33	**7,708.24**

Terms and conditions of the outstanding borrowings are as follows:

Particulars	Terms of repayment	Maturity	As at 31 March 2019	As at 31 March 2018
Term loan from State Bank of India	32 quarterly instalments	December 2025	1,840.22	1,965.77
Term loan from Punjab National Bank	36 quarterly instalments	March 2027	1,777.33	2,000.00
Term loan from HDFC Bank	12 half yearly instalments	April 2022	1,166.17	1,500.00
Term loan from Yes Bank	35 quarterly instalments	March 2027	2,907.18	1,595.63
Term loan from ICICI Bank	28 quarterly instalments	March 2026	483.00	-
Buyers' credit from banks	On maturity	December 2018	-	114.34
Buyers' credit from banks	On maturity	September 2018	-	322.89
Buyers' credit from banks	On maturity	May 2018	-	503.87
Buyers' credit from banks	On maturity	July 2018	-	499.42
Vehicle loan from Yes Bank	36 monthly instalments	January 2022	4.28	-
Vehicle loan from Yes Bank	36 monthly instalments	April 2021	8.26	-
Vehicle loan from Yes Bank	36 monthly instalments	January 2022	2.19	-
Vehicle loan from HDFC Bank	36 monthly instalments	April 2019	2.92	6.80
Vehicle loan from HDFC Bank	60 monthly instalments	December 2023	48.74	-
Vehicle loan from ICICI Bank	36 monthly instalments	April 2020	7.50	13.83
Term loan from Siemens Limited	48 monthly instalments	March 2022	256.56	-
Term loan from Siemens Limited	48 monthly instalments	May 2022	6.63	-
Term loan from Siemens Limited	48 monthly instalments	September 2022	22.51	-

Notes:

1. Term loans from banks and financial institutions carrying interest rate ranging from 10.45% to 11.75% p.a.
   Term loans from banks are secured by way of equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1, Lucknow Plant 2 and AMTC Plant (at village Sarai Shahajadi) and first pari-passu charge on the plant and equipment of the Lucknow Plant 1, Lucknow Plant 2 and AMTC Plant (at village Sarai Shahajadi) of the Company and second charge ranking pari-passu on the whole of the present and future current assets of the Company .

Notes to the financial statements for the year ended 31 March 2019

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

2. Further the term loans from banks are secured by way of personal guarantee of the Directors of the Company.
3. Vehicle loans carry interest rates ranging from 8.85% to 10.55% p.a and are secured by way of absolute charge on respective assets thus purchased.

20(b) Current borrowings

Particulars	As at 31 March 2019	As at 31 March 2018
Secured		
Loans repayable on demand- from banks	5,749.11	5,432.19
Special letter of credit - from banks	115.98	51.61
	5,865.09	**5,483.80**

Notes:

1. Working capital facilities from banks carry interest rates ranging from 6.10% to 10.75% p.a. and are repayable on demand. Special letter of credit facility from banks carries interest 1.10% p.a.
   These facilities are secured by way of first charge ranking pari-passu on the whole of the present and future current assets of the Company and further secured by second charge on equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1, Lucknow Plant 2 and AMTC Plant (at village Sarai Shahajadi) and first second pari-passu charge on plant and equipment of the Lucknow Plant 1, Lucknow Plant 2 and AMTC Plant (at village Sarai Shahajadi) of the Company.
2. Further the cash credit facilities and special letter of credit facility are secured by way of personal guarantee of the Directors of the Company.

21. Provisions

Particulars	Non-current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Provision for employees benefits				
- Provision for gratuity	-	-	58.12	-
- Provision for compensated absences	75.48	68.89	10.10	8.70
	75.48	**68.89**	**68.23**	**8.70**

22. Deferred tax liabilities (net)

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred tax liability arising on account of:		
Difference between book balance and tax balance of property, plant and equipment	1,037.25	679.48
Tax impact on allowance under tax exemptions/deductions	31.17	21.56
	1,068.42	**701.04**

Notes to the financial statements for the year ended 31 March 2019

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

Deferred tax asset arising on account of:		
Brought forward losses	247.61	-
Provision for employee benefits	37.54	40.92
Provision for doubtful debts	1.19	1.17
	286.34	**42.09**
Minimum alternate tax credit entitlement	712.62	189.70
Net deferred tax liability	**69.45**	**469.25**

(A) Movement in deferred tax liabilities:

Particulars	As at 01 April 2018	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised in balance sheet	As at 31 March 2019
Deferred tax liability arising on account of:					
Difference between book balance and tax balance of property, plant and equipment	679.48	357.77	-	-	1,037.25
Tax impact on allowance under tax exemptions/deductions	21.56	9.61	-	-	31.17
	701.04	**367.38**	**-**	**-**	**1,068.42**
Deferred tax asset arising on account of:					
Provision for employee benefits	40.92	(3.38)	-	-	37.54
Provision for doubtful debts	1.18	0.01	-	-	1.19
Brought forward losses	-	247.61		-	247.61
	42.10	**244.24**	-	-	**286.34**
Minimum alternate tax credit entitlement	**189.70**	**375.34**	**-**	**147.59**	**712.62**
Net deferred tax liability	**469.24**	**(252.20)**	**-**	**(147.59)**	**69.46**

Movement in deferred tax liabilities:

Particulars	As at 01 April 2017	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised in balance sheet	As at 31 March 2018
Deferred tax liability arising on account of:					
Difference between book balance and tax balance of property, plant and equipment	407.02	272.46	-	-	679.48
Tax impact on allowance under tax exemptions/deductions	463.97	(442.41)	-	-	21.56
	870.99	**(169.95)**	**-**	**-**	**701.04**

Notes to the financial statements for the year ended 31 March 2019

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

Deferred tax asset arising on account of:					
Provision for employee benefits	22.17	20.35	(1.60)	-	40.92
Provision for doubtful debts	-	1.18	-	-	1.18
	22.17	**21.53**	**(1.60)**	**-**	**42.10**
Minimum alternate tax credit entitlement	**337.29**	**-**	**-**	**(147.59)**	**189.70**
Net deferred tax liability	**511.53**	**(191.48)**	**1.60**	**147.59**	**469.24**

(B) Unrecognised deferred tax assets

Particulars	As at 31 March 2019		As at 31 March 2018	
	Gross amount	Tax effect	Gross amount	Tax effect
Brought forward losses	-	-	507.82	139.91
MAT credit entitlement	-	-	328.41	328.41
	-	**-**	**836.23**	**468.32**

(C) Unused tax losses and credits

The Group has unutilised MAT credit amounting to ₹ 712.60 lakhs as at 31 March 2019 (31 March 2018 ₹ 189.70 lakhs). Tax credits have been recognised on the basis that recovery is probable in the foreseeable future. This recognised MAT credit expires, if unutilised, based on the year of origination as follows:

Financial year ending

Assessment year of origination	Year of expiry	Amount
2019-2020	2034-2035	194.52
2018-2019	2033-2034	180.82
2017-2018	2032-2033	154.99
2016-2017	2031-2032	3.88
2013-2014	2028-2029	37.95
2012-2013	2027-2028	140.47

23. Other non-current liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred income	1,155.56	788.89
(i) Reconciliation of deferred income		
Opening balance as at the beginning of the year	788.89	500.00
Add: Grant received during the year	400.00	300.00
Less: Released to the Statement of Profit and Loss	(33.33)	(11.11)
Closing balance as at the end of the year	**1,155.56**	**788.89**

(ii) The Company had submitted a project proposal amounting to ₹ 5,101.87 lakh to the Global Innovation and Technology Alliance (GITA) and the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, for development and commercialisation of Titanium Casting with Ceramic Shelling Technology. The department has committed partial support as a grant of ₹ 1,000.00 lakh out of the total cost of ₹5,101.87 lakh under the Technology Acquisition and Fund Programme

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

(TAFP) of Department of Heavy Industry (DHI) for a project duration of 4 years vide their letter no. DHI/GITA/TAFP/RFP Cycle 1/2016 TP0301020 dated 10 February 2017. The Company has received grant of ₹ 400.00 lakh during the year and ₹ 300.00 Lakh during the previous year. The company has made an outlay of ₹ 1,136.40 lakh during the year towards the project.

(iii) The grants received are related to assets and have been presented by setting up the grant as deferred income. The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset. There are no unfulfilled conditions or contingencies attached to these grants.

(iv) The Company in the previous year had written to Ind AS Transition Facilitation Group (ITFG) and Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India in respect of clarification on classification of government grant received by the Company. The Company had received the response from the EAC in the current year and has classified the government grant as other non-current liability in the current year which was shown as a mezzanine item between equity and liabilities in the Balance Sheet in the previous year.

24. Trade payables

Particulars	As at 31 March 2019	As at 31 March 2018
Due to :		
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,500.12	1,747.70
	3,500.12	**1,747.70**

*Dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), to the extent identified and information available with the Company pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below:

Particulars	As at 31 March 2019	As at 31 March 2018
Principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year	Nil	Nil
The amount of interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	Nil	Nil

Notes to the financial statements for the year ended 31 March 2019

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

25. Current financial liabilities- others

Particulars	As at 31 March 2019	As at 31 March 2018
Current maturities of long term borrowings [refer note 20(a)]	1,061.63	758.33
Interest accrued but not due on borrowings	16.97	62.56
Security deposit	0.11	0.11
Others		
- towards creditors for capital goods	391.26	438.38
- towards employee related payables	42.84	96.55
- other payables	211.57	234.51
	1,724.38	**1,590.44**

26. Other current liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Advance received from customers	28.61	16.96
Statutory dues payable	5.52	25.51
Other payables	45.96	59.85
	80.09	**102.32**

27. Current tax liabilities (net)

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for taxation (net of advance income tax)	47.94	15.75
	47.94	**15.75**

28. Revenue from operations

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products	14,354.88	9,736.83
Other operating revenues (refer (a) below)	769.92	396.55
Revenue from operations	**15,124.80**	**10,133.38**
(a) Other operating revenues		
Export incentives	710.90	343.57
Income from power generation	59.02	52.98
	769.92	**396.55**

Notes to the financial statements for the year ended 31 March 2019

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

29. Other income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest from assets valued at amortised cost		
- from banks	7.36	8.09
- from others	5.05	-
Bad debts recovered	-	19.82
Liabilities no longer required to be written back	-	48.73
Insurance claims received	0.18	-
Gain/(loss) on foreign exchange fluctuation (net)	359.91	198.10
Fair value gain/(loss) on investment at fair value through profit or loss (net)	1.09	2.04
Dividend income	0.15	-
Amortisation of deferred income	33.33	11.11
Miscellaneous income	14.95	0.77
	422.02	**288.66**

30. Cost of materials consumed

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Raw materials at the beginning of the year	1,151.76	988.40
Add: Purchases	4,493.78	2,685.28
Less: Closing stock	1,159.07	1,151.76
	4,486.47	**2,521.92**
Less: Raw material consumed for research and development	7.26	-
	4,479.21	**2,521.92**

31. Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventories at the beginning of the year		
Work-in-progress	2,208.98	2,358.61
Finished goods	11.96	87.49
	2,220.94	**2,446.10**
Inventories at the end of the year		
Work-in-progress	2,624.29	2,208.98
Finished goods	8.07	11.96
	2,632.36	**2,220.94**
Changes in inventories of finished goods and work-in-progress	**(411.42)**	**225.16**

Notes to the financial statements for the year ended 31 March 2019

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

32. Employee benefits expense*

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	1,731.71	1,455.94
Contribution to provident and other funds	124.29	131.07
Gratuity expense (Refer note 41 (i) (D))	30.38	29.05
Staff welfare expenses	59.59	33.89
	1,945.97	**1,649.95**

*Employee benefit expenses excludes ₹ 21.88 Lakhs (31 March 2018: ₹ 9.05 Lakhs) towards research and development expenses (Refer Note 33)

33. Research and development expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Raw materials consumed	7.26	-
Materials, stores and spares consumed	81.92	40.78
Salary and wages	21.87	9.05
Other expenses	-	35.97
	111.05	**85.80**

34. Other expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Manufacturing expenses		
Stores and spares consumed*	2,186.84	1,280.62
Power and fuel	1,436.43	917.29
Repairs and maintenance		
- plant and machinery	320.99	194.74
- building	22.06	12.63
Packing and general consumables	351.27	206.52
Processing and work charges	731.76	458.70
Freight inward	47.87	43.30
Outsourced services	100.86	31.33
Testing and inspection charges	312.60	163.41
Sub-total (A)	**5,510.68**	**3,308.54**
Administrative, selling and other expenses		
Rent	22.47	15.06
Rates and taxes	11.57	17.08
Insurance expenses	41.00	30.19
Security expenses	101.14	70.62
Legal and professional expenses	100.88	131.49
Travelling and conveyance	126.87	59.38

Notes to the financial statements for the year ended 31 March 2019

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

Vehicle running and maintenance	163.50	73.68
Communication expenses	28.33	23.53
Printing and stationery	22.77	27.91
Conference, training and recruitment	41.45	8.96
Freight and clearing	169.94	148.67
Sales commission	33.85	39.50
Late delivery charges	24.80	26.84
Advertisement and promotion	31.71	28.03
Donation and charity	1.47	0.45
Loss on sale of assets (net)	2.63	7.95
Computer expenses	13.62	-
Corporate social responsibility expenses (Refer note 34 (b))	16.29	16.17
Bad debts written off	-	2.55
Provision for doubtful debts	-	4.27
Advances written off	50.62	1.68
Office upkeep and maintenance charges	44.45	30.09
Investment in subsidiary written off	-	2.12
Miscellaneous expenses	26.95	10.59
Sub-total (B)	**1,076.31**	**776.80**
Grand total (C=A+B)	**6,586.99**	**4,085.34**

*Stores and spares excludes ₹ 81.92 Lakh (31 March 2018: ₹ 40.78 Lakh) towards research and development expenses (Refer Note 33)

34(a) Payment to auditors

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
As auditor:		
- Statutory audit (including limited review)	15.00	15.00
- Tax audit	1.80	1.80
- Certification	0.50	0.85
- Others	2.00	2.00
- Out of pocket expenses	4.82	3.15
	24.12	**22.80**

34(b) Corporate social responsibility expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Gross amount required to be spent under section 135 of the Act	16.29	16.17

Amount spent during the year ended 31 March 2019:	In cash	Unspent amount	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	16.29	-	16.29
	16.29	**-**	**16.29**

Notes to the financial statements for the year ended 31 March 2019

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

Amount spent during the year ended 31 March 2018:	In cash	Unspent amount	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	16.17	-	16.17
	16.17	**-**	**16.17**

35. Finance costs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expense on borrowings measured at amortised cost		
- on working capital loans	380.92	329.11
- on term loans	411.45	3.59
Interest on others	47.75	16.18
Other borrowing cost	81.24	52.65
	921.36	**401.53**

36. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation on property, plant and equipment	897.99	569.90
Amortisation on intangible assets	11.43	6.78
	909.42	**576.68**

37. Exceptional items

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Retrenchment compensation*	61.81	-
	61.81	**-**

* The Company has moved its operations from Plant 1 to AMTC, therefore, retrenchment compensation amounting to Rs. 61.81 lakhs was paid by the Company to the outgoing employees.

38. Tax expense

(a) Income tax expenses recognised in profit and loss

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current tax:		
Current tax	194.52	296.52
MAT credit entitlement - current year	(194.52)	-
Current tax - earlier years	(91.41)	-
	(91.41)	**296.52**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	123.12	(191.48)
Less: Minimum alternate tax credit entitlement	(180.82)	-
	(57.70)	**(191.48)**
Total tax expense recognised in profit and loss	**(149.11)**	**105.04**

Notes to the financial statements for the year ended 31 March 2019

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

(b) Income tax expenses recognised in other comprehensive income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Deferred tax:		
Re-measurement of defined benefit obligations	1.47	1.60
Total tax expense recognised in other comprehensive income	**1.47**	**1.60**

(c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 27.82% (31 March 2018: 33.06%) and the reported tax expense in the statement of profit and loss are as follows:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Accounting profit before income-tax	942.43	849.05
At India's statutory income-tax rate of 27.82% (31 March 2018: 33.06%)	262.18	280.70
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax incentive and concession	(28.56)	(41.96)
Non deductible expenses	7.11	5.49
Minimum alternate tax not recognised in previous year	(180.82)	-
Deferred tax asset utilized but not recognised in previous year	(139.91)	
Change in tax rate	5.00	(131.95)
Tax earlier years on account of closure of tax assessments	(28.89)	-
Others	(45.22)	(7.23)
	(149.11)	**105.04**
Basis of computing Company's statutory income-tax rate:		
Base rate	25.00%	30.00%
Add: Surcharge @ 7%	1.75%	2.100%
	26.75%	**32.10%**
Add: Education cess @ 4%	1.07%	0.96%
	27.82%	**33.06%**

(d) There is no change in statutory enacted income-tax rate during the financial year. However on account of amendment in the income-tax laws, the future tax rate for Companies having turnover of ₹ 250 crore or less, has been reduced to 25%. Accordingly, the deferred tax has been created on the revised tax rate.

39. Earnings per share

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Notes to the financial statements for the year ended 31 March 2019

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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit for the year attributable to equity shareholders	1,091.54	744.00
Weighted average number of equity shares (nos. in lakh)	52.39	52.39
Nominal value per share (₹)	10.00	10.00
Earnings per share - basic and diluted (₹)	20.83	14.20

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

40. Financial instrument and risk review

(A) Financial instruments

(i) Capital management

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 20(a) and 20(b); cash and cash equivalents and current investments and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non-current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

The following table summarises the capital of the Company:

Particulars	As at 31 March 2019	As at 31 March 2018
Equity	**14,039.62**	**12,951.88**
Liquid assets (cash and cash equivalent and current investments) (a)	**570.29**	**120.07**
Current borrowings (note 20(b))	5,865.09	5,483.80
Non- current borrowings (note 20(a))	7,414.33	7,708.24
Current maturities of non current borrowings (refer note 25)	1,061.63	758.33
Interest accrued but not due on borrowings (refer note 25)	16.97	62.56
Total debt (b)	**14,358.02**	**14,012.93**
Net debt (c=(b) - (a))	**13,787.73**	**13,892.86**
Total capital (equity + net debt)	**27,827.35**	**26,844.74**
Gearing ratio		
Debt to equity ratio	1.02	1.08
Net debt to equity ratio	0.98	1.07

Notes to the financial statements for the year ended 31 March 2019

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

(ii) Category of financial instruments

Particulars	Note no.	As at 31 March 2019			As at 31 March 2018		
		Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI
Financial assets							
Investments	8(a),8(b)	-	11.77	0.21	-	10.68	0.21
Loans	9(a),9(b)	408.84	-	-	268.22	-	-
Trade receivables	14	4,395.56	-	-	3,362.21	-	-
Cash and cash equivalents	15	558.51	-	-	109.39	-	-
Other bank balances	16	87.42	-	-	62.40	-	-
Other financial assets	10(a),10(b)	391.20	-	-	240.42	-	-
Total financial assets		**5,841.53**	**11.77**	**0.21**	**4,042.64**	**10.68**	**0.21**
Financial liabilities							
Borrowings	20(a),20(b)	13,279.42	-	-	13,192.04	-	-
Trade payables	24	3,500.12	-	-	1,747.70	-	-
Other financial liabilities	25	1,724.38	-	-	1,590.44	-	-
Total financial liabilities		**18,503.91**	**-**	**-**	**16,530.18**	**-**	**-**

(iii) Fair value hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Particulars	As at 31 March 2019			As at 31 March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets- measured at fair value						
Financial investment at FVTPL						
- Quoted mutual fund	11.77	-	-	10.68	-	-
Financial investment at FVOCI						
- Quoted equity shares	0.21	-	-	0.21	-	-
	11.98	**-**	**-**	**10.89**	**-**	**-**

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

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: This hierarchy includes financial instruments for which inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) have been used.

Level 3: This hierarchy includes financial instruments for which inputs used are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the years ended 31 March 2019 and 31 March 2018.

Notes to the financial statements for the year ended 31 March 2019

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

Valuation techniques and significant unobservable inputs:

Financial instruments measured at fair value

Type	Valuation technique
Equity instruments	Quoted market price as at the reporting period
Mutual funds	Quoted closing NAV as at the reporting period

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of short-term trade and other receivables, trade payables, cash and cash equivalents, other bank balances, other financial liabilities and other financial assets are considered to be the same as their fair values, due to their short-term nature. In respect of other long-term financial assets/liabilities stated above as measured at amortised cost, their carrying values are not considered to be materially different from their fair values.

(B) Financial risk management

In the course of its business, the Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Company is not engaged in speculative treasury activities but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments. The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

(i) Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company is exposed to credit risk from trade receivables, cash and cash equivalents, short term investments, loans and advances and derivative financial instruments.

Trade receivables

The Company primarily sells cast metal components to selected customers comprising mainly in engineering industry in India and outside India. The Company extends credits to customers in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Company monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Company has a policy of accepting only credit worthy counter parties and defines credit limits for the customer which are reviewed periodically.

The Company does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Cash and cash equivalents and deposits with bank

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant deposit balances other than those required for its day to day operations. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

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

Loans and advances

The Company provides loans to its employees and furnishes security deposits to various parties for electricity, communication, etc. The Company considers that its loans have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations or its own employees from whom the risk of default is low.

Investments

The Company has invested in quoted equity instruments and mutual funds. The management actively monitors the performance of the funds which affect investments. The Company does not expect the counterparty to fail to meet its obligations, and has not experienced any significant impairment losses in respect of any of the investments.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date are:

Particulars	As at 31 March 2019	As at 31 March 2018
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current loans	92.10	188.07
Other non-current financial assets	13.14	3.81
Cash and cash equivalents	558.51	109.39
Other bank balances	87.42	62.40
Current loans	316.74	80.15
Other current financial assets	378.07	236.61
	1,445.98	**680.43**
Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)		
Trade receivables	4,395.56	3,362.21
	4,395.56	**3,362.21**

Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The Company has customers with strong capacity to meet the obligations and therefore the risk of default is negligible in respect of outstanding from customers. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectable in full. However, the Company has recognised allowance for expected credit loss on the basis of its assessment of the credit loss from the past trend available with the Company.

(c) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Notes to the financial statements for the year ended 31 March 2019

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

Ageing	As at 31 March 2019	As at 31 March 2018
Less than 30 days	1,529.85	2,858.88
30-90 days	2,085.00	165.35
90-180 days	512.97	228.86
180-365 days	204.84	75.59
More than 365 days	67.17	33.53
	4,399.83	**3,362.21**

(ii) Liquidity risk

Liquidity risk reflects the risk that the Company will have insufficient resources to meet its financial liabilities as they fall due. The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, cash and cash equivalents and the cash flow that is generated from operations to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits. As at 31 March 2019, the Company had a working capital of ₹ (255.08) lakh including cash and cash equivalents of ₹ 558.51 lakh. As at 31 March 2018, the Company had a working capital of ₹ 92.29 lakh including cash and cash equivalents of ₹ 109.39 lakh.

(a) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2019	As at 31 March 2018
Non- derivative financial liabilities		
Floating rate borrowings		
- Expiring within one year (bank overdraft and other facilities)	339.73	270.04
- Expiring beyond one year (term loan)	1,088.15	87.20
	1,427.88	**357.24**

Notes to the financial statements for the year ended 31 March 2019

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

(b) Maturities of financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, based on contractual undiscounted cash flows:

31 March 2019

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Non current borrowings	1,814.17	7,196.93	3,462.33	12,473.42
Current borrowings				
- Working capital loans	5,749.11	-	-	5,749.11
- Buyers credit	115.98	-	-	115.98
Trade payables	3,500.12	-	-	3,500.12
Interest accrued but not due	16.97	-	-	16.97
Security deposit	0.11	-	-	0.11
Creditors for capital goods	391.26	-	-	391.26
Employee related payable	42.84	-	-	42.84
Other payables	211.57	-	-	211.57
	11,842.13	**7,196.93**	**3,462.33**	**22,501.39**

31 March 2018

Particulars	Contractual cash flows			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Non current borrowings	1,510.83	7,502.78	3,359.83	12,373.44
Current borrowings				
- Working capital loans	5,432.19	-	-	5,432.19
- Buyers credit	51.61	-	-	51.61
Trade payables	1,747.70	-	-	1,747.70
Interest accrued but not due	62.56	-	-	62.56
Security deposit	0.11	-	-	0.11
Creditors for capital goods	438.38	-	-	438.38
Employee related payable	96.55	-	-	96.55
Other payables	234.51	-	-	234.51
	9,574.44	**7,502.78**	**3,359.83**	**20,437.05**

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Notes to the financial statements for the year ended 31 March 2019

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

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. The Company exports finished goods which are denominated in the currency other than the functional currency of the Company which exposes it to foreign currency risk. In order to minimise the risk, the Company executes forward contracts w.r.t sale made in currency other than functional currency.

(a) Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuation arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. Exchange rate exposures are managed within approved policy parameters utilising foreign exchange forward contracts.

Particulars	Currency	As at 31 March 2019	As at 31 March 2018
Financial assets			
Trade receivables	USD	18.16	14.18
	EURO	34.28	22.34
	GBP	0.09	0.18
Financial liabilities			
Special letter of credit	USD	-	(16.03)
	JPY	(183.86)	(703.05)
Trade payables	USD	(0.02)	(1.01)
	EURO	(0.01)	0.01
	GBP	(0.14)	(0.53)
	JPY	-	(0.95)
Capital creditors	USD	(1.22)	(1.07)
	EURO	(0.44)	
	GBP	(0.35)	(0.22)
	JPY	(8.20)	

Sensitivity analysis

The following table demonstrates the sensitivity of profit and equity in USD, EURO, JPY and GBP to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities are given below:

Particulars	Change in currency exchange rate	Effect on profit before tax	
		As at 31 March 2019	As at 31 March 2018
USD	5%	0.85	(0.20)
	(5%)	(0.85)	0.20
EURO	5%	1.69	1.12
	(5%)	(1.69)	(1.12)
JPY	5%	(9.60)	(35.20)
	(5%)	9.60	35.20
GBP	5%	(0.02)	(0.03)
	(5%)	0.02	0.03

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

(b) Interest rate risk

The Company is exposed to interest rate risk arising mainly from non-current and current borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial liabilities is as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
Variable rate instruments		
Term loan from banks	8,116.37	8,453.65
Vehicle loan	73.89	12.92
Term loans from financial institutions	285.70	-
Working capital loan	5,749.11	5,432.19
Special letter of credit	115.98	51.61
	14,341.05	**13,950.37**

Sensitivity analysis

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the interest rates is given below :

Particulars	Change in interest rate	Effect on profit before tax	
		As at 31 March 2019	As at 31 March 2018
Borrowings	50 bp	(71.71)	(69.75)
	(50) bp	71.71	69.75

(c) Price risk

Company's exposure to price risk arises from investments made in quoted equity instruments and mutual funds and classified in the balance sheet either as fair value through OCI or at fair value through profit and loss.

To manage the price risk from quoted investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity analysis

Company's major quoted investment consists of investment in mutual funds which are measured at fair value through profit and loss. Investments made by the mutual fund includes investment in diversified instruments of Companies included in the market index. Also, the Company has made investments in quoted equity instruments which are measured at fair value through OCI.

The table below summarises the impact of sensitivity in the market index on the Company's profit for the year with all other variables held constant and the investment moved in line with the index.

Particulars	Change in market index	Effect on profit before tax	
		As at 31 March 2019	As at 31 March 2018
Investment in mutual fund	5%	0.59	0.53
	(5%)	(0.59)	(0.53)

Notes to the financial statements for the year ended 31 March 2019

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

Particulars	Change in market index	Effect on OCI	
		As at 31 March 2019	As at 31 March 2018
Investment in equity instruments	5%	0.01	0.01
	(5%)	(0.01)	(0.01)

Profit for the period would increase/decrease as a result of gain/loss on investment classified as at fair value through profit and loss. Other components of equity would increase/decrease as a result of gain/loss on investments classified as at fair value through other comprehensive income.

41. Employee benefits

(i) Defined benefit plan

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised funds in India i.e. Life Insurance Corporation of India and Group Gratuity scheme.

Risk exposure:

(a) Discount rate: A decrease in discount rate in subsequent valuations can increase the plan's liability.

(b) Mortality rate: Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(c) Investment risk: In case of funded plans, actual investment return on planned assets lower than the discount rate assumed at the last valuation date can impact the liability.

(d) Attrition: Actual withdrawals proving higher or lower than assumed withdrawals at subsequent valuations can impact plan's liability.

Details of the Company's defined benefit plans are as follows:

A. Changes in the present value of obligations

Particulars	As at 31 March 2019	As at 31 March 2018
Present value of the obligation at the beginning of the year	463.40	438.20
Recognised in profit and loss		
- Interest cost	35.91	33.97
- Current service cost	32.28	32.82
Recognised in other comprehensive income		
Remeasurement gains / (losses)		
- Actuarial (gain)/loss from changes in financial adjustments and experience adjustments	(3.21)	(6.88)
Benefits paid	(79.52)	(34.71)
Present value of the obligation at the end of the year	**448.86**	**463.40**

Notes to the financial statements for the year ended 31 March 2019

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

B. Changes in the fair value of planned assets:

Particulars	As at 31 March 2019	As at 31 March 2018
Fair value of plan assets at the beginning of the year	487.91	486.91
Expected return on plan assets	37.81	37.74
Contributions	19.90	-
Benefits paid	(79.52)	(34.72)
Actuarial gain/(loss) on plan assets	(8.48)	(2.02)
Fair value of plan asset at the end of the year	**457.62**	**487.91**

C. Net asset/(liability) recognised in the balance sheet

Particulars	As at 31 March 2019	As at 31 March 2018
Present value of the obligation at the end of the year	448.85	463.40
Fair value of plan assets at end of year	457.62	487.91
Net liability/(asset) recognised in Balance Sheet (Refer Note 17)	**(8.77)**	**(24.51)**

D. Expenses recognised in profit and loss

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest cost	35.91	33.97
Current service cost	32.28	32.82
Expected return on plan asset	(37.81)	(37.74)
Amount recognised in profit and loss (Refer Note 32)	**30.38**	**29.05**

E. Expenses recognised in other comprehensive income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Actuarial (gain)/loss on obligation	(3.21)	(6.88)
Actuarial (gain)/loss on plan assets	8.48	2.02
	5.27	**(4.86)**

F. Major category of plan asset as a % of total plan assets

Category of asset (% allocation)	As at 31 March 2019		As at 31 March 2018	
	(%)	Amount	(%)	Amount
Insurance policies	100	457.62	100	487.91

Notes to the financial statements for the year ended 31 March 2019

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

G. Actuarial assumptions

Particulars	As at 31 March 2019	As at 31 March 2018
Discount rate	7.75%	7.75%
Expected rate of return	7.75%	7.75%
Salary growth rate	6.50%	6.50%
Withdrawal rate (per annum)		
18 - 30 years	5.00%	5.00%
31 - 44 years	3.00%	3.00%
45 - 58 years	2.00%	2.00%
Normal retirement age (years)	58	58
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

H. Sensitivity analysis

Particulars	As at 31 March 2019		As at 31 March 2018	
	Change in assumption	Effect on obligation	Change in assumption	Effect on obligation
Discount rate	1.00%	34.07	1.00%	35.28
	(1.00%)	(39.03)	(1.00%)	(40.49)
Salary growth rate	1.00%	(39.13)	1.00%	(40.59)
	(1.00%)	34.75	(1.00%)	35.99
Withdrawal rate	1.00%	(2.76)	1.00%	(2.94)
	(1.00%)	3.14	(1.00%)	3.32

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the balance sheet.

I. Expected maturity profile of defined benefit obligation (undiscounted cash flows)

Period	31 March 2019	31 March 2018
Less than 1 year	30.29	24.53
Between 1-2 years	57.46	42.23
Between 2-5 years	101.42	127.36
Over 5 years	310.49	321.87

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (as at 31 March 2018 is 11 years). Expected contribution to defined benefit plans in the next year is ₹ 38.47 lakh (31 March 2018: ₹ 38.39 lakh).

Notes to the financial statements for the year ended 31 March 2019

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

(ii) Other long-term benefits

A. Actuarial assumptions

Particulars	As at 31 March 2019	As at 31 March 2018
Discount rate	7.75%	7.75%
Expected rate of return	7.75%	7.75%
Salary growth rate	6.50%	6.50%
Withdrawal rate (per annum)		
18 - 30 years	5.00%	5.00%
31 - 44 years	3.00%	3.00%
45 - 58 years	2.00%	2.00%
Normal retirement age (years)	58	58
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Compensated absences- unfunded

Particulars	As at 31 March 2019	As at 31 March 2018
Amounts recognised in balance sheet		
Current (refer note 21)	10.10	8.70
Non-current (refer note 21)	75.48	68.89
	85.58	**77.59**
Amounts recognised in statement of profit and loss		
Interest cost	6.01	5.77
Current service cost	11.88	9.94
Actuarial loss	10.06	7.52
	27.95	**23.23**
Changes in benefit obligations		
Present value of the obligation at the beginning of the year	77.59	74.48
Interest cost	6.01	5.77
Current service cost	11.88	9.94
Benefits paid	(19.97)	(20.12)
Actuarial loss	10.06	7.52
Present value of the obligation at the end of the year	**85.57**	**77.59**

(iii) Defined contribution plan

The Company makes fixed contribution towards Employee provident fund and Employee state insurance(ESI) to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. Similarly, the contribution is made in ESI at a specified percentage of payroll cost. The Company recognised ₹ 124.29 lakh (31 March 2018: ₹ 131.07 lakh) in respect of provident fund contributions and ESI

Notes to the financial statements for the year ended 31 March 2019

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

contribution in the Statement of Profit and Loss and included in ""Employee benefits expense"" in note 32. The contribution payable to these plans by the Company is at rates specified in the rules of the schemes.

42. Leases

The Company has entered into operating leases for its guest houses and employees' residences that are renewable on a periodic basis and are cancellable at Company's option. Total lease payments recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 22.47 lakh (31 March 2018: ₹ 15.06 lakh)

43. Contingent liabilities and commitments

(i) Capital commitment:

Particulars	As at 31 March 2019	As at 31 March 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	13.80	214.69

(ii) Contingent liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Guarantees excluding financial guarantees:		
In respect of non fund-based working capital facilities from banks:		
- Bank guarantees	305.43	280.09
- Letter of credit	363.40	61.69
Other contingent liabilities		
Disputed demands for excise duty and service tax (refer Note 1 below)	15.70	15.70

Notes:

1. In the case of Lucknow Plant-1, show-cause notices were issued by the Central Excise Department for the year under review and earlier years. The Company has given replies to all the show-cause notices/demands to the department and the appeals are pending with Appellate authorities. Based on advice of subject matter experts, the management is of the opinion that above matters will be allowed in favour of the Company and hence no provision is required for the above.
2. Hon'ble Supreme Court of India in ruling dated 28 February 2019 held that 'allowance' paid to employees, will be included in the scope of 'basic wages' and thus, will be subject to provident fund contributions. As this ruling has not prescribed any clarification w.r.t. to its application, the Company is in the process of evaluating its impact. Management believes that this will not result in any material liability on the Company.

44. Segment information

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM') as they monitors the results for the purpose of making decisions about resource allocation and performance assessment and responsible for all major decisions w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisitions, and expansion of new facility. Accordingly, there is only one reportable segment for the Company which is ""Engineering and allied activities"", hence no specific disclosures have been made.

Notes to the financial statements for the year ended 31 March 2019

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

Entity wide disclosures:

(a) Information about products and services

The Company is engaged in the business of manufacturing and selling of high precision metal castings. Company operates in one product line, therefore product wise revenue disclosure is not applicable.

(b) Information about geographical area

The Company's sales to its customers includes sales to customers which are domiciled in India and outside India. Below is the details of Company's revenue from customers domiciled in India and outside India:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from external customers		
- domiciled in India	1,969.05	2,079.19
- domiciled outside India	12,385.82	7,657.64
	14,354.87	**9,736.83**

(c) Information about major customers

Revenues of ₹ 3545.35, ₹ 2169.44 and ₹ 1842.78 (31 March 2018: 3108.49 lakhs and 1519.31 lakhs) are derived from three external customers.

45. Related party disclosures

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

(i) Name of the related parties and description of relationship:

Relationship	Name of related party
Entities controlled by KMPs and/or their relatives	e.Soft Technologies Limited
	PTC Foundation
Key Management Personnel ("KMP")	Mr. Sachin Agarwal, Chairman and Managing Director
	Mr. Priya Ranjan Agarwal , Director
	Mr. Alok Agarwal, Director
	Mr. Ashok Kumar Shukla, Director
	Mrs. Smita Agarwal, Chief Financial Officer
	Mr. Brij Lal Gupta, Independent Director
	Mr. Ajay Kashyap, Independent Director
	Mr. Rakesh Chandra Katiyar, Independent Director
	Mr. Krishna Das Gupta, Independent Director
	Mr. Kashiviswnathan Mukundan, Independent Director (till 01 February 2019)
	Mrs. Shashi Vaish, Independent Director (till 15 February 2019)
Relatives of Key Management Personnel	Ms. Kanchan Agarwal
	Mrs. Anshoo Agarwal
	Mrs. Reena Agarwal
	Mrs. Sangita Shukla

Notes to the financial statements for the year ended 31 March 2019

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

(ii) Disclosure of related parties transactions:

Particulars	For the year ended 31 March 2019				For the year ended 31 March 2018			
	Subsidiary company	Enterprises controlled by KMP/ relatives	Key management personnel (KMP)	Relatives of KMPs	Subsidiary company	Enterprises controlled by KMP/ relatives	Key management personnel (KMP)	Relatives of KMPs
Transactions during the year								
1. Rent paid a. Ms. Kanchan Agarwal	-	-	-	9.00	-	-	-	9.00
2. Corporate social responsibility expenses a. PTC Foundation	-	16.29	-	-	-	16.17	-	-
Amounts paid during the year to KMP's and relatives of KMP's								
1. Managerial remuneration *	-	-	218.06	-	-	-	176.22	-
2. Salary and allowances			28.61	43.73	-	-	45.78	40.56
3. Sitting fees to independent directors	-	-	1.96	-	-	-	1.94	-
4. Loan to director								
a. Mr. Alok Agarwal	-	-	-	-	-	-	25.00	-
5. Advance against property								
a) Sachin Agarwal HUF	-	100.00	-	-	-	-	-	-

* Exclusive of provision for future liability in respect of gratuity and leave encashment which is based on actuarial valuation done on Company as a whole.

(iii) Balance outstanding at the year end:

Particulars	As at 31 March 2019	As at 31 March 2018
Outstanding balance (Amount payable)		
Key management personnel		
Managerial remuneration	37.88	13.92
Salary and allowances	2.63	3.65
Relative of KMP's		
Salary and allowances	1.02	2.72
Rent	0.68	0.68
Consultancy fee	-	0.22
Outstanding balance (Amount receivable)		
Key management personnel		
Loan to Director	10.00	19.00

Notes to the financial statements for the year ended 31 March 2019

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

(iv) Compensation to Key Managerial Personnel (KMP)

The details of compensation to the members of key managerial personnel during the year was as follows:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Short-term employee benefits (refer note a)	236.33	212.94
Post-employment benefits		
- Defined contribution plan (refer note b)	12.30	11.00
- Defined benefit plan	*refer note (c)	*refer note (c)
- Other long-term benefits	*refer note (c)	*refer note (c)
	248.63	**223.94**

Note (a) Includes salary, commission, sitting fees and any other perquisites on accrual basis.

Note (b) Including contribution to provident fund and any other benefit

Note (c) As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

46. Assets pledged as security:

Particulars	As at 31 March 2019	As at 31 March 2018
Non-current borrowings:		
Equitable mortgage		
Land	661.53	662.14
Building	3,694.81	309.13
First charge		
Other movable property, plant and equipment	6,864.03	3,461.42
	11,220.37	**4,432.69**
Current borrowings:		
First charge		
Current assets	11,026.96	9,041.03
Second charge		
Land	661.53	662.14
Building	3,694.81	309.13
Other movable property, plant and equipment	6,864.03	3,461.42
	22,247.33	**13,473.72**
	33,467.70	**17,906.41**

Notes to the financial statements for the year ended 31 March 2019

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

47. New standards adopted - Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

i) Identify the contract(s) with customer;

ii) Identify separate performance obligations in the contract;

iii) Determine the transaction price;

iv) Allocate the transaction price to the performance obligations; and

v) Recognise revenue when a performance obligation is satisfied

The Company has adopted the standard on 1 April 2018 on a modified retrospective basis with a cumulative catch-up adjustment booked to retained earnings as at 1 April 2018 as if the standard had always been in effect. The standard is applied only to contracts that are not completed as at 1 April 2018. Comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. The adoption of the new standard did not result in any material adjustments to the Company's net income.

a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Revenue from operations	Goods	Other operating revenues*	Total
Revenue by geography			
Domestic	1,967.25	59.02	2,026.27
Export	12,387.62	710.90	13,098.52
	14,354.87	**769.92**	**15,124.79**

* Export benefit has been included in domestic revenue

b) Assets and liabilities related to contracts with customers

Revenue from operations	As at 31 March 2019		As at 31 March 2018	
	Non Current	Current	Non Current	Current
Trade receivables	-	4,395.56	-	3,362.21
Advance from customers	-	28.61	-	16.96
	-	**4,424.17**	**-**	**3,379.17**

Notes to the financial statements for the year ended 31 March 2019

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

48. Revenue from operations, computed in accordance with Ind AS 115 'Revenue from contracts with customers', for the current year is not comparable with previous year since the same is net of Goods and Service Tax (GST) whereas excise duty form part of expenses in previous year and current year (uptill 30 June 2017)

For Walker Chandiok & Associates
Chartered Accountants

Arun Tandon
Partner
Membership No. 517273

Place: Gurugram
Date: 27 May 2019

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

Sachin Agarwal
Chairman and Managing Director
DIN No. : 00142885

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

Smita Agarwal
Chief Financial Officer
ICAI Membership No.: 095716

Anuj Nigam
Company Secretary
Membership No.: FCS9515

Place: Lucknow
Date: 27 May 2019

Notes to the financial statements for the year ended 31 March 2019

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

FIVE YEARS AT A GLANCE

Particulars	2018-19	2017-18	2016-2017	2015-2016	2014-2015
Revenue from operations(net)	15,124.80	10,106.78	9,939.91	9,568.44	10,077.40
"Earnings before interest, depreciation, exceptional items & taxes"	**2,835.02**	**1,827.26**	**1,678.75**	**1,615.15**	**1,905.90**
Finance costs	921.36	401.53	345.15	256.32	256.30
Depreciation	909.42	576.68	554.02	543.42	635.73
Exceptional items	61.81	-	-	-	159.90
Profit before tax	**942.43**	**849.05**	**779.59**	**815.41**	**853.97**
Taxes, net of mat credit entitlement	-149.11	105.04	178.19	200.11	204.55
Net profit	**1,091.54**	**744.00**	**601.40**	**615.30**	**649.42**
Share capital	523.91	523.91	523.91	523.91	523.91
Reserve & surplus	13,515.71	12,427.97	11,680.69	11,096.31	10,474.54
Net worth	**14,039.62**	**12,951.88**	**12,204.60**	**11,620.22**	**10,998.45**
Earnings per share	**20.83**	**14.20**	**11.48**	**11.74**	**12.40**
Book value (₹)	**267.98**	**247.22**	**232.95**	**221.80**	**209.93**
Total outside liabilities/ tangible net worth	1.42	1.39	1.41	1.48	1.56
Current assets/current liabilities	0.98	1.01	1.29	1.61	1.20
Operating profit margin	18.7%	18.1%	16.9%	16.9%	18.9%
Net profit margin	7.2%	7.4%	6.1%	6.4%	6.4%

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 56th Annual General Meeting of the members of PTC Industries Limited will be held on Saturday, the 28th day of September 2019 at 03.00 P.M. at the registered office of the Company situated at the Advanced Manufacturing & Technology Centre, NH-25A Sarai Shahjadi, Lucknow – 227101, Uttar Pradesh to transact the following businesses:

ORDINARY BUSINESS

To consider and, if thought fit, to pass, the following resolutions, with or without modification, as Ordinary Resolution:

1. **To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors' and Auditors' thereon;**

   "RESOLVED THAT, the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors' and Auditors' thereon laid before this meeting, be and are hereby considered and adopted."

2. **To appoint a director in place of Mr. Alok Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.**

   "RESOLVED THAT Mr. Alok Agarwal (DIN: 00129260), who retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and being eligible, be and is hereby re-appointed as director of the Company and is liable to retire by rotation."

To consider and, if thought fit, to pass, the following resolutions, with or without modification, as Special Resolution:

3. **Appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants, New Delhi, as the Statutory Auditors of Company.**

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) rules, 2014 (the Rules), M/s. Walker Chandiok & Co LLP, Chartered Accountants (Reg. No.001076N/N500013), be and is hereby appointed as a statutory auditors of the Company for the period of four years to hold office from the conclusion of 56th Annual General Meeting up to 60th Annual General Meeting of the Company on such remuneration plus Goods and Service Tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the said Auditors.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

SPECIAL BUSINESS

4. **Appointment of Ms. Smita Agarwal, as a Whole Time Director (Woman Director) of the Company.**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution:-**

   "RESOLVED THAT pursuant to the provision of Section 149(1) and 152 of the Companies Act, 2013 and rules made there under and regulation 17 (1) of the SEBI (LODR) Regulations 2015, Ms. Smita Agarwal, be and is hereby appointed as Director (Woman Director), liable to retire by rotation, on the board of the company.

   "RESOLVED FURTHER THAT, pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as 'the Act') and rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, and subject to the approval of such other authorities including Central Government, as may be required, consent of the shareholders of the company be and is hereby accorded to the appointment of Ms. Smita Agarwal (DIN: 00276903) as a Whole time Director of the Company for a period of five (5) years with effect from June 01, 2019 till May 31, 2024 or till such earlier date to conform with the policy on retirement and as may be determined by the Board of Directors of the Company and / or by any applicable statutes, rules, regulations or guidelines, at the terms & conditions as mentioned in explanatory statement, with power to the Board of Directors ("The Board ") to alter and vary the terms and conditions of the appointment and remuneration in such a manner as may be permitted by in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed to by and between the Board and her from time to time.

   "RESOLVED FURTHER THAT, in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the three years period starting from the date of appointment, the Director shall be paid the remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force and as may be agreed to by and between the Board and the Director."

"RESOLVED FURTHER THAT, the remuneration is subject to variation only as approved by the Chairman and Managing Director of the company, on recommendation of Nomination and Remuneration Committee, subject to the restrictions, if any, contained under the applicable provisions of the Act or otherwise as may be applicable in law. Any variation in remuneration, as approved by the Chairman and Managing Director, on recommendation of Nomination and Remuneration Committee, will be placed before the Board in subsequent meeting. The Board of Directors of the Company be and is hereby authorized to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be necessary, proper or expedient and for matters concerned therewith or incidental thereto for the purpose of giving effect to this resolution."

"RESOLVED FURTHER THAT Mr. Sachin Agarwal, Managing Director, Mr. Alok Agarwal, Director Technical and Quality, and Mr. Anuj Nigam, Company Secretary of the company be and is hereby severally authorised to sign, execute forms, e-forms, documents, parchments, letters and do all such acts necessary for the execution of this resolution".

5. **Re-appointment of Mr. Krishna Das Gupta (DIN: 00374379) as an Independent Director for a second term of five consecutive years**

   To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT Pursuant to the recommendation of the Nomination and Remuneration and the provision of Section 149, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Regulation 17 and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Krishna Das Gupta(DIN: 00374379), aged 76 years, be and is hereby reappointed as independent director on the board of the company for the second consecutive term of five years, effective from ensuing annual general meeting or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines and whose term of office shall not be subject to retirement by rotation.

   "RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to the provisions of sub-regulation 1A of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the shareholders of the Company, be and is hereby also accorded for continuance of Mr. K D Gupta aged about 76 years as an Independent Director of the Company from April 01, 2019 to the date of ensuing 56th annual general meeting of the Company or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines".

   "RESOLVED FURTHER THAT Mr. Sachin Agarwal, Managing Director, Mr. Alok Agarwal, Director Technical and Quality, Ms. Smita Agarwal, Director and Chief Financial Officer and Mr. Anuj Nigam Company Secretary of the company be and is hereby severally authorised to sign, execute forms, e-forms, documents, letters and do all such acts necessary for the execution of this resolution".

6. **Re-appointment of Dr. Rakesh Chandra Katiyar (DIN: 00556214) as an Independent Director for a second term of five consecutive years**

   To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT Pursuant to the recommendation of the Nomination and Remuneration and the provision of Section 149, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Regulation 17 and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Rakesh Chandra Katiyar (DIN: 00556214), aged 63 years be and is hereby reappointed as independent director on the board of the company for second consecutive term of five years, effective from ensuing annual general meeting or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines and whose term of office shall not be subject to retirement by rotation.

"RESOLVED FURTHER THAT Mr. Sachin Agarwal, Managing Director, Mr. Alok Agarwal, Director Technical and Quality, Ms. Smita Agarwal, Chief Financial Officer and Mr. Anuj Nigam Company Secretary of the company be and is hereby severally authorised to sign, execute forms, e-forms, documents, letters and do all such acts necessary for the execution of this resolution".

7. Re-appointment of Mr. Ajay Kashyap (DIN: 00661344) as an Independent Director for a second term of five consecutive years

To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT Pursuant to the recommendation of the Nomination and Remuneration and the provision of Section 149, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Regulation 17 and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ajay Kashyap (DIN: 00661344), aged 70 years be and is hereby reappointed as independent director on the board of the company for the second consecutive term of five years, effective from ensuing annual general meeting or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines and whose term of office shall not be subject to retirement by rotation.

"RESOLVED FURTHER THAT Mr. Sachin Agarwal, Managing Director, Mr. Alok Agarwal, Director Technical and Quality, Ms. Smita Agarwal, Chief Financial Officer and Mr. Anuj Nigam Company Secretary of the company be and is hereby severally authorised to sign, execute forms, e-forms, documents, letters and do all such acts necessary for the execution of this resolution".

8. Appointment of Mr. Vishal Mehrotra (DIN: 08535647) as an Independent Director of the Company

To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT Pursuant to the recommendation of the Nomination and Remuneration and the provision of Section 149, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Regulation 17 and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vishal Mehrotra (DIN-08535647), aged 47years, be and is hereby appointed as independent director on the board of the company for the period of five years effective from August 10, 2019 or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines and whose term of office shall not be subject to retirement by rotation and whose term of office shall not be subject to retirement by rotation.

"RESOLVED FURTHER THAT Mr. Sachin Agarwal, Managing Director, Mr. Alok Agarwal, Director Technical and Quality, Ms. Smita Agarwal, Chief Financial Officer and Anuj Nigam Company Secretary of the company be and is hereby severally authorised to sign, execute forms, e-forms, documents, letters and do all such acts necessary for the execution of this resolution".

9. Proposal for Issue of ESOP

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:-**

"RESOLVED THAT pursuant to the provisions of section 62(1)(b), 67(3)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the rules thereunder, the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as 'SEBI Regulations'), including any statutory modification(s) or re-enactment(s) of the Act, the rules or the SEBI Regulations, for the time being in force and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company in its sole discretion (hereinafter referred to as the 'Board', which expression shall also include any committee including Nomination & Remuneration Committee constituted by the Board for this purpose), consent of the Shareholders of the Company be and is hereby accorded to create, issue, offer, grant and allot to or for the benefit of such person(s), who are the permanent Employees or Directors of the Company as may be permissible under the SEBI Regulations (hereinafter referred to as 'Employees') and as maybe decided by the Board under the scheme titled 'PTC Employee Stock Option Scheme 2019' (hereinafter referred to as 'PTC-ESOS 2019'), not exceeding 157,170 stock options convertible into 157,170 equity shares of the face value of Rs. 10 each fully paid-up, in such manner, during such period, in one or more tranches and on such terms and conditions including the price as the Board may decide in accordance with the SEBI Regulations or other provisions of the law as maybe prevailing at the relevant time.

"RESOLVED FURTHER THAT the equity shares to be issued on exercise of stock options may be allotted to the Employees through any appropriate mechanism, including a trust, which may be set up in any permissible manner for implementation of the PTC-ESOS 2019 and that the PTC-ESOS 2019 may include provisions for providing loan/ financial assistance by the Company, its holding (if any, in future), and/or subsidiary company(ies), if any, to the Employees from time to time, on such terms as it may think fit, to enable the Employees to subscribe to or purchase the equity shares of the Company.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot fully paid-up equity shares to be issued on exercise of stock options from time to time in accordance with the PTC-ESOS 2019 and the said equity shares shall rank pari-passu in all respects with the then existing fully paid-up equity shares of the Company.

"RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division, change in capital structure and others, if any, additional stock options of the Company are issued to the Employees for the purpose of making a fair and reasonable adjustment to the stock options issued to them, the above ceiling of 157,170 options convertible into 157,170 equity shares be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

"RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, the number of equity shares arising out of and/or the price of acquisition payable by the Employees under the PTC-ESOS 2019 shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Rs. 10 per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the Employees.

"RESOLVED FURTHER THAT the Managing Director be and is hereby authorised on behalf of the Company to further evolve, decide upon and bring into effect the PTC-ESOS 2019 and make any modifications, changes, variations, alterations or revisions in the PTC-ESOS 2019 from time to time or to suspend, withdraw or revive the PTC-ESOS 2019 from time to time as may be specified by any statutory authority and/or to give effect to any laws, rules, regulations, amendment(s) thereto and to do all other acts, deeds, matters and things as are necessary to give effect to the above resolution and with power on behalf of the Company to settle any questions or difficulties that may arise with regard to the creation, offer, issue, grant and allotment of stock options and/or equity shares arising there from without requiring the Board to secure any further consent or approval of the members of the Company in this respect."

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a member of the Company. The proxy in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of companies, HUF, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organisation.

2. A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. The copy of annual report, notice of general meeting, notice of e-voting, etc. are being sent to the members through e-mail who have registered their email ids with their depository participant (DPs) / Company's Registrar and Transfer Agent (RTA).

   Members are requested to update their preferred e-mail ids with the Company / DPs / RTA, which will be used for the purpose of future communications.

   Members whose e-mail id is not registered with the Company will be sent physical copies of Annual Report, notice of e-voting etc. at their registered address through permitted mode.

4. Annual Report will also be available in the Financials section on the website of the Company at www.ptcil.com.

5. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business set out in Item No. 3, 4, 5, 6, 7, 8, and 9 of the accompanying notice is annexed hereto.

   Additional information, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to appointment of the Statutory Auditors of the Company, as proposed under Item No. 3 of this Notice under Ordinary Business, is also provided in the Explanatory Statement.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company's RTA.

7. Shareholders are requested to provide their e-mail address, telephone numbers and quote their Folio numbers / DP ID & Client ID in all correspondences to facilitate prompt response.

8. E-voting:

   In compliance with Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 read with Rule 20 of the Companies (Management & Administration) Rules, 2014, and other applicable provisions of the Companies Act, 2013, if any, the Company is pleased to provide the facility to the members to exercise their votes electronically and vote on all resolutions through e voting service facility arranged by CDSL.

   The e-voting period begins on September 25 2019 at 09:00 IST and ends on September 27, 2019 17:00 IST. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 21, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

   I. **The instructions for shareholders voting electronically are as under:**

   (i) The shareholders should log on to the e-voting website www.evotingindia.com.

   (ii) Click on Shareholders.

   (iii) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the Company- PTC Industries Limited.

(xi) 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.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) 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.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing

the stamp and sign of the entity should be emailed to 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

II. In case of members receiving physical copy:

i. Please follow the steps from sr. no. (I) to (xvii) above, to cast your vote.

ii. If you are already registered with CDSL for e-voting, then you can use your existing user ID and password for Login to cast your vote.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

9. The Board of Directors has appointed Mr. Amit Gupta of M/s. Amit Gupta & Associates, Company Secretaries in practice, Lucknow, as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

10. In terms of provisions of Section 107 of the Companies Act, 2013 since the Company is providing the facility of e-voting to the shareholders, there shall be no voting by show of hands at the 56th Annual General Meeting. The shareholders who will be physically present at the 56th Annual General Meeting shall be provided with polling papers to cast their votes at the meeting.

11. The shareholders can opt for only one mode of voting i.e. e-voting or physical polling at the meeting. In case of voting by both the modes, vote casted through e-voting will be considered final and voting through physical ballot will not be considered. The members who have casted their vote electronically may attend the meeting but shall not be entitled to cast the vote again.

12. The voting rights of members for e-voting and for physical voting at the meeting shall be in proportion to their share of the paid-up equity share capital of the Company as on cut-off date, i.e. September 21, 2019.

13. Members having any question on financial statements or any agenda item proposed in the notice of 56th Annual General Meeting are requested to send their queries at least ten days prior to the date of Annual General Meeting of the Company at its registered office address to enable the Company to collect the relevant information.

14. Members are requested to bring the duly filled in attendance slips sent herewith while attending the Annual General Meeting and notice of Annual General Meeting.

By Order of the Board of Directors,

Anuj Nigam

Company Secretary

Date: September 02, 2019

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

Item No. 3:

The Members of the Company at the 51st Annual General Meeting ('AGM') held on July 23, 2014 approved the appointment of Messrs. Walker Chandiok & Associates, Chartered Accountants, New Delhi (WCA), as the Auditors of the Company for a period of five years from the conclusion of the said AGM. They will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The present remuneration for conducting the audit for the financial year 2018-19, as approved by the Members, is Rs. 15,00,000/- plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred.

The Company has received special notice proposing appointment of Walker Chandiok & Co. LLP, Chartered Accountants, as the Auditors of the Company.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of Messrs. Walker Chandiok & Co. LLP, Chartered Accountants, New Delhi (WCC), as the Auditors of the Company for a period of four years from the conclusion of this AGM till the conclusion of the 60th AGM. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of WCC for the financial year 2019-20 as set out in the Resolution relating to their appointment.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found WCC suitable to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

WCC, established in the year 2014, is a member firm in India of Grant Thornton and is a part of Grant Thornton International Limited network of audit firms. As on March 31, 2019, the said network of audit firms had a presence in 135 countries and employed more than 53,000 people.

WCC have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

Item No. 4:

The Board of Directors of the Company at the meeting held on May 27, 2019, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), had appointed Ms. Smita Agarwal, Chief Financial Officer (CFO) as Woman Director (Additional Director) of the Company w.e.f. June 01, 2019 in terms of the provisions of section 149(1) & 161 of the Companies Act, 2013 and regulation 17 of the SEBI (LODR) Regulations, 2015.

The Board also appointed her as Whole Time Director of the Company, for a period of five (5) years with effect from June 01, 2019 till May 31, 2024 or till such earlier date to conform with the policy on retirement and as may be determined by the Board of Directors of the Company and / or by any applicable statutes, rules, regulations or guidelines.

Ms. Smita Agarwal, Chief Financial Officer of the Company, qualified as a Chartered Accountant in 1997 and has worked with Price Water house Coopers in their New Delhi and London offices between 1994 to 1998. Smita has also completed her Diploma in Information Systems Audit from ICAI. As her first project, she helped to set up e.Soft Technologies Limited, one of Lucknow's leading software development and business process Consultancy Company which today has offices in New York, Mumbai and Lucknow. She began to take an active leadership role in PTC nearly 7 years ago and steered the management of a foreign direct investment into the company in 2013. She was also the winner of the 2017 Women Achiever Awards by LMA in the corporate category. Recently, she was also recognised by NITI Aayog as one of the top 60 women entrepreneurs in the country at their Women Transforming India Awards 2018.

Smita Agarwal served as Chairperson for CII Young Indians Lucknow Chapter and worked tirelessly towards promotion of youth leadership and social awareness in Lucknow through many programs, workshops and awareness activities. She held the position of National Chair – Project Masoom at CII Young Indians heading the vertical for 40 chapters across the nation doing measurable and extremely impactful work in area of prevention of Child Sexual Abuse by sensitising children and adults against this evil. She is now the Northern Region Chair of CII Young Indians and also a member of the CII UP State Council and the CII Northern Regional Committee.

DETAILS OF DIRECTORSHIP

Sr. No.	Name of Company	Nature of Inter Interest (Designation)
1.	Nirala Merchant Private Limited	Director
2.	Precision Overseas Private Limited	Director
3.	Viven Advisory Service Private Limited	Director
4.	Homelike Motels & Resorts Private Limited	Director
5.	Mapple Commerce Private Limited	Director
6.	PTC Industries Limited	Director & CFO

DETAILS OF COMMITTEE MEMBERSHIP

Name of Company	Name of Committee	Position
PTC Industries Limited	Audit Committee	Member
	Listing Committee	Member

Consolidated remuneration of Rs. 28.36 lakhs divided in to allowances/perquisites as per mutual understanding, as may be increased by the Board from time to time within permissible limits as per the provisions of section 197 read with schedule V of the Companies Act, 2013 and rules made thereunder.

Allowances / Perquisites:

i. Gratuity shall not exceed 15 days Basic Salary for each completed year of service as per the Rules of the company and will not be included in computation of the ceiling of the remuneration.

ii. Encashment of Leave as per rules of the Company.

iii. Use of car for Company's business and telephone, mobile and internet facility at residence will not be considered as perquisites.

OTHER TERMS:

a) In case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the three years period starting from the date of appointment, the aforesaid remuneration shall be paid to respective directors as minimum remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force and as may be agreed to by and between the Board and the Director;

b) The Director shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee(s) thereof;

c) The appointment may be terminated by either party giving the other party six months' notice or paying six months' salary in lieu thereof;

d) If at any time any director ceases to be a director of the Company for any reason whatsoever, she shall cease to be the Whole Time Director of the Company;

e) The office of the Director will be subject to retirement by rotation.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013 (in respect of business proposed at item no. 4, 5, 6, 7 & 8):

I. General Information	
Nature of Industry	Engineering with foundry, machining, forging & fabrication as key activities
Date or expected date of commencement of commercial production	PTC Industries Limited has legacy of more than 56 years with its date of incorporation being March 20, 1963.
Financial performance based on given indicators	The details of financial performance of the Company for the years 2017-18 and 2018-19 are provided separately in the Annual Report.
Foreign investments or collaborations, if any	Foreign investors, mainly comprising NRIs and Overseas Body Corporate are investors in the Company on account of past issuances of securities and issue of equity shares in lieu of conversion of Zero Coupon Compulsorily Convertible Debentures (CCD's).

II. Information about the appointees

Background details	Mr. Sachin Agarwal is the Chairman & Managing Director of the Company.	Mr. Alok Agarwal is the Director – Quality & Technical of the Company.	Mr. Priya Ranjan Agarwal is Director - Marketing of the Company	Mr. Ashok Kumar Shukla is an Executive Director - Mehsana Plant	Ms. Smita Agarwal is the Director and Chief Financial Officer of the Company

Past remuneration

Details of past remuneration are as follows: (Rs. In lakhs)

	Remuneration				
Year	Sachin Agarwal	Alok Agarwal	Priya Ranjan Agarwal	Ashok Kumar Shukla	Smita Agarwal
2016-17	92,95,419	26,85,436	25,85,413	-	-
2017-18	91,78,839	27,61,102	25,22,667	15,79,669	-
2018-19*	95,05,455	28,10,334	26,56,002	68,34,679	-

Recognition or awards	**Sachin Agarwal**	**Alok Agarwal**	**Priya Ranjan Agarwal**	**Ashok Kumar Shukla**	**Smita Agarwal**
	Under the leadership of Mr. Sachin Agarwal, the Company has won many awards and recognitions, including the TIME India Award, National Award for R&D Efforts in the Industry, by the Department of Science and Industrial Research, Government of	Mr. Alok Agarwal has done extensive work in improving the quality standards in the Plant and obtaining various ISO and other quality certifications for the Company. His responsibilities also include Environment,	Mr. Priya Ranjan Agarwal is primarily responsible for business development in key infrastructure projects and marketing activities and has contributed largely for PTC to become a well-known and respected name in	Mr. Ashok Kumar Shukla has done extensive work in improving the operations of the Mehsana Plant and successfully establishing the production line at the plant to deliver quality production in an efficient and competent manner.	Ms. Smita Agarwal began to take an active leadership role in PTC nearly 7 years ago and steered the management of a foreign direct investment into the company in 2013. She was also the winner of the 2017 Women Achiever Awards

	India; approval from the Department of Scientific & Industrial Research under their Technology Development and Demonstration Programme; being recognized as one of the 16 Hidden Gems by Forbes India, and numerous export and supplier awards by State departments and customers.	Health and Safety compliances for the Company. Under this able guidance, the Company has been bestowed with many awards including the Exporter Award from the Government of Uttar Pradesh.	the country. He has been instrumental in the execution of several large project orders received by PTC from domestic companies. His hard work and perseverance have led to the recognition of the Company as a vendor in various Public Sector Undertakings and government agencies.		by LMA in the corporate category. Recently, she was also recognised by NITI Aayog as one of the top 60 women entrepreneurs in the country at their Women Transforming India Awards 2018.
Job profile and his suitability	Mr. Sachin Agarwal is an MBA in Operations from the University of Tulsa, USA and has pursued M.S. in Finance from Boston College, USA. He has also worked for American Airlines in the field of operations. He has over 21 years of professional experience in the overall managerial areas. Taking this into consideration, the Board bestowed the task of managing the overall operations of the Company, international business development, day to day management of the Company and implementation	Mr. Alok Agarwal is a B. Tech from IIT, Kanpur. He has been working with PTC Industries for the past 22 years. He is a Whole-time director designated as Director (Quality & Technical). Over the years, he has held various senior positions in the Production, Quality and Technical areas. He spent a number of years at the Ahmedabad Plant, and was deeply involved in the design, project management and commissioning of the unit. Being a person with a strong penchant for analytical work and high technology	Mr. Priya Ranjan Agarwal joined PTC in 1992 and has been working with company for the last 25 years. He is a Whole-time director on the Board of the Company. Mr. Priya Ranjan Agarwal is a Bachelor of Engineering (Mechanical). He has made a substantial contribution in creation of a wide base of customers for the Company. He has significant experience in the casting industry spanning more than 30 years and has been instrumental in making PTC a recognized name in the country.	Mr. Ashok Kumar Shukla joined PTC IN 2003 and has been working with the Company for the last 16 years in various capacities. He is a Bachelor of Technology (Mechanical). He has made a substantial contribution for the implementation and achievement of PTC's business plan directives, implementation of policy matters, charting growth plans, increasing production, assets capacity and flexibility, while minimizing unnecessary costs and maintaining current quality standards in respect of Company's Mehsana Plant.	Ms. Smita Agarwal has joined PTC in 2009, and has been working with company for the last 10 years in various capacities. She is the Director and CFO of the Company. She is a qualified Chartered Accountant with an experience of over 21 years and has worked in various capacities at PwC in their offices in New Delhi and London. During her tenure at PTC, she has led various initiatives including the listing of the company's shares at BSE, the implementation of various business processes, ERP systems, compliance and reporting systems, etc. She has a

	of Board policies and decisions. Under Mr. Sachin Agarwal's leadership, the Company has achieved new heights and attained remarkable growth. Sachin's exceptional entrepreneurship skills have succeeded in transforming the Company to one of the most technologically advanced companies in the world with capabilities to partner with organisations like Rolls Royce, GE, Siemens, etc for the manufacture of highly critical parts and sub-systems.	skills, he was chosen to head Lucknow Plant 1 and the Quality & Technical divisions of the Company. Mr. Alok Agarwal also looks after the operational, engineering, quality, R&D and procurement activities of the Company. He has all the requisite qualifications and rich experience for a person in his position.	With the establishment of the AMTC Plant of the Company, his immense skill, knowledge and capability in marketing and sales is of great significance for the overall operations of the Company especially at a stage when the Company has increased its capacity four times and shall require new business to efficiently utilize this capacity.		strong financial background with a fluency in Business Processes. She is also a competent public speaker conducting many training sessions and speaking engagements on many platforms.
Remuneration proposed	As recommended by the Board, the proposed remuneration will exceed the limit prescribed under Section 197 & 198 of the Companies Act, 2013 read with Schedule V.				
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of Chief Executive Officer /Managing Director levels of similar sized companies.				

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration, Mr. Sachin Agarwal holds 12,44,560 equity shares of the Company. Further, he is the son of Late Mr. Satish Chandra Agarwal, Ex-Chairman of the Company and husband of Ms. Smita Agarwal, Director and Chief Financial Officer of the Company.	Besides the remuneration receivable, Mr. Alok Agarwal holds 2,15,600 equity shares of the Company and his spouse is appointed to office of profit in the Company pursuant to the provision of Section 188(1) of the Companies Act, 2013. He does not have any other relationship directly or indirectly with the Company or any relationship with managerial personnel.	Besides the remuneration receivable, Mr. Priya Ranjan Agarwal holds 3,86,000 equity shares of the Company and his spouse is appointed to office of profit in the Company pursuant to the provision of Section 188(1) of the Companies Act, 2013 He does not have any other relationship directly or indirectly with the Company or any relationship with managerial personnel.	Besides the remuneration receivable, Mr. Ashok Kumar Shukla holds 81,369 equity shares of the Company and his spouse is appointed to office of profit in the Company pursuant to the provision of Section 188(1) of the Companies Act, 2013 He does not have any other relationship directly or indirectly with the Company or any relationship with managerial personnel.	Ms. Smita Agarwal, Director and Chief Financial Officer of the Company. She is wife of Chairman and Managing Director of the Company, Mr. Sachin Agarwal
III. Other Information					
Reasons of loss or inadequate profits	The Company is a phase of capital expansion and augmenting its technology portfolio and infrastructure. At this time, significant amount of its resources are being used in the development of new technologies and processes which are expected to yield substantial revenue growth and operational improvements in the future. Additionally, the significant amount of depreciation and interest being charged to the Profit & Loss Account have affected the current profitability. With the growth in sales and shift to higher realisation product range, this trend shall be reversed.				
Steps taken or proposed to be taken for improvement	With the improvements in technology and processes that the Company has introduced, it expects a significant reduction in its operational costs. The Company's newly established AMTC Plant has the capacity to manufacture castings up to 6,000 kgs single piece using the Replicast® and RapidCast™ technologies. It houses the latest equipment, systems and software and is a clean, green and lean facility. These measures shall significantly improve the profitability of the Company.				
Expected increase in productivity and profits in measurable terms	The aforesaid steps taken and to be taken by the Company are expected to improve the Company's performance and profitability in the future by 25-30% in the next 2-3 years.				

IV. Disclosures: As required, the information is provided under Corporate Governance Section of Annual Report 2019.

Register pursuant to section 190 of the Companies Act, 2013 is open for inspection to any member without payment of any fee at the office hours at the registered office of the Company.

None of the Directors except Mr. Sachin Agarwal, Chairman and Managing Director, is concerned or interested in the resolution. No other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolutions.

Item No.5, 6, 7 and 8

DR. R C Katiyar, Mr. K D Gupta, and Mr. Ajay Kashyap were appointed as an Independent Directors of the Company in 51st annual general meeting of the Company for the period of five years.

In terms of Section 149 read with Schedule IV and any other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder and regulation 16 & 17 of the SEBI Listing Regulations, 2015, the aforesaid persons can be appointed as an Independent director for second consecutive term of five years, with the approval of shareholders by way of special resolution.

Accordingly the Board of Directors of the Company ('the Board') at the meeting held on May 27, 2019, on the recommendation of the Nomination & Compensation Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Dr. R C Katiyar, Mr. K D Gupta, and Mr. Ajay Kashyap as Independent Directors of the Company for the second term of the five years with effect from ensuing annual general meeting, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to their respective re-appointment.

Further the Board at the meeting held on August 10, 2019, on the recommendation of the Nomination & Compensation Committee ('the Committee'), appointed Mr. Vishal Mehrotra as Independent Directors of the Company for the term of the five years with effect from August 10, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to his appointment.

Further, as Mr. K D Gupta has already attained the age of 76 years as on April 01, 2019, the approval of shareholders by way of special resolution is also sought as mentioned in item no. 2 for his continuance for remaining term up to the ensuing 56th annual general meeting, in terms of the provisions of regulation 17(1A) of the SEBI Listing Regulations, 2015.

The Committee and the Board are of the view that, given the knowledge, experience and performance of Dr. R C Katiyar, Mr. K D Gupta, and Mr. Ajay Kashyap, and contribution to Board processes by them, their continued association would benefit the Company. Declarations have been received from Dr. R C Katiyar, Mr. K D Gupta, and Mr. Ajay Kashyap that they meet the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015.

In the opinion of the Board, Dr. R C Katiyar, Mr. K D Gupta, Mr. Ajay Kashyap and Mr. Vishal Mehrotra fulfil the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment/appointment as Independent Directors and they are independent of the management of the Company. The aforesaid Independent directors shall be entitled to sitting fees for attending the meeting of the Board of committee and reimbursement of expenses for attending the said meetings as approved by the Board from time to time. In terms of the aforesaid provisions, the Independent Directors shall not be liable to retire by rotation.

The consent of the Members by way of Special Resolution is required for re-appointment of Dr. R C Katiyar, Mr. K D Gupta, Mr. Ajay Kashyap and Mr. Vishal Mehrotra, in terms of Section 149 of the Act. Further, pursuant to Regulation 17 of the Listing Regulations 2015. Consent of the Members by way of Special Resolution is also required for continuation of a Non-Executive Director beyond the age of seventy-five years. Mr. K D Gupta has already attained the age of 76 years and Mr. Ajay Kashyap, aged 70 years shall attain the age of seventy-five years on August 11, 2024, during the proposed term of re-appointment. Mr. R C Katiyar, aged 63 years shall not attain the age of 75 years during the proposed term of re-appointment, but shall attain this age on July 01, 2031. The Special Resolutions under Item Nos. 5, 6, 7 and 8, once passed, shall also be deemed as your approval under the Listing Regulations

2015, for continuation of these directors as Independent Directors beyond the age of seventy-five years.

Requisite Notices under Section 160 of the Act proposing the re-appointment of Dr. R C Katiyar, Mr. K D Gupta, Mr. Ajay Kashyap and Mr. Vishal Mehrotra have been received by the Company, and consents have been filed by Dr. R C Katiyar, Mr. K D Gupta, Mr. Ajay Kashyap and Mr. Vishal Mehrotra pursuant to Section 152 of the Act.

Brief resume of the proposed appointees, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (LODR) Regulations with the Stock Exchanges and the Secretarial Standard on General Meetings, are provided herein below and detailed profiles are available on company's website www.ptcil.com. Dr. R C Katiyar, Mr. K D Gupta, Mr. Ajay Kashyap and Mr. Vishal Mehrotra do not hold any shares in the Company, either in their individual capacity or on a beneficial basis for any other person.

Dr. R C Katiyar, Mr. K D Gupta, Mr. Ajay Kashyap and Mr. Vishal Mehrotra and their relatives, are interested in the Special Resolutions relating to their respective re-appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Special Resolutions.

The Board recommends these Special Resolutions for your approval.

Profile: Dr. R C Katiyar

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

DETAILS OF DIRECTORSHIP

Sr. No.	Name of Company	Designation
	U.P. State Construction and Infrastructure Development Corporation Limited	Director
	PTC Industries Limited	Director

DETAILS OF COMMITTEE MEMBERSHIP

Sr. No.	Name of Company	Name of Committee	Position
	U.P. State Construction and Infrastructure Development Corporation Limited	Corporate Social Responsibility Committee	Chairman
		Nomination and Remuneration Committee	Member
	PTC Industries Limited	Audit committee	Chairman
		Nomination and Remuneration Committee	Member
		Stakeholders relationship committee	Chairman
		Corporate Social Responsibility Committee	Member
		Risk management committee	Chairman

Profile: Mr. K D Gupta

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

DETAILS OF DIRECTORSHIP

Sr. No.	Name of Company	Designation
1.	Ruchi Infrastructure Limited	Director
2.	Ema India Limited	Director
3.	J.K. Cotton Limited	Director
4.	PTC Industries Limited	Director
5.	Ruchi Renewable Energy Private Limited	Director

DETAILS OF COMMITTEE MEMBERSHIP

Sr.No.	Name of Company	Name of Committee	Position
1.	Ema India Limited	Nomination and Remuneration Committee	Chairman
		Stakeholder Relationship Committee	Chairman
		Audit Committee	Member
2.	J.K. Cotton Limited	Remuneration Committee	Member
3.	PTC Industries Limited	Audit Committee	Member
		Nomination and Remuneration Committee	Chairman
		Corporate social responsibility committee	Chairman
		Project monitoring and environment committee	Member
		Stakeholders relationship committee	Member
4.	Ruchi Infrastructure Limited	Audit Committee	Chairman
		Nomination and Remuneration Committee	Chairman
5.	Ruchi Renewable Energy Private Limited	Audit Committee	Chairman
		Nomination and Remuneration Committee	Chairman

Profile: Mr. Ajay Kashyap

Mr. Ajay Kashyap joined PTC in April 2007 and currently he is an Independent Director on the Board of the Company. He is a Bachelor in Technology (Chemistry) and has a Masters in Science (Chemistry). He has a vast experience in the engineering industry. Mr. Kashyap is also a director on the board of various other companies.

DETAILS OF DIRECTORSHIP

Sr. No.	Name of Company	Designation
1.	Ark Industrial Products Private Limited	Director
2.	Ark Fluid Systems Components Private Limited	Director
3.	PTC Industries Limited	Director

DETAILS OF COMMITTEE MEMBERSHIP

Sr. No.	Name of Company	Name of Committee	Position
1.	PTC Industries Limited	Stakeholder Relationship Committee	Member
2.	PTC Industries Limited	Project Monitoring and Environment Committee	Member

Profile of Mr. Vishal Mehrotra

Brief Profile

Mr. Vishal Mehrotra aged about 47 years, is a resident Lucknow, Uttar Pradesh and is an advocate and is working as a consultant in various areas like Taxation (Goods and Services Tax and Income Tax), Revenue Stamp Act, Housing Societies and Trust etc.

Mr. Vishal Mehrotra has 21 years of experience of Practice before Registration Authorities, Revenue Authorities; Commercial Tax Authorities, Income Tax Authorities, and before Appellate Authorities and Honourable High Court.

He does not hold any other directorship except this company.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Special Resolutions.

Item No. 9 ESOP

The Company proposes to launch a Employees Stock Option Plan i.e., PTC Employee Stock Option Scheme 2019' (hereinafter referred to as 'PTC-ESOS 2019') as per the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with circulars / guidelines issued by SEBI, so as to ensure commitment, attract and retain talent through ownership and financial motivation. Subject to the terms and conditions contained therein, the Plan envisages grant of Stock Options ('Options') and allotment of equity shares of the Company upon exercise of such Options to the Eligible Employees of the Company as determined by the Board of Directors of the Company (hereinafter referred to as the 'Board' which expression shall also include Compensation (ESOP) Committee or such other Committee that may be constituted by the Board to act as the 'Compensation Committee' under the SBEB Regulations or their delegated authority and to exercise its powers, including the powers conferred under this Resolution (Committee)). Each Option will give the holder thereof, or other person entitled under the Plan, the right but not the obligation to subscribe for cash to one fully paid up equity share of 10/- each of the Company ('Share').

The Company intends to implement the Plan directly. In accordance with the provisions of the SEBI SBEB Regulations, approval of the members is sought to introduce the Plan and to grant stock options under the Plan to the eligible employees/ Directors of the Company as decided by Board in accordance with the provisions of the SEBI SBEB Regulations.

The main features of Plan are as under:

1. Brief Description of the Plan(s):

   The proposed Plan shall be called the PTC Employee Stock Option Scheme 2019' (hereinafter referred to as 'PTC-ESOS 2019') and is intended to reward the Eligible Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company.

2. Total number of Options to be granted:

The total number of options that would be available for grant to the eligible employees of the Company under the Plan, in one or more tranches, will not exceed 1,57,170. Each option would carry a right to apply for one Equity Share in the Company of 10/- each, fully paid-up. Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation/termination of the employees or otherwise, would be available for being re-granted at a future date. The Board/Committee is authorized to re-grant such lapsed/cancelled Options as per the provisions of Plan.

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger or other re-organisation, if any, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any, additional Equity Shares are required to be issued pursuant to any corporate action, the above ceiling of Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued, subject to compliance with the SEBI SBEB Regulations.

3. Identification of classes of employees entitled to participate in the Plan:

Following classes of employees are entitled to participate in the Plan:

(i) a permanent employee of the Company working in India or outside India; or

(ii) a Director of the Company, whether a whole-time director or not, but excluding an Independent Director; or

(iii) an employee as defined in clauses (i) or (ii) above, in India or outside India, but does not include

a) an employee who is a promoter or a person belonging to the promoter group; or

b) Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

4. Requirements of vesting and period of vesting:

The Options granted to an employee shall vest in him so long as he continues to be in the employment of the Company unless the Board/Committee determines otherwise (which determination shall not be contrary to the SEBI SBEB Regulations), the Unvested Options shall Vest with the Participant within a period of not less than 12 months and not more than 60 months from the date of Grant. The Board/Committee may determine the Vesting Period either generally or with reference to any specific Employee or Employees. The Vesting may also be contingent on achievement of performance parameters as determined by the Board/Committee or any delegated authority. The decision with regard to achievement/non-achievement of the performance parameters by the Participant shall be at the sole discretion of the Board/Committee and will be final and binding upon the Participant.

5. Maximum period within which the Options shall be vested:

Options granted under the Plan would vest in the employees within a maximum period of 60 months from the date of grant of the Options, or as may be determined by the Board/Committee.

6. Exercise price or pricing formula:

The Board/Committee shall determine the Exercise Price of equity shares of the Company, before grant of options.

7. Exercise period and the process of Exercise:

Unless the Board/Committee decides otherwise, the Exercise Period of the Vested Options shall not be less than 12 months and not more than 60 months from the date of Vesting.

The vested Options shall be exercisable by the employees by a written application to the Company/Trust expressing his/ her intention to exercise such Options in such manner and in such format as may be prescribed by the Committee/Trust from time to time. The Options shall lapse if not exercised within the specified Exercise Period.

The Shares allotted/transferred to the Participant (as defined in the Plan) on Exercise of the Vested Options pursuant to the Plan may be subject to such lock-in, if any, as may be determined by the Committee/Trust, from time to time.

8. Appraisal process for determining the eligibility of employees for the Plan:

The appraisal process shall be decided by the Board/ Committee on the basis of various parameters inter alia including the length of service, grade, performance, technical knowledge, leadership quality, merit contribution, conduct and future potential.

9. Maximum number of options to be granted per employee and in the aggregate

   The maximum number of Options to be granted under the Plan shall not exceed 1,57,170 (save that the number of Shares shall stand adjusted accordingly if and as determined by the Board/Committee in the event of a bonus issue, share split, share consolidation or other corporate action that the Board/Committee determines requiring such adjustment). The maximum number of Options to be granted under the Plan per Employee will not exceed 30,000 Options. The maximum number of Options granted under the Plan to the Non-executive Directors (other than the Independent Directors) of the Company will not exceed 20,000 Options in any financial year and 50,000 in aggregate under the Plan. The number of Options that may be granted to any employee including any Director of the Company (not being an Independent Director), in any one year under the Plan shall be less than 1% of the issued Equity Share Capital at any point of time.

10. Whether the Plan(s) is to be implemented and administered directly by the company or through a trust:

    The Company intends to implement the Plan directly.

11. Accounting and Disclosure Policies:

    The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant. Accounting Standards/policies prescribed by the Institute of Chartered Accountants of India or Central Government or SEBI, from time to time, including the disclosure requirements prescribed therein.

12. Method of Option Valuation:

    To calculate the employee compensation cost, the Company shall use the Intrinsic Value method for valuation of the Options granted. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on earning per share of the Company shall also be disclosed in the Directors' Report.

    The Plan shall be available for inspection by any member at the Registered Office of the Company between 2.00 p.m. to 4.00 p.m. on all working days till the date of the Annual General Meeting.

The approval of the members is being sought pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and as per the SEBI SBEB Regulations.

The Board of Directors recommends the special resolutions set forth as Item Nos. 9 of the Notice for approval of the Members.

The eligible Directors and Key Managerial Personnel may be deemed to be concerned or interested in these resolutions to the extent of their participation in the Plan(s).

By order of the Board for
PTC INDUSTRIES LIMITED

Anuj Nigam
Company Secretary

Place: Lucknow
Date: September 02, 2019

Attendance Slip

56^{TH} Annual General Meeting

[Please complete this attendance slip and hand it over at the entrance of meeting hall]

Venue of the meeting	**:**	Registered office of the Company situated at: NH-25A Sarai Shahjadi, Lucknow – 227101, Uttar Pradesh, India.
Date and time	**:**	September 28, 2019 at 03:00 p.m.

Name of member/Proxy name	
Address of member/Proxy address	
DP Id*	
Client Id*	
Folio No.	
No. of shares held	

*Applicable for investors holding shares in Electronic form.

I certify that I am the registered shareholders/proxy for the registered shareholder of the Company.

I hereby record my presence at the 56^{th} Annual General Meeting of the Company held on September 28, 2019 at 3:00 pm at registered office of the Company at NH-25A Sarai Shahjadi, Lucknow – 227101, Uttar Pradesh, India.

*Applicable for shareholders holding shares in electronic form

(Signature of shareholder/proxy)

Note:

1. Electronic copy of the Annual Report for 2019 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depositary Participant unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.
2. Physical copy of the Annual Report for 2019 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email id is not registered or have requested for a hard copy.
3. Only member or Proxy holder can attend the meeting.

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L27109UP1963PLC002931
Name of the company	PTC INDUSTRIES LIMITED
Address	NH-25A Sarai Shahjadi, Lucknow – 227101, Uttar Pradesh

56th Annual General Meeting – September 28, 2019

Name of Member(s)	
Registered Address	
Email Id	
Folio. No./ Client ID	
DP ID	

I/we being member(s) of__________________ shares of above named company, hereby appoint

Name	
Address	
Email Id	
Signatures	

or failing him/her,

Name	
Address	
Email Id	
Signatures	

or failing him/her,

Name	
Address	
Email Id	
Signatures	

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at 56th Annual General Meeting of the Company, to be held on Saturday, September 28, 2019 at 03:00 p.m. at the registered office of the Company at NH-25A Sarai Shahjadi, Lucknow – 227101, Uttar Pradesh, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Resolution	Vote (see note no. 6)		
		For	**Against**	**Abstain**
Ordinary Business				
1.	To consider and adopt (a) the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors' and Auditors' thereon;			
2.	To appoint a director in place of Mr. Alok Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.			
3.	Appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants, New Delhi, as the Statutory Auditors of Company			
Special Business				
4.	Appointment of Ms. Smita Agarwal, Chief Financial Officer (CFO) as Woman Director of the Company			
5.	Re-appointment of Mr. Krishna Das Gupta (DIN: 00374379) as an Independent Director for a second term of five consecutive years			
6.	Re-appointment of Dr. Rakesh Chandra Katiyar (DIN: 00556214) as an Independent Director for a second term of five consecutive years			
7.	Re-appointment of Mr. Ajay Kashyap (DIN: 00661344) as an Independent Director for a second term of five consecutive years			
8.	Appointment of Mr. Vishal Mehrotra (DIN: 08535647 as an Independent Director of the Company			
9.	Proposal for issue of ESOP			

Affix one rupee revenue stamp

Signed this ________________ day of ____________________, 2019.

______________________   ________________________

Signature of shareholder   Signature of proxy holder(s)

Notes:

1. The Proxy to be effective should be deposited at the Registered office of the Company situated at NH-25A, Sarai Shahjadi, Lucknow - 227101, Uttar Pradesh, India, not less than FORTY EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she deems appropriate.

NOMINATION FORM

Form No. SH-13

[Pursuant to section 72 of the Companies Act, 2013 and rule
19 (1) of the Companies (Share Capital and Debentures) Rules, 2014]

To,

Name of the company	PTC Industries Limited (CIN – L27109UP1963PLC002931)
Address of the company	NH-25A Sarai Shahjadi, Lucknow – 227101, Uttar Pradesh, India.

I/We ______________________________ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following person in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S

a)	**Name**	
b)	**Date of birth**	
c)	**Father's/ Mother's/ Spouse's Name**	
d)	**Occupation**	
e)	**Nationality**	
f)	**Address**	
g)	**E-mail id**	
h)	**Relationship with the security holder**	

3. IN CASE WHERE NOMINEE IS A MINOR

a)	**Date of birth**	
b)	**Date of attaining majority**	
c)	**Name of guardian**	
d)	**Address of guardian**	

Witness: **Name:** **Address:** **Signature:**	**Security Holder(s):** **Name:** **Address:** **Signature:**

PTC INDUSTRIES LIMITED

(Regd. Office: NH-25A Sharai Shahjadi, Lucknow – 227101, Uttar Pradesh, India)
CIN: L27109UP1963PLC002931
Phone No.: 91 522 7111017; Fax: 91 522 7111020
Email: companysecretary@ptcil.com; Website: www.ptcil.com

Sub: Service of Documents through electronic mode

Pursuant to section 101 of the Companies Act, 2013 read with rule 18(3)(1) of Chapter VII and rule 11 of Chapter IX, the Company is requesting for a positive consent from its members to receive Notice of General Meeting/Postal Ballot, Annual Report and other shareholders communication. This will enable you to receive such Notice(s)/Annual Report(s)/Document(s)/Communication(s), etc. promptly and without loss in postal transit. Once we receive your positive consent, henceforth, the Notice of Meetings, Annual Report, Directors' Report, Auditor's Report and other shareholders communication will be sent to you electronically to your email address as provided by you AND/OR made available to the Company by the Depositories viz. National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).

As and when there are any changes in your email address, you are requested to update the same with your Depository Participant (DP). For shares held in physical form, you can register your email address with the Company's Registrar M/s Link Intime India Private Limited at mumbai@linkintime.co.in OR the company at companysecretary@ptcil.com mentioning your name(s) and folio number.

Please note that if you still wish to get a physical copy of the above documents, the Company will send the same, free of cost, upon receipt of a request from you. We look forward to your support.

Thanking You

For **PTC Industries Limited**

Anuj Nigam
Company Secretary

M/s. Link Intime India Private Limited
Unit: PTC Industries Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli West,
Mumbai 400 083

Dear Sir,

As per your letter (supra), I/We submit to you as under:

1) I/We hereby give my/our consent to the company to use my/our registered email id in my/our demat account with the Depository Participant for serving members related documents under the Companies Act, 2013.

(Please tick mark (þ) appropriately)

DP ID/Client ID: ______________________

YES ☐ NO ☐

2) Kindly use my/our email id: ______________________ for serving documents.

Physical Folio No.: ______________________

YES ☐ NO ☐

Thanking You

Yours sincerely,

Name of first/sole holder ______________

Signature: ______________________

ROUTE MAP TO THE VENUE OF AGM

Map not to scale

PTC Industries Limited
Advanced Manufacturing & Technology Centre
NH-25A Sarai Shahjadi,
Lucknow – 227101
Uttar Pradesh, India

Notes:

1. There will be no parking facility provided at the venue.
2. Kindly use only AGM entrance.
3. Members are required to produce duly signed attendance slip to attend the meeting.
4. Members who have received notice electronically are requested to print the attendance slip and submit duly filled in attendance slip at the registration counter to attend the AGM.
5. Electronic voting - The business, as set out in the notice will be transacted through e-voting. Members are requested to refer to the detailed procedure on e-voting provided in the notice of Annual General Meeting.

Notes

Notes

PTC INDUSTRIES

Aspire. Innovate. Achieve.

PTC Industries Limited

NH 25A, Sarai Shahjadi,
Lucknow 227 101,
Uttar Pradesh, India
www.ptcil.com