PTC INDUSTRIES

Aspire. Innovate. Achieve.

building capability through innovation

52nd Annual Report 2014-15

PTC's vision of ***Aspire***, ***Innovate*** and ***Achieve*** continues to be the core value of each of its members. In our 52nd Annual Report, we focus on building our capabilities and investing in our central ideal - **'innovation'.** We are dedicated to creating an organisation which combines its passion for customer satisfaction with innovation driven technology, deep industry expertise, and a global collaborative workforce that embodies the future of our Company.

Our mission...

- ***Aspire***, to be a full service supplier for our customers, thereby becoming an integral part of their value chain.
- ***Innovate***, not just to keep pace with the present, but by becoming leaders in pioneering new technologies, products and processes.
- ***Achieve***, a standard of quality such that quality becomes a part of the consciousness of each and every worker.

The time is right to invest in innovation and capability enhancements to unleash new potential across the Company and drive future growth.

- Sateesh Agarwal

Chairman

We begin to change the world when we stimulate long-term prosperity using innovation. Investment in innovation and capabilities always has been, and will be the most important factor in driving our growth towards a better future.

- Sachin Agarwal

Managing Director

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CHAIRMAN'S LETTER

Around the world, businesses are experiencing a paradigm shift, as the confluence of manufacturing, information and environmental technologies transform operating processes, create newer forms of competition and radically alter customer expectation. PTC, with its culture of innovation, continues to work towards realising the promise of today's technologies and transforming the way it grows.

DEAR SHAREHOLDERS

Our key financial results were:

- Revenue declined by 15% to Rs. 100.77 crores from Rs. 119.06 crores in the year 2013-14.
- Percentage of Earnings before interest, taxes, depreciation and amortization (EBITDA) improved at 18.9 percent from 17.9 percent in the previous year.
- Profit after Tax grew by 8% to Rs. 6.49 Crores this year.
- Diluted Earnings Per Share (EPS) moved from Rs. 12.27 last year to Rs. 12.40 this year.

The world today is struggling on its path to achieve economic stability while keeping its focus on sustainability and uniform growth. Businesses across the world are rethinking how to operate and innovate. Companies are striving to improve their efficiency and productivity to withstand the pressures of an uncertain global economy, new forms of competition and additional regulation.

However, with the Indian government's initiatives in the past year, I also believe that there was never a better time to "Make in India". India has already marked its presence as one of the fastest growing economies in the world. With the introduction of new reforms, proposed de-regulation and enabling industrial policies, possibilities for growth in the manufacturing sector are immense. The country's thrust in sectors such as Oil & Gas, Mining, Infrastructure, Thermal Power and Renewable Energy offer a lot of promise for our own growth.

However, any path towards growth is not always easy. During the year, our revenues declined by 15% and profit before tax for the year was lower by 22% than the previous year due to uncertainties in the global market. But our EBITDA margins increased from 17.9% to 18.9% this year and net worth jumped up 65% demonstrating that the measures to improve profitability and build the strength of the Company have shown results.

In today's shifting technology and business landscape, companies face a dual mandate: they must operate with greater efficiency and productivity to run better, while also using innovation to unlock the promise of technology to create growth opportunities for their business. PTC believes in applying its strengths - use of the latest and advanced technologies, capabilities in engineering and operations, and constant focus on innovation - to assist its customers with their transformation and cement its own path towards growth and profitability.

Our strategy for the future calls for investing in our core business, to deepen the penetration and increase the scale of our existing capabilities and introduce new technologies and equipment that shall be essential to defect free manufacturing in the future. Our investment in the new *Advanced Manufacturing & Technology Centre* (AMTC) plant shall significantly increase our production capacity and introduce world-class manufacturing capabilities, some of which shall be available for the first time in India. This plant shall not only showcase the best technologies and equipment available today, it shall unveil manufacturing processes that are sustainable and environmentally conscientious.

This year, we are pleased to welcome Mrs. Shashi Vaish and Mr. Brij Lal Gupta as esteemed members on the Board of the Company. I would also like to personally thank Mr. Arun Prasad and Mr. Radha Krishna Pandey, who have stepped down this year, for their long and fruitful association with the Company.

As we enter a new era of manufacturing in India, we shall continue to innovate and challenge ourselves, in order to deliver sustainable, profitable long-term growth and create value for our shareholders.

I thank each one of our customers, suppliers, shareholders and employees who have been our valued partners in this journey. I am especially grateful to all our employees for their hard work and exceptional dedication during the past year. I am confident of your Company's glorious future with its abiding passion to serve as a trusted partner to its customers, provide a nurturing environment for its employees, deliver meaningful value to its shareholders and contribute to the well-being of its communities.

Sateesh Agarwal
Founder and Chairman

A WORD FROM THE MANAGING DIRECTOR

Innovation has always been at the heart of our business. Our desire to find the next new thing has not changed. Breakthroughs in technology, processes and quality help to strengthen our Company and improve lives, something that goes to the core purpose of our Company.

They say success is not a destination, it's a journey.

I could not agree more.

Success, at PTC, has always been defined by the path that we have taken, rather than the targets that we have set for ourselves. The past year was about moving on that path towards the future. It was about increasing our capabilities, building relationships and using innovation to drive productivity and quality in everything we do. As a result, the future holds possibilities that were unimaginable just a few years ago.

With development happening across the world, the requirement for the type of advanced engineering solutions that we provide is growing. Our business is intrinsically a long term business, and product development cycle is relatively long. Focusing on long-term progress, we have concentrated on making investments in capability and capacity enhancement to create opportunities for long-term profitable growth. PTC's future depends on the kind of ground-breaking innovation that has been the hallmark of the Company since its inception 52 years ago. In the past year, we have worked hard to strengthen our core principles:

- putting our customers' needs above everything else,
- developing and investing in new technologies and processes, and
- creating an environment that supports growth and prosperity for our people.

Innovation has always been at the heart of our business. Our desire to find the next new thing has not changed. Breakthroughs in technology, processes and quality help to strengthen our Company and improve lives, something that goes to the core purpose of our Company.

With innovation driving everything we do, we focused on building our capability through development and indigenisation of highly efficient processes and products to deliver the highest standards of integrity, quality and value to our customers in a sustainable manner.

With its vast experience and knowledge, PTC has begun investment in its Advanced Manufacturing & Technology Centre (AMTC). In addition to showcasing world class technologies and machineries, this unit will nearly triple our existing capacity and introduce Titanium Casting capability for the first time in India. PTC's keen focus and validation towards developing environmentally conscientious processes, has led to the introduction of energy efficient measures like rain-water harvesting, waste-heat recovery, and recycling and reclamation of direct and indirect materials. The possibilities that shall be created with the opening of the AMTC plant are incredibly exciting.

This year, we also received some important recognitions. I am proud to share that Forbes India identified PTC Industries as one of the sixteen "Hidden Gems" amongst Indian companies. These are fast growing companies which are constantly innovating and aiming for better heights while creating value for themselves, their shareholders and their employees. Forbes highlights the Company's business mantra: "quality, value, speed : ensuring higher than expected quality of service, re-engineering and customising processes to lower cost of production."

The Company also obtained listing on the Bombay Stock Exchange on March 12, 2015 delivering on its promise to provide a trading platform to its members.

We participated in the prestigious Hannover Messe in April 2015 and received many accolades from visitors across the world. We were honored to welcome the Honorable Chief Minister of Uttar Pradesh, Shri Akhilesh Yadav, and Mr. Amitabh Kant, Secretary, Department of Industrial Policy and Promotion to our stand.

During the year, we saw some changes on our Board as well. I would like to thank Mr. Arun Prasad and Mr. Radha Krishna Pandey for their tremendous contribution to the Company over many years. Their energy and commitment to the Company shall be missed by us all. I am pleased to welcome Mrs. Shashi Vaish, a Company Secretary and Mr. Brij Lal Gupta, formerly General Manager, Punjab National Bank as Independent Directors on the Board of the Company. They bring a wealth of experience and knowledge to the Company. We are lucky to have both of them.

The Board remains steadfast in its commitment to compliance, ethics and doing business the right way. We have also initiated the PTC Foundation, a charitable trust that shall work to fulfill the Corporate Social Responsibility objectives of the Company.

Despite short term challenges, the fundamentals of our business remain strong. During the year, revenues and profit before tax have declined due to the global scenario, however we continued to maintain our EBITDA margins and increased our net worth substantially proving that PTC is a growth company, well positioned in the long-term growth market.

In all these years, I have never been more excited about PTC's future than I am today. We are poised at the brink of great opportunity, and the next steps of this journey shall lead the way to a new chapter in the history of this Company.

Looking ahead, as our employees continue working together as a single team to deliver great products, strengthen our business, and make us the supplier of choice, I am humbled by their efforts and grateful for their hard work and outstanding enthusiasm.

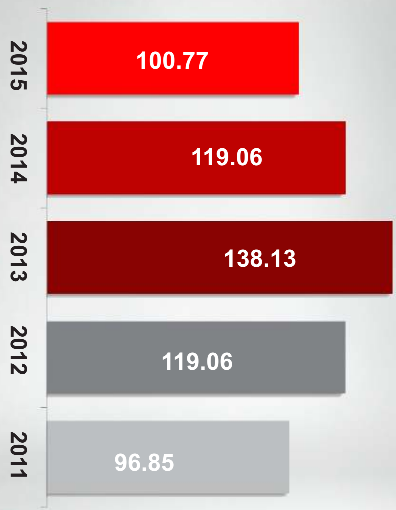
In many ways, this Annual Report speaks to a moment in time, a snapshot of a year of milestones, but it simultaneously looks to the possibilities of tomorrow. We're thinking deeper. Pushing further. Dreaming bigger. And we're taking steps to make those dreams a reality.

In 2015 and beyond...we're preparing for a promising future.

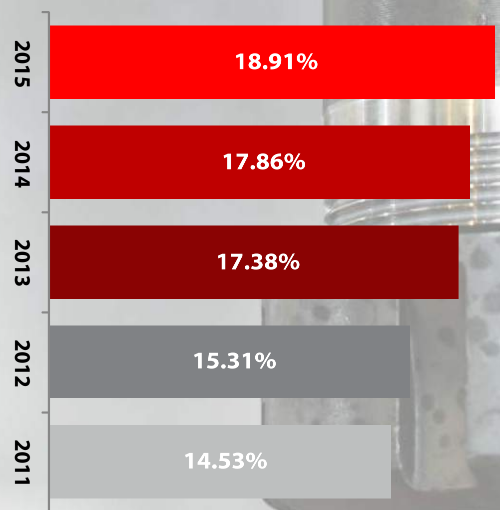
Sachin Agarwal
Managing Director

FINANCIAL HIGHLIGHTS

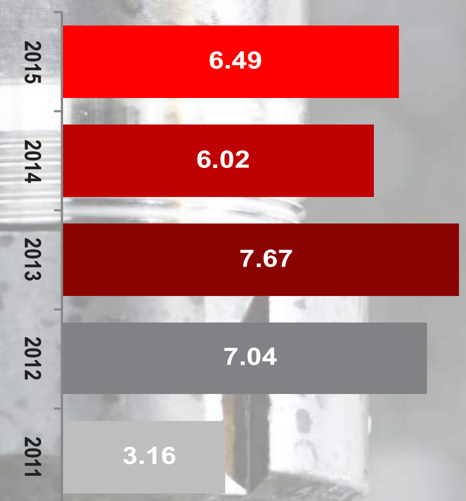
Revenue
(₹ in Crores)



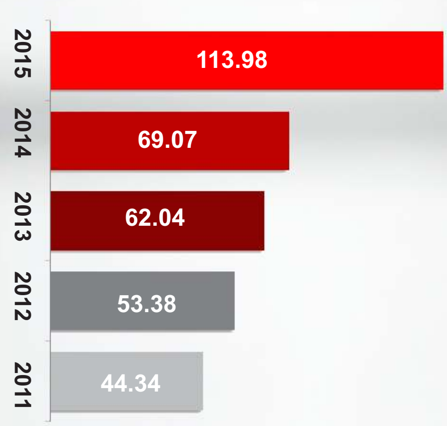
EBITDA
(% age of Revenue)



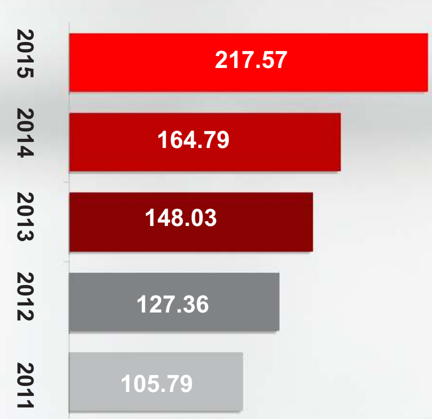
Profit after Tax
(₹ in Crores)



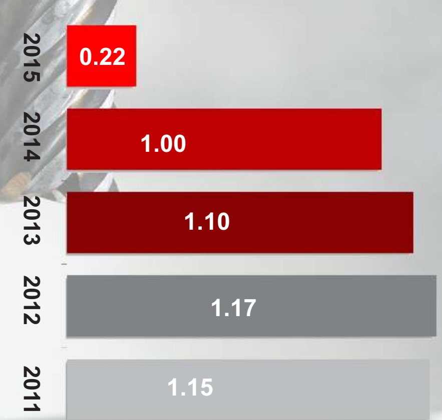
Net Worth
(₹ in Crores)



Book Value of Share
(in ₹)

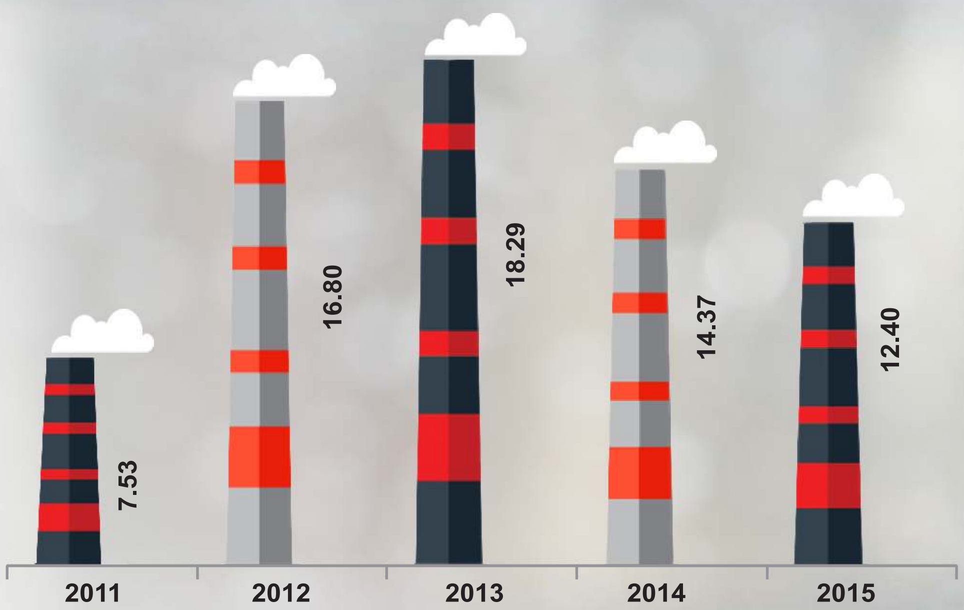


Debt to Equity Ratio

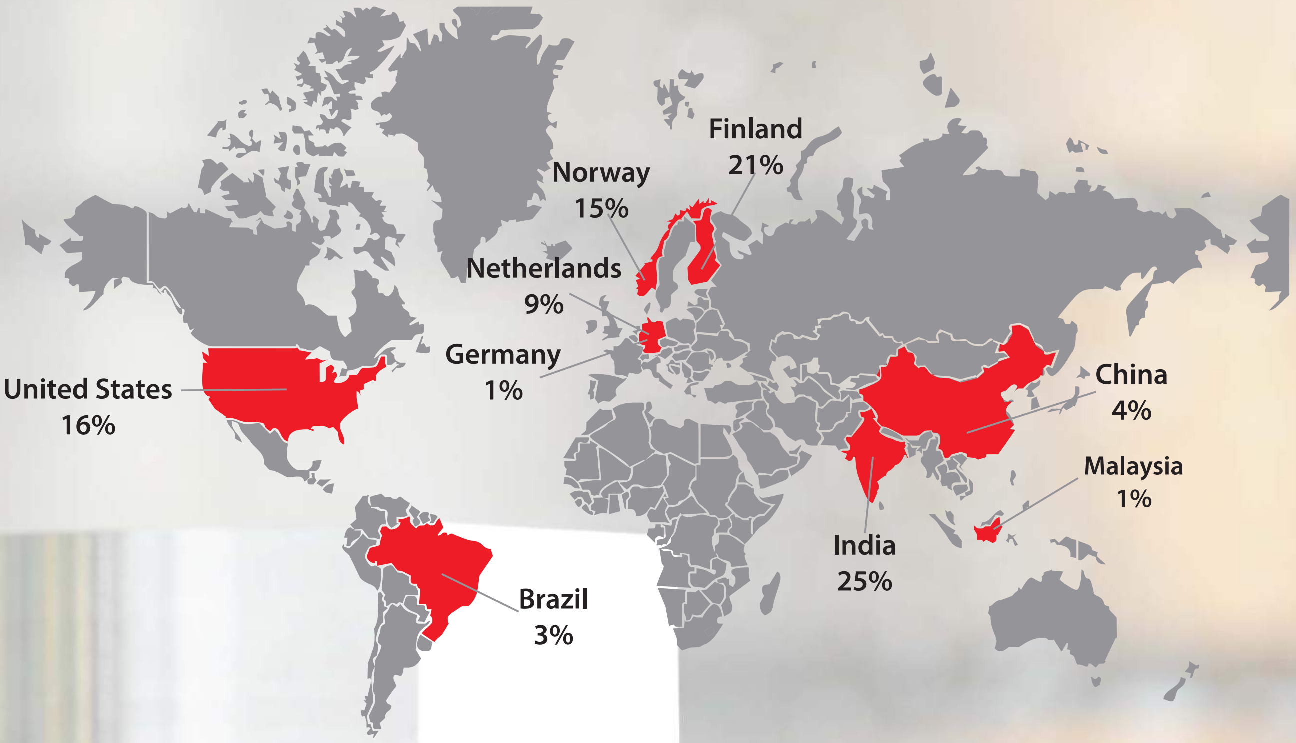


Earnings per share

(in ₹)



Geographical Sales



COMPANY PROFILE

PTC Industries Limited started operations as a modest small scale industry more than 52 years back and has now become the leading supplier of castings, machined components and fabricated parts for critical and super-critical applications 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.

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

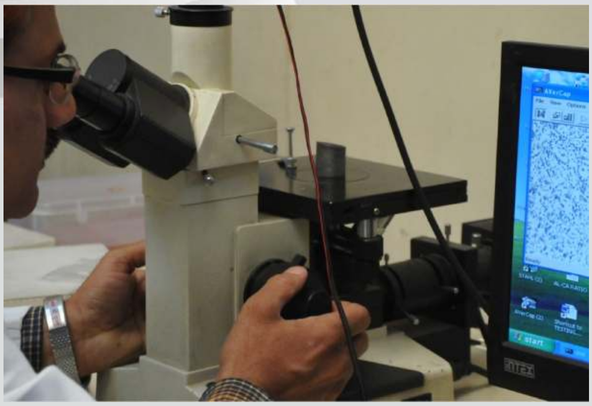
PTC began to expand its operations and in 1990 acquired a sand-moulding foundry in Bhiwadi, Rajasthan to supplement its growing export demand in the US for castings with marine applications. In 1991, a machine shop was acquired in Lucknow for value addition to the existing products. The Ahmedabad Plant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

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.

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:

- ISO 9001 from TUV and ISO 14001:2004 OHSAS 18001:2007
- PED (Pressure Equipment directive) TUV W0 MERKBLATT from TUV,
- Marine Classification Approvals from:
  - DNV
  - Bureau Veritas
  - Lloyds
  - American Bureau of Shipping
  - Approval from Nuclear Power Corporation of India

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. Proper equipment has been installed to extract dust, smoke and smell which makes the environment clean and healthy.

Communication exercises are treated as continuous process to keep the employees informed of the challenges being faced by the company and also motivate them to take up higher responsibilities. PTC focuses on employee training and development and organizes several technical and other soft skills training programs across different levels. It also institutes schemes which reward employees at all levels, based on the company's overall performance, as measured by several pre-set performance parameters.

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 company believes in talent acquisition and retention, to augment its plan of making its presence more prominent in global markets. It constantly makes efforts for capability building of employees at all levels in order to build organisational capability in functional and project management areas, fulfill the technical skill requirement arising out of advanced mechanisation and preparing bench strength of skilled manpower for critical positions in existing operations as well as for foreseen future requirements.

PTC has excellent relations with its workers and staff. This is demonstrated amply by the fact that the company has not suffered a single day of strike or lockout in the past 52 years. It has excellent co-operation and support from the entire hierarchy of well-trained and experienced personnel.

Infrastructure

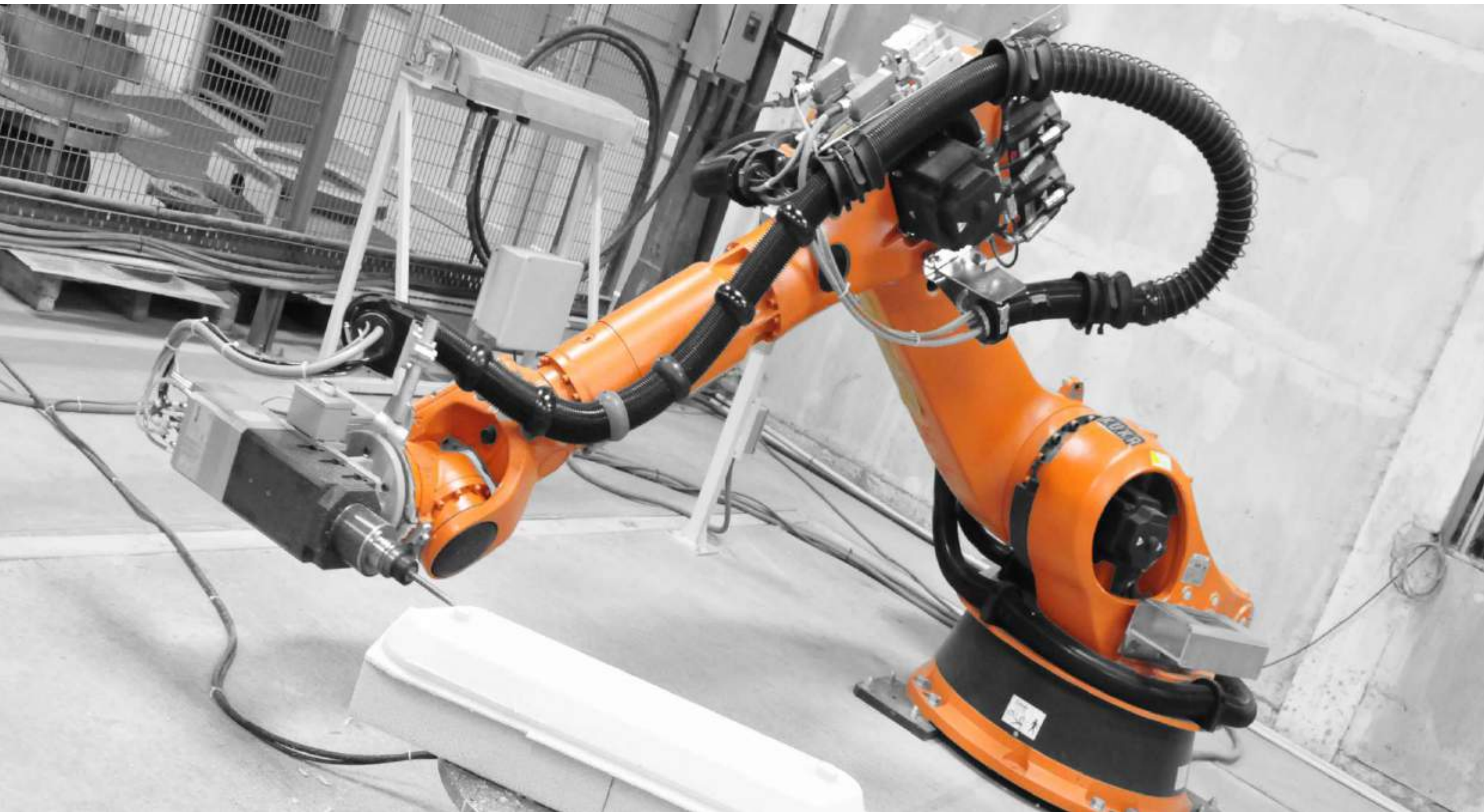
Over the years, PTC has built an infrastructure that includes all facilities in house. Today, PTC has manufacturing facilities in Uttar Pradesh and Gujarat which include 2 foundries, 2 CNC machine shops, 1 heavy engineering and fabrication facility and a DSIR approved Research & Development lab.

PTC's foundries are fully equipped with facilities for computerised methoding through solid modeling and casting simulation. PTC has invested in setting up a Design Unit, complete with high end designing software from SolidWorks® and Magma® 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 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 52 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 is currently building a new state-of-the-art Advanced Manufacturing & Technology Centre, (AMTC) in Lucknow, India which will house the most advanced technologies like Replicast®, and RapidCast™ with latest equipment and machineries. These technologies provide a much better alternative for Sand Moulding processes as they reduce and eliminate various constraints and defects associated with the conventional casting processes. With these technologies, PTC shall be able to manufacture castings with a much higher accuracy and substantially improved quality, consistency and reliability.

PTC's CNC machining capability shall also be expanded and shall include the latest 5-Axis CNC machines also. This facility shall have the added capability to produce single piece castings of up to 5,000 kgs. This new facility shall also have Titanium Casting capability for the first time in India. In the first phase, the built up area for the plant shall be 150,000 square feet. All our manufacturing technologies will not just improve the quality and performance or products, but the entire process has been re-engineered to make it more green 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 being introduced by PTC are one of the most environmentally neutral technologies available today. Environmental conscientiousness forms the very essence of these technologies. Keen focus and validation was maintained right through their development to ensure that every step of the process has no adverse impact on the environment. Using these technologies, the Company has been able to recycle and re-use a significant amount of materials while generating a minimum amount of waste.

Beside the manufacturing process being 'green', the entire building shall also be a green building with solar panels on the roof of the building with a generation capacity of almost 1 Mega Watt. Other energy efficient measures like rain-water harvesting, waste heat recovery, etcetera shall also be employed in the new plant.

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 Oil & Gas, Liquefied Natural Gas (LNG), Aerospace, Ships & Marine, Valves and Flow-control, Power plants and turbines, Pulp & Paper machinery and Mining and Earthmoving 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, etc. PTC caters to the needs of the following sectors on a large scale:

Foundry

Our foundries located at Lucknow and Ahmedabad produce stainless steel and alloy steel castings which range from few grams up to more than 3,000 kilograms per piece.

Machining

Our machine shops have facilities to fully machine valves, pumps, impellers, diffusers, stuffing box, railway items, parts of earth moving machinery etc. These plants are also geared to produce molds, dies, jigs and fixtures.

Fabrication

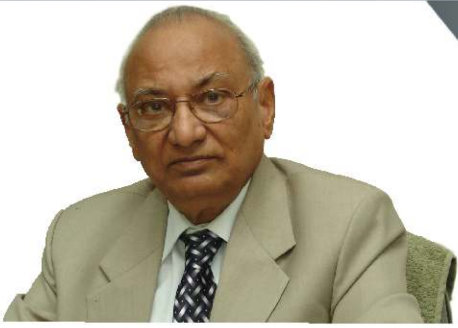
The fabrication division offers complete engineered parts for power, construction, mining and earth moving equipment. Currently manufacturing steel, stainless steel, alloy steel, boiler quality plate fabrication which includes complete non-destructive testing i.e. UT, MPI, radiography, stress relieving and machining up to 10 MT.

Assembly

PTC manufactures assembly items which include castings, forged parts, bought outs including bearings, bushes, fasteners, fabricated parts for global Original Equipment Manufacturers (OEM) for power and mining equipment. PTC also manufactures under carriage parts for track equipment for dozer, excavator and off highway equipment.

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), Flowserve, Metso, Emerson, Siemens, Alstom 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 now also for India's space program by developing critical parts for Vikram Sarabhai Space Centre (VSSC).

BOARD OF



MR. SATEESH AGARWAL
Chairman

81 Years
B. Sc, Engg (Mech) M.I.E.
Joined 20 March, 1963

MR. SACHIN AGARWAL
Managing Director

42 Years
MBA, M.Sc (Finance) USA
Joined 18 April, 1998

MR. P. R. AGARWAL
Director, Marketing

56 Years
B.E. (Mechanical)
Joined 28 December, 1992

MR. ALOK AGARWAL
Director, Quality & Technical

52 Years
B. Technology (IIT Kanpur)
Joined 27 July, 1994

MR. NARAYANAN SHADAGOPAN
Nominee Director

44 Years
B.E., MBA (London)
Joined 24 July, 2013

DIRECTORS

MR. AJAY KASHYAP
Independent Director

65 Years
B.Tech(Chem), M.Sc.(Chem)
Joined 19 April, 2007

MR. K. D. GUPTA
Independent Director

72 Years
M.Com, LLB, M Phil, Masters Diploma in Public Administration
Joined 31 July, 2008

DR. R. C. KATIYAR
Independent Director

58 Years
M.Com, PhD, FICWA, D.Lit
Joined 19 April, 2007

MRS. SHASHI VAISH
Independent Director

64 Years
M.Sc. (Physics), FCS
Joined 9 August, 2014

MR. BRIJ LAL GUPTA
Independent Director

63 Years
B.Sc., CAIIB
Joined 6 December, 2014

COMPANY INFORMATION

CHIEF FINANCIAL OFFICER

Smita Agarwal

BANKERS

State Bank of India
Punjab National Bank
HDFC Bank

REGISTERED OFFICE

Malviya Nagar, Aishbagh
Lucknow 226004, Uttar Pradesh, India
Tel: +91 522 2265300
Fax: +91 522 2265302

AUDITORS

Walker Chandiok & Associates
L-41 Connaught Circus
New Delhi 110001
India

COMPANY SECRETARY

Arun Kumar Gupta

MEHSANA PLANT

Rajpur
Taluka Kadi
District Mehsana
382740
North Gujarat
India

SHARE TRANSFER AGENT

Link Intime India Private Limited
C-13 Panna Lal Silk Mills Compound
L.B.S. Marg
Bhandup (West)
Mumbai 400078
India

LUCKNOW PLANT 1

Malviya Nagar
Aishbagh
Lucknow 226004
Uttar Pradesh
India

WINDMILL POWER DIVSION

Surajbari Region
Shikarpur Village
Kutch District
Gujarat
India

AMTC PLANT

NH 25A Sarai Shahjadi
Lucknow 226401
Uttar Pradesh
India

LUCKNOW PLANT 2

C-5 Sarojini Nagar
Industrial Estate
Lucknow 226008
Uttar Pradesh
India

WEBSITE

www.ptcil.com
CIN-L27109UP1963PLC002931

HIGHLIGHTS OF THE YEAR

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. This was indeed a proud moment for PTC and its members.

Mr. Sachin Agarwal, our Managing Director, was recognised for his achievements in a publication 'Small Big Bang' by Indian Institute of Management (IIM) where he has been picked for his significant contribution to industry and his leadership qualities. The book describes how Sachin with his “vision, combined with his strong focus on core values has turned his company into a top performer with success statistics unheard of in its domain”.

True to its tradition, the Company celebrated various events like Republic Day, Independence Day, Holi, Vishwakarma Puja, etc during the year. While the management and employees shared their views on various subjects, employees and their children were also presented with awards for accomplishments in different fields.

PTC participated in the Hannover, Messe, the world's biggest industrial fair held at Hannover, Germany. The technologies and processes exhibited by the Company were appreciated by visitors from across the world. The Honorable Chief Minister of Uttar Pradesh, Shri Akhilesh Yadav, visited the PTC Stand and learnt about the new technologies and facilities that PTC is introducing in its new manufacturing plant being set up in Lucknow, Uttar Pradesh.

Shri Amitabh Kant, Secretary, DIPP, and Shri Atul Chaturvedi, Joint Secretary, DIPP visited the PTC Stand at the Hannover Messe 2015 and interacted with our Managing Director, Mr. Sachin Agarwal.

Many other visitors including existing customers were pleased to see PTC's presence at this prestigious fair.

The massive earthquake that struck Nepal left behind a lot of devastation and loss. As the Indian government swiftly deployed resources to help the people of Nepal, the employees of PTC also contributed generously towards the relief efforts launched by the Company to collect materials to aid the the disaster stricken nation.

DIRECTORS' REPORT

DEAR MEMBERS,

Your Directors are pleased to present the 52st Annual Report for the year ended 31st March 2015.

1. RESULTS OF OUR OPERATIONS

FINANCIAL HIGHLIGHTS

Table 1 gives the financial highlights of the Company for the financial year 2014-15 as compared to the previous financial year.

TABLE 1 FINANCIAL HIGHLIGHTS — Rs. In Lakhs

	2014-2015	2013-2014
Revenue From Operations		
Domestic Sales	2,444.63	2,881.71
Export Sales	7,622.91	8,970.96
Other Operating revenues	266.05	374.13
Total	**10,333.59**	**12,226.80**
Less: Excise Duty	256.20	320.87
Revenue From Operations (net)	**10,077.39**	**11,905.93**
Profit before finance cost, depreciation, exceptional items and tax	**1,905.90**	**2,126.57**
Less: Finance Cost	256.30	530.05
Less: Depreciation	635.73	437.30
Profit before Exceptional Items and Tax	**1,013.87**	**1,159.22**
Exceptional Items	159.90	57.95
Profit before Tax	**853.97**	**1,101.27**
Tax Expenses		
Provision for taxation	256.60	246.32
Deferred tax	(25.70)	(2.25)
Deferred tax (earlier years)	(26.35)	254.80
Profit after Tax	**649.42**	**602.40**

OPERATING RESULTS

The Company witnessed a decline in revenue from operations by 15% to Rs. 100.77 crores from Rs. 119.06 crores in the previous year. This is primarily due to the slowdown in domestic as well as international markets. Further, the Company has been using part of its capacity for trials and research for the new technologies that shall be introduced in its new manufacturing facility, the Advanced Manufacturing & Technology Centre. The EBITDA as a percentage of revenue rose to 19% from 18% last year. The Profit after tax has risen by Rs. 0.47 crores to Rs. 6.49 crores from Rs. 6.02 crores in the previous 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 is in the final phase of construction of its new clean, green and lean manufacturing facilities in Lucknow, Uttar Pradesh along with substantial investments in new technologies and capabilities. In view of the ongoing expansion and development, a sizeable outlay of funds is expected in the coming year. Hence, the directors do not recommend any dividend this year. Further, the Company has not transferred any amount to General Reserve during the year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As per the requirement of section 186(4) of Companies Act, 2013, particulars of loans given, investments made, guarantees given or securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements on page number 132 & 133. 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.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

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 Company's policy on related party transactions may be accessed on the Company's website at http://www.ptcil.com.

Particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013, are presented in Annexure III to the Directors' Report in Form AOC 2.

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. However in view of expansion of scope of the AMTC project (as explained in detail under head "Business" of this report) to equip the said plant with new technologies to create a competitive advantage and value addition to the Company's products, the management expects a delay of 12-18 months in the start of commercial production of the new Plant.

UNSECURED, COMPULSORY CONVERTIBLE DEBENTURES

During the year, the Company converted the 4,00,000 (Four Lakhs) Zero Coupon Compulsory Convertible Debentures ("CCDs") of face value of Rs. 1,000/- (Rupees One thousand) each issued to the Investors after taking necessary approval from shareholders at 50th Annual General Meeting held on July 16, 2013 into 10,47,813 equity shares of Rs. 10/- each. The Company converted 1,39,130 CCDs in to 3,64,456 fully paid equity shares in the first tranche and thereafter 2,60,870 CCDs were converted into 6,83,357 fully paid equity shares in the second tranche. On the Investors' request, shareholders' permission was sought by obtained in the 51st Annual General Meeting extension of tenure of balance CCDs from 12 months to 18 months as per SEBI (ICDR) Regulations, 2009 on date of this report, no CCDs are pending for conversion.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Clause 49 of the Listing Agreement, the Management's discussion and analysis is set out in this Annual Report on Page 53 .

2. BUSINESS

NEW UNIT

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 is currently building a new state-of-the-art Advanced Manufacturing & Technology Centre, (AMTC) in Lucknow, India which will house the most advanced technologies like Replicast® and RapidCast™ with latest equipment and machineries. PTC's CNC machining capability shall also be expanded and shall include the latest 5-Axis CNC machines also. This facility shall have the added capability to produce single piece castings of up to 5,000 kgs. This new facility shall also have Titanium Casting capability for the first time in India.

In the first phase, the built up area for the plant shall be 150,000 square feet. With the new technologies and capabilities that have been added to this project, the total project cost is expected to be approximately Rs. 142 crores, which is proposed to be met by borrowings from banks & financial Institutions, internal accruals and raising of fresh funds through issue of equity/convertible securities.

All our manufacturing technologies will not just improve the quality and performance or products and reduce total cost, but the entire process has been re-engineered to make it more green 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. Beside the manufacturing process being 'green', the entire building shall also be a green building with solar panels on the roof of the building. Other energy efficient measures like rain-water harvesting, waste heat recovery, recycling and reclamation of direct and indirect materials, etc. shall also be employed in the new plant.

SUBSIDIARY

During the previous year, the Company had entered into a Joint Venture Agreement with Modrany Power, a.s., a leading Czech producer and supplier of piping systems for the power industry. Modrany Power & PTC Piping Systems Private Limited had been incorporated as a subsidiary of PTC during the previous year to jointly acquire knowledge and bid & execute projects for high pressure piping systems and allied equipments.

The consolidated financial statements presented by the Company include financial information of its subsidiary prepared in compliance with applicable Accounting Standards.

The Company will make available the annual report of subsidiary company upon request by any shareholder of the Company interested in obtaining the same.

Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiary, are available on the website of the Company.

Statement containing salient features of financial statements of subsidiary as required under Section 129(3) of Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules are presented in Annexure II to the Directors' Report in form AOC 1.

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.

During the year, the Company has continued to work under the Technology Development and Demonstration Programme (TDDP) for development and commercialization of the RapidCast™ technology for manufacture of stainless steel castings of weight up to 5,000 kilograms. The Company has been conducting several trials in this project and a review of the progress was also carried out during the year by the Project Review Committee appointed by DSIR. This project is expected to be commissioned by the end of this year.

QUALITY AND SAFETY

The Company continues to accord high priority to quality, safety, training, development, health and environment. It has always sought to deliver value to its customers through its commitment to quality. During the year, it continued to adhere to international quality standard certifications such as ISO 9001:2008 and ISO 14001:2004 OHSAS 18001:2007, PED (Pressure Equipment directive), TUV W0 MERKBLATT and various Marine Classification Approvals.

The Management is committed to strengthening the safety measures in the workplace and bring about constant improvements in this area. The Company has been able to lay down the foundations for a quality-centric work culture by involving its employees and ensuring a good work environment. Proper equipment has been installed to extract dust, smoke and smell which makes the environment clean and healthy. Safety measures are mandatory and are constantly reviewed for improvement. The workers understand the importance of good housekeeping both at work and at home.

PTC has always emphasized on minimizing the environmental impact of its operations and its products through adoption of continuous improvements in its efficiency. Further, the Company contributes positively to the communities around or near its operations by participating actively in community initiatives.

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

AWARDS & RECOGNITIONS

In July 2014, Forbes India identified PTC Industries among 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.

Recently, our Managing Director, Mr. Sachin Agarwal was also recognized for his achievements in a publication 'Small Big Bang' by Indian Institute of Management (IIM) where he has been picked for his significant contribution to industry and his leadership qualities.

16/HIDDEN GEMS

PTC INDUSTRIES: CASTING MAGIC WITH METAL

The Agarwals invested in unique technology for their foundry to attract A-list international clients

BY SALIL PANCHAL

A family-run foundry in Lucknow, which moulds metal into the form its clients specify, has ridden the highs of an insulated economy, weathered the storms of post-liberalised India, and emerged unscathed to cater to international engineering firms. During this process of upheaval, founder Sateesh Agarwal adopted different manufacturing strategies and introduced new technologies to battle tough market conditions and stand apart from rivals.

PTC Industries creates casts and specialised products from stainless steel and high-alloys melted into moulds, and has been doing so for 51 years. The business went through tough times in the late 1990s when China became the main international manufacturing hub for foundries. Then, in 1998, Sateesh and his son Sachin, now 42, read about a new moulding and casting technology in a foundry magazine. The technology had been developed by Castings Technology International (CTI), a UK-based non-profit trade and research organisation, which thought it was a gamechanger. The father and son travelled to Sheffield to meet CTI's engineers.

CTI was initially hesitant to sell its technology to an Indian firm it knew little about. "It took a year for them to agree," says Sachin, who now heads daily operations at PTC.

To tackle the threat from China, PTC paid for, and later innovated on, the CTI proprietary technology called Replicast, which is used to manufacture complex precision stainless steel castings required by power, aerospace and oil exploration companies, among others. It was a crucial moment, one that not only changed PTC's fortune but also helped it acquire a unique identity. Today, PTC Industries' net worth stands at Rs. 109.06 crore, according to the promoters, with revenues of Rs 122 crore for FY2014.

THE MEN BEHIND IT

Sateesh, now an octogenarian, was an engineer from BIT Sindri in Jharkhand. When he was employed at Texmaco, an engineering and infrastructure firm in Kolkata, a Russian colleague suggested that he get into investment casting, one of the oldest metal-forming techniques. In 1963, he founded Precision Tools and Castings, later renamed PTC.

But it was only in the '80s, when the company started attracting international clients, that PTC became a name to reckon with. A

PTC MAKES A VERY SMALL SHARE OF THE CASTI
BUT IT IS THE END-USE OF THESE PRODUCTS THAT

INDIA Forbes

HIDDEN GEMS

Our pick of 16 unlisted, fast-growing companies that are innovating and aiming for greater heights

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3. HUMAN RESOURCE MANAGEMENT

A nurturing and encouraging environment is the seed for good human resource management. PTC believes that the holistic growth and development of its workforce is intrinsic to the growth and progress of the Company.

The employees are given ample opportunities to become aware of and learn about technological developments in the industry and novel approaches adopted by others in the world to update their knowledge and approach through internal and external seminars and workshops. The Company encourages skill development and cross-functional training. Effective communication channels are in place for interactions between the management and the staff. Innovation is a central ideal within the Company and employees are encouraged in this direction by giving them just enough structure and support to help them navigate uncertainty and tapping into each individual's creative process without stifling it. Every employee from the grass root level to senior staff is given freedom to express his or her views and put forth their ideas.

The management at PTC is highly engaged in 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(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company has been given at Annexure IV of this report.

4. CORPORATE GOVERNANCE

As stipulated in Clause 49 of the Listing Agreement, a separate section on Corporate Governance forming part of the Directors' Report and Management Discussion & Analysis Report and the 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 six 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 the Listing Agreement.

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. As at year end, the Board consists of 10 members, four of whom are Whole-time directors, five are Independent directors and one is a Nominee director.

During the year, the Company appointed two independent directors; both the appointees are qualified personnel with requisite qualifications, experience, positive attributes and satisfy all the criteria as set out

under Schedule IV of Companies Act, 2013. These appointees are only eligible for sitting fees for attending Board meetings and Committee meetings and other out of pocket expenses duly made for attending meetings of the Board or any committee of the Board thereof. The Company is in process of forming a Remuneration Policy which will be approved by Nomination and Remuneration Committee of the Board.

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 IV of this Board Report.

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 Clause 49 of the Listing Agreement.

BOARD EVALUATION

Pursuant to the requirement of the Companies Act, 2013, a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. The Act states that the performance evaluation of the independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board as explained under the Corporate Governance section of this Annual Report. In a separate meeting of independent Directors, performance of non-independent directors was evaluated.

INDUCTIONS

On the recommendations of the Nomination and Remuneration Committee, the Board appointed Mrs.

Shashi Vaish as an additional director in the category of woman independent director with effect from August 9, 2014. Mrs. Shashi Vaish is a Company Secretary and has an experience of over 39 years in the secretarial field.

Further, the Nomination and Remuneration Committee also recommended the appointment of Mr. Brij Lal Gupta as an independent director with effect from December 6, 2014. Mr. Brij Lal Gupta has more than 41 years of experience in the banking sector and retired as the General Manager from Punjab National Bank in 2011. He has also worked with various finance companies in different capacities and serves as guest faculty with several institutions.

The directors seek the shareholders' support in confirming the appointment of Mrs. Shashi Vaish and Mr. Brij Lal Gupta in the ensuing Annual General Meeting.

During the year, the Nomination and Remuneration Committee also recommended the appointment of Mrs. Smita Agarwal as the Chief Financial Officer of the Company with effect from May 25, 2014. Mrs. Smita Agarwal has over 20 years of experience in accounting and has worked for one of the Big Four accounting firms in India and United Kingdom. She has been associated with the Company in various capacities since 2008.

REAPPOINTMENTS

As per the provisions of the Companies Act, 2013, Mr. Alok Agarwal retires at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment. Mr. Alok Agarwal, a whole-time director of the Company, who manages the Quality and Technical divisions of the Company, has all the requisite skills, experience and knowledge for this role and the directors recommend his re-appointment, as proposed in the notice of the 52nd Annual General Meeting.

RETIREMENTS AND RESIGNATIONS

Mr. Arun Jwala Prasad retired as non-executive director of the Company with effect from August 9, 2014. Mr. Prasad joined the Company in 1997 and was an immense support in helping the Company builds its infrastructure. The Board places on record its sincere appreciation for Mr. Prasad's long and rewarding association with the Company.

Mr. Radha Krishna Pandey resigned as independent director with effect from September 23, 2014. He was associated with the Company since March 2003 and contributed greatly to the growth and progress of the Company. The Board thanks him for providing valuable guidance during his tenure with the Company.

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. Alok Agarwal, Mr. Brij Lal Gupta, Mr. Krishna Das Gupta, Mr. Narayanan Shadagopan	• All recommendations made by the committee during the year were accepted by the Board. • The Company has adopted the Whistle Blower Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud. • The Company has formed the Related Party Transaction Policy.
Nomination and remuneration committee	Mr. Krishna Das Gupta, *Chairperson*, Mr. Satish Chandra Agarwal, Mr. Brij Lal Gupta, Dr. Rakesh Chandra Katiyar	• 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. Satish Chandra Agarwal, Mr. Sachin Agarwal, Mr. Krishna Das Gupta	• The Committee reviews and ensures redressal of investor grievances. • 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. Sachin Agarwal, Mr. Alok Agarwal, , Dr. Rakesh Chandra Katiyar	• 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. Satish Chandra Agarwal, *Chairperson*, Mr. Sachin Agarwal, Mr. Priya Ranjan Agarwal, Mr. Alok Agarwal, Mr. Narayanan Shadagopan, Mr. Ajay Kashyap	• It oversees and monitors the progress of large capital expenditures and projects being implemented by the Company • 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, Mr. Krishna Das Gupta	• Facilitates day-to-day banking matters of the Company.
Risk management committee	Dr. Rakesh Chandra Katiyar, *Chairperson*, Mr. Sachin Agarwal, Mr. Alok Agarwal, Mrs. Smita Agarwal	• 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, Mr. Alok Agarwal, Mrs. Smita Agarwal, Mr. Arun Kumar Gupta	• To oversee and monitor all tasks in relation to the listing of equity shares of the Company at stock exchanges.

DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) in preparation of the annual accounts for the year ended March 31, 2015, 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, 2015 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.

LISTING

During the year under report the Company achieved another milestone and secured listing of its securities on BSE Limited w.e.f. March 12, 2015. In addition to connectivity with Central Depository Services Limited (CDSL), the Company has established connectivity with National Securities Depository Limited (NSDL) to facilitate its members.

The Company has been listed on Over The Counter Exchange of India (OTCEI) since 1995. However OTCEI has been de-recognised as a stock exchange under the relevant provision of the Securities and Exchange Board of India Act, 1992 and the Securities Contracts (Regulation) Act, 1956 with effect from March 31, 2015. The Company has paid listing fees for the year 2015-16.

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, subject to ratification of such appointment at every Annual General Meeting 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, on a remuneration to be fixed by the Board of Directors of the Company.

Accordingly, the re-appointment of M/s Walker Chandiok & Associates, Chartered Accountants, as statutory auditors, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

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 2014-15 as required under Section 204 of the Companies Act, 2013 and Rules made thereunder. The secretarial audit report for FY 2014-15 forms part of the Annual Report (Annexure to the Directors' Report in Form MR. 3) and carries no qualifications, reservations, adverse remarks or disclaimers and hence no explanations are required.

The Board has further appointed M/s Amit Gupta & Associates, Practicing Company Secretaries, as secretarial auditor of the Company for the financial year 2015-16.

COST AUDIT

In terms of the provisions of Rule 4(3) of the Company (Cost record and Audit) Rules, 2014 the Cost Audit is not

applicable on the Company during 2014-15 & 2015-16 ,in view of export revenue exceeding 75% of total revenue. However the Company continues to maintain Cost records in the prescribed manner in terms of the provisions of section 148(1) of the Companies Act, 2013 read with the Company (Cost record and Audit) Rules, 2014.

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.

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 Clause 49 of Listing Agreement, your Company has already formed the Audit Committee, composition of which is covered under Corporate Governance report section of this Annual Report.

The Vigil Mechanism of the Company, which also incorporates a Whistle Blower Policy in terms of the Listing Agreement, includes appointment of a Whistle Officer who will look into the matter, 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 Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: http://www.ptcil.com. During the year under review, no employee was denied access to Whistle Blower Officer or Audit Committee.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure I to this Report.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

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.

During the year, 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 Risk Management Policy was reviewed and approved by the Committee. The policy on Risk Management may be accessed on the Company's website at the link: http;//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.

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 PTC Foundation, a not-for-profit trust, during the year for the purpose of undertaking CSR activities. 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 an amount of Rs. 13.89 Lakhs for its CSR activities during the financial 2014-15, which is little less than 2%. Less spending was mainly due to pending documentation. The Company management is fully aware of its role in sustainable development and has decided to make additional expenditure of Rs. 5.98 Lakhs during 2015-16 (being shortfall of previous year).

In addition to structured CSR, PTC keeps on contributing towards social causes in its own way. Recently, it contributed by taking an initiative for organizing a voluntary donation camp on May 5, 2015 at its registered office, wherein the Company and its employees voluntarily donated food, blankets, tents, water, etc., and the same were sent by a truck for distribution in Nepal.

As per the requirement of Rule 9 of The Companies (Accounts) Rule, 2014, an annual report on CSR activities is attached to this Board's Report at Annexure V.

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

A statement giving 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 is annexed to the Directors' Report in Annexure VII.

ACKNOWLEDGEMENTS

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

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

On behalf of the Board of Directors

Place: Lucknow

Date: June 25, 2015

Sachin Agarwal
Managing Director

Alok Agarwal
Director-Quality & Technical

ANNEXURE TO DIRECTORS' REPORT TO THE MEMBERS

Form No. MGT. 9

ANNEXURE I

Extract of Annual Return

(As on the financial year ended on March 31, 2015)

[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**	Malviya Nagar, Aishbagh, Lucknow – 226 004, Uttar Pradesh, India. Phone : +91-522-2265300 Fax : +91-522-2265302 email : ptc@ptcil.com Website : www.ptcil.com
vi.	**Whether listed company**	Yes, on following exchanges: 1. BSE Limited. 2. OTC Exchange of India (De-recognised as a stock exchange with effect from March 31, 2015)
vii.	**Name, Address and Contact details of Registrar and Transfer Agent**	M/s. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai – 400 078. Phone : 022 25963838 Fax : 022 25946969 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 is stated:-

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	24319	75

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Modrany Power & PTC Piping Systems Private Limited Malviya Nagar, Alshbagh, Lucknow-226 004, Uttar Pradesh, India.	U27100UP2013PTC061229	Subsidiary	51	Sec 2(87) of Companies Act, 2013

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year March 31, 2014				No. of Shares held at the end of the year March 31, 2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	1834800	233060	2067860	49.34	2067760	-	2067760	39.47	(9.87)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	1033950	-	1033950	24.67	1253260	-	1253260	23.92	(0.75)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**2868750**	**233060**	**3101810**	**74.01**	**3321020**	**0**	**3321020**	**63.39**	**(10.62)**
2) Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	300260	71100	371360	8.86	140500	87100	227600	4.34	(4.52)
(ii) Overseas	-	-	-	-	1047813	-	1047813	20.00	20.00
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	18100	141690	159790	3.81	29210	126580	155790	2.97	(0.84)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	96100	435290	531390	12.68	280740	179200	459940	8.78	(3.9)
c) Others									
i) NRI	500	19300	19800	0.47	500	19300	19800	0.38	(0.09)
ii) Market Maker	-	7100	7100	0.17	-	7100	7100	0.14	(0.03)
Sub-total(B)(2)	**414960**	**674480**	**1089440**	**25.99**	**1498763**	**419280**	**1918043**	**36.61**	**10.62**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**414960**	**674480**	**1089440**	**25.99**	**1498763**	**419280**	**1918043**	**36.61**	**10.62**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**3283710**	**907540**	**4191250**	**100**	**4819783**	**419280**	**5239063**	**100**	**-**

Note: The change in shareholding is mainly due dilution in the share capital of the Company pursuant to conversion of 4,00,000 Zero Coupon Compulsorily Convertible Debentures (CCDs) into 10,47,813 equity shares of Rs. 10/- each in the year 2014-15.

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year April 1, 2014			Shareholding at the end of the year March 31, 2015			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Mapple Commerce Pvt. Ltd.	623750	14.88	0.00	623750	11.91	0.00	(2.97)
2.	Satish Chandra Agarwal	584480	13.94	0.00	584480	11.16	0.00	(2.78)
3.	Saroj Agarwal	529700	12.64	0.00	529700	10.11	0.00	(2.53)
4.	Nirala Merchants Pvt. Ltd.	410200	9.79	0.00	460200	8.78	0.00	(1.01)
5.	Priya Ranjan Agarwal	386000	9.21	0.00	386000	7.37	0.00	(1.84)
6.	Sachin Agarwal	131780	3.14	0.00	131780	2.52	0.00	(0.62)
7.	Alok Agarwal	96600	2.30	0.00	215600	4.12	0.00	1.82
8.	Amit Agarwal	94100	2.25	0.00	-	-	-	-
9.	Anshoo Agarwal	62300	1.49	0.00	62300	1.19	0.00	(0.30)
10.	Vidya Agarwal	32700	0.78	0.00	32600	0.62	0.00	(0.16)
11.	Satish Chandra Agarwal, HUF	30400	0.73	0.00	30400	0.58	0.00	(0.15)
12.	Pratima Agarwal	28500	0.68	0.00	28500	0.54	0.00	(0.14)
13.	Suman Agarwal	24900	0.59	0.00	-	-	-	-
14.	Kanchan Agarwal	21200	0.51	0.00	21200	0.40	0.00	(0.11)
15.	Kiran Arun Prasad	19200	0.46	0.00	19200	0.37	0.00	(0.09)
16.	Manu Agarwal	10000	0.24	0.00	10000	0.19	0.00	(0.05)
17.	Ritika Agarwal	10000	0.24	0.00	10000	0.19	0.00	(0.05)
18.	Reena Agarwal	4000	0.10	0.00	4000	0.08	0.00	(0.02)
19.	Arun Jwala Prasad	2000	0.05	0.00	2000	0.04	0.00	(0.01)
20.	Viven Advisory Services Pvt. Ltd.	-	-	-	169310	3.23	0.00	3.23
Total		**3101810**	**74.02**	**0.00**	**3321020**	**63.40**	**0.00**	**-**

Note: The change in shareholding of Promoters is mainly due dilution in the share capital of the Company pursuant to conversion of 4,00,000 Zero Coupon Compulsorily Convertible Debentures (CCDs) into 10,47,813 equity shares of Rs. 10/- each in the year 2014-15.

iii. Change in Promoters' Shareholding

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Alok Agarwal*				
	At the beginning of the year	96600	2.30	96600	2.30
	shares credited by transfer on April 18, 2014	24900	0.59	121500	2.89
	Shares credited by transfer on May 22, 2014	94090	2.06	215590	4.73
	Shares credited by transfer on November 28, 2014	10	0.00	215600	4.12
	At the End of the year	-	-	215600	4.12
2.	Nirala Merchants Pvt. Ltd.				
	At the beginning of the year	410200	9.79	410200	9.79
	Shares credited by transfer up to September 30, 2014	50000	1.10	460200	10.10
	At the End of the year			460200	8.78
3.	Vidya Agarwal				
	At the beginning of the year	32700	0.78	32700	0.78
	Shares debited by transfer up to June 30, 2014	(100)	0.00	32600	0.72
	At the End of the year			32600	0.62
4.	Viven Advisory Services Pvt. Ltd.				
	At the beginning of the year	-	-	-	-
	Change	-	-	-	-
	At the end of the year			169310	3.23

* At the beginning of year i.e. April 1, 2014, paid-up capital of the company was 41,91,250 equity shares of Rs. 10/- each. On April 23, 2014, paid-up capital changed to 45,55,706 equity shares of Rs. 10/- each pursuant to conversion of 1,39,130 CCD's into 3,64,456 fully paid equity shares. Further, on November 8, 2014, paid-up capital changed to 52,39,063 equity shares of Rs. 10/- each pursuant to final conversion of left over CCD's (2,60,870) into 6,83,357 equity shares of Rs. 10/-- each.

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

SI. No.	Name of shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Viven Advisory Services Pvt. Ltd.				
	Opening balance	107260	2.56	107260	2.56
	Purchase of shares up to June 30, 2014	74050	1.62	181310	3.98
	Sale of shares up to September 30, 2014	(12000)	0.26	169310	3.72
	Closing balance	169310	3.23	169310	3.23
2.	Ashok Kumar Shukla				
	Opening balance	83140	1.98	83140	1.98
	Change	-	-	-	-
	Closing balance	83140	1.58	83140	1.58
3.	Jolen Marketing Private Ltd.				
	Opening balance	75800	1.81	75800	1.81
	Change	-	-	-	-
	Closing balance	75800	1.45	75800	1.45
4.	Shashi Bala Agarwal				
	Opening balance	74800	1.78	74800	1.78
	Change	-	-	-	-
	Closing balance	74800	1.43	74800	1.43
5.	Ajay Kumar Agarwal				
	Opening balance	60000	1.43	60000	1.43
	Change	-	-	-	-
	Closing balance	60000	1.15	60000	1.15
6.	Vipin Kumar Agarwal				
	Opening balance	55900	1.33	55900	1.33
	Sale of shares up to March 31, 2015	(50000)	1.10	5900	0.13
	Closing balance	5900	0.11	5900	0.11
7.	DPM Investment Advisors Pvt. Ltd.				
	Opening balance	52500	1.25	52500	1.25
	Sale of shares up to March 31, 2015	(52500)	0.00	0	0.00
	Closing balance	0	0.000	0	0.00
8.	Raheja leasing & Invest Pvt. Ltd.				
	Opening balance	43200	1.03	43200	1.03
	No change	0	0.00	0	0.00
	Closing balance	43200	0.82	43200	0.82
9.	SMIFS Capital Markets Ltd.				
	Opening balance	30000	0.72	30000	0.72
	No change	0	0.00	0	0.00
	Closing balance	30000	0.57	30000	0.57
10.	Purnendu Kumar Jain				
	Opening balance	27800	0.66	27800	0.66
	Purchase of shares up to March 31, 2015	100	0.00	27900	0.61
	Closing balance	27900	0.53	27900	0.53

* At the beginning of year i.e. April 1, 2014, paid-up capital of the company was 41,91,250 equity shares of Rs. 10/- each. On April 23, 2014, paid-up capital changed to 45,55,706 equity shares of Rs. 10/- each pursuant to conversion of 1,39,130 CCD's into 3,64,456 fully paid equity shares. Further, on November 11, 2014, paid-up capital changed to 52,39,063 equity shares of Rs. 10/- each pursuant to final conversion of left over CCD's (2,60,870) into 6,83,357 equity shares of Rs. 10- each.

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 March 31, 2014				
i) Principal Amount	85,126,965	400,852,181	-	485,979,146
ii) Interest due but not paid	774,869	-	-	774,869
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	85,901,834	400,852,181	-	486,754,015
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	42,546,931	400,852,181	-	443,399,112.
Net Change	**43,354,906**	**-**	**-**	**43,354,903**
Indebtedness at the end of the financial year March 31, 2015				
i Principal Amount	42,494,344	-	-	42,494,344
ii) Interest due but not paid	860,559	-	-	860,559
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**43,354,903**	**-**	**-**	**43,354,903**

VI. 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
		Satish Chandra Agarwal, Executive Chairman	Sachin Agarwal, Managing Director	Alok Agarwal, Director (Quality & Technical)	Priya Ranjan Agarwal, Director (Marketing)	
1.	Gross salary					
	(a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961	4,021,465	6,164,224	2,104,500	2,154,140	14,444,329
	(b)Value of perquisites u/s 17(2) Income-tax Act, 1961	238,323	154573	991,62	104,162	596,219
	(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	 1 -	 3 -	 - -	 - -	 4 -
5.	Others	-	-	-	-	-
	Total(A)	**4,259,788**	**6,318,797**	**2,203,662**	**2,258,302**	**15,040,548**
	Ceiling as per the Act					10,043,801*

* 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	Radha Krishna Pandey	Ajay Kashyap	Brij Lal Gupta	Arun Jwala Prasad*	
Independent Directors							
·Fee for attending board committee meetings	55,000	47,500	15,000	10,000	10,000	-	137,500
·Commission	-	-	-	-	-	-	-
·Others	-	-	-	-	-	-	-
Total(1)	55,000	47,500	15,000	10,000	10,000	-	137,500
Other Non-Executive Directors							
·Fee for attending board committee meetings	-	-	-	-	-	-	-
·Commission	-	-	-	-	-	-	-
·Others	-	-	-	-	-	-	-
Total(2)	-	-	-	-	-	-	-
Total(B)=(1+2)	55,000	47,500	15,000	10,000	10,000		1,37,500
Total Managerial Remuneration	**55,000**	**47,500**	**15,000**	**10,000**	**10,000**		**1,37,500**
Overall Ceiling as per the Act							-*

* Mr. Arun Jwala Prasad retired from the directorship w.e.f. from August 9, 2014.

*The Company is not paying any remuneration / commission to non-executive directors

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Arun Kumar Gupta Company Secretary	Smita Agarwal Chief Financial Officer	Total
1.	Gross salary			
	a) Salary as per provisions contained in section17(1)of the Income-tax Act,1961	1,635,640	1,858,145	3,493,785
	b) Value of perquisites u/s 17(2)Income-tax Act,1961	70,650	82,500	153,150
	c) Profits in-lieu of salary under section 17(3)Income-tax Act,1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as% of profit	-	-	-
	- others	-	-	-
5.	Others, please specify	-	-	-
	Total	1,706,290	1,940,645	3,646,935

VII. 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, 2015.

FORM NO. AOC. 1

ANNEXURE II

Statement containing salient features of the financial statement of subsidiary/ associate company/ joint venture

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

Part A: Subsidiaries

(Amount In Rupees)

Name of the subsidiary	Modrany Power & PTC Piping Systems Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable (Reporting period is same i.e. April to March)
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable (as Indian Subsidiary)
Share capital	41,553 Equity Shares of Rs. 10/- each
Reserves & surplus	(2779437)
Total assets	2,10,710
Total Liabilities	2,10,710
Investments	NIL
Turnover	NIL
Profit before taxation	(5,09,996)
Provision for taxation	NIL
Proposed Dividend	NIL
% of shareholding	51

Additional Information:

1. Names of subsidiaries which are yet to commence operations - NIL
2. Names of subsidiaries which have been liquidated or sold during the year- NIL

Part B: Associates and Joint Ventures

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

This Part B is not applicable to the Company.

Place: Lucknow
Date: June 25, 2015

(Sachin Agarwal)
Managing Director

(Alok Agarwal)
Director Quality & Technical

(Smita Agarwal)
Chief Financial Officer

(A.K. Gupta)
Company Secretary

FORM NO. AOC. 2

ANNEXURE III

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:**

   The contracts or arrangements entered during the year under report at arm's length basis are as follows:

Name(s) of the related party	Nature of relationship	Nature of contract/ Arrangement/ Transaction	Duration of the contract/ Arrangement/ Transaction	Salient terms[1]	Amount
Modrany Power & PTC Piping Systems Pvt. Ltd.	Subsidiary	Investment in Equity shares	Not applicable	No terms as such	1,11,920
Modrany Power & PTC Piping Systems Pvt. Ltd.	Subsidiary	provided unsecured loan[2]	Not applicable	No terms as such	2,83,375
e.Soft Technologies Pvt. Ltd.	Enterprise controlled by directors/relative	Purchase of service	On going	No terms as such	9,60,451
Mrs. Saroj Agarwal	Relative	Rent agreement	On going	No terms as such	6,00,000
PTC Foundation	Enterprise controlled by directors/relative	CSR initiatives of the Company under Section 135 of Companies Act, 2013	Not applicable	To invest the amount deposited (2% approx) for the CSR activities.	13,88,600

(1) All the Related Party transactions are approved by Board and are also kept before Audit Committee of the Board. Advance paid, if any, the same is settled against billing.

(2) Regarding the investment made in subsidiary, the amount payable was set-off against the unsecured loan provided by the Company.

For and on behalf of Board of Directors

Place: Lucknow
Date: June 25, 2015

(Sachin Agarwal)
Managing Director
(DIN: 00142885)

(Alok Agarwal)
Director-Quality & Technical
(DIN: 00129260)

Particulars of Employees

ANNEXURE IV

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

(Amount in lakhs)

Name(s) of Whole time Directors	Designation	Remuneration in year 2014-15 (In Rs.)	Remuneration in year 2013-14 (In Rs.)	% increase in remuneration	Ratio of remuneration to median remuneration of employees	Ratio of the remuneration to Net Profit (2014-15)
Satish Chandra Agarwal	Executive Chairman of Board	42.60	42.00	1.43	31.32	0.07
Sachin Agarwal	Managing Director	63.19	40.71	55.22	46.46	0.10
Alok Agarwal	Director (Quality & Technical)	22.04	19.80	11.31	16.21	0.03
Priya Ranjan Agarwal	Director (Marketing)	22.58	20.05	12.62	16.60	0.03

(Amount in lakhs)

Name(s) of Independent Directors	Remuneration in year 2014-15 (In Rs.)*	Remuneration in Year 2013-14 (In Rs.)	% increase in remuneration
Dr. R.C. Katiyar	0.55	0.47	17.02
Ajay Kayshap	0.10	-	-
Krishna Das Gupta	0.47	0.45	4.44
Brij Lal Gupta(1)	0.10	NA	-
Shashi Vaish(2)	0.00	NA	-
Radha Krishna Pandey(3)	0.15	0.07	114.26

* Independent Director are only eligible for sitting fees and other out-of pocket expenses incurred for attending meeting of Board or any committee thereof.

(1) Mr. Brij Lal Gupta, Independent Director was appointed w.e.f. December 6, 2014.

(2) Mrs. Shashi Vaish, Independent Director was appointed w.e.f. August 9, 2014.

(3) Radha Krishna Pandey, resigned from the directorship of the company w.e.f. September 23, 2014

(Amount in lakhs)

Name of Non-Executive Director	Remuneration in year 2014-15 (In Rs.)	Remuneration in Year 2013-14 (In Rs.)	% increase in remuneration
Arun Jwala Prasad*	-	-	-

* Mr. Arun Jwala Prasad resigned from the directorship of the Company w.e.f. August 9, 2014.

(Amount in lakhs)

Name of KMP	Remuneration in year 2014-15	Remuneration in year 2013-14	% increase in remuneration	Ratio of the remuneration to Net Profit (2014-15)
Smita Agarwal	19.41	14.83	30.88	0.03
Arun Kumar Gupta	17.06	16.53	3.21	0.03

i. The median remuneration of employees in the year 2015 and 2014 was Rs. 135,937 and Rs. 141,147 respectively. The percentage decrease in the median remuneration is 3.32%.

ii. The Company has 680 permanent employees on the rolls as on the year ended at March 31, 2015.

iii. The Company's net profit stood at Rs. 6.49 crores at the year ended as on March 31, 2015 as compared to 6.02 crores for the year ended on March 31, 2014. The percentage of growth in the net profit of the Company is 7.81%. The growth in the remuneration of WTDs and KMPs was 21.41% in year 2015 as compared to 2014. The increase in remuneration was on the recommendation of Nomination and Remuneration Committee in order to come at par with comparable industry pay scales.

iv. As the Company's shares were not being traded during the period under report, hence variation in Market Capitalisation and Price Earnings Ratio as at the closing of current year 2015 and previous year 2014 is not provided.

v. During the year under report, no employee received remuneration in excess of highest paid directors.

vi. The Company is in the process of forming a Remuneration Policy with the guidance and approval of the Nomination and Remuneration Committee of the Board.

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

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 Share-holding
1.	Sachin Agarwal	63,18,797	Managing Director	MBA, M.SC (Finance) USA	April 18, 1998	18	43	-	1,31,780	2.51

Notes:

- Employment in company is contractual
- Remuneration includes salary, commission, allowances and value of perquisites.
- The employee mentioned above is related to Mr. Satish Chandra Agarwal, Chairman of the Company. No other director is related to the employee.

Annual Report on CSR Activities

ANNEXURE V

[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 always been sensitive towards the society, workers and other stakeholders and has been contributing towards social and community causes in its own manner. In its 51st year, the Company decided to codify its Corporate Social Responsibility (CSR) policy to better the lives of the communities and people associated with it.

The main objective of CSR policy is to lay down guidelines for undertaking CSR initiatives in line with the rules framed by Government of India for making sustainable growth along with sustainable development of society. PTC imbibes the values of a good corporate citizen, subscribing to the global initiatives. PTC also aims to minimise 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 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.

2. Composition

The composition of CSR committee is as follows:

Sl. No.	Names	Category
1.	Mr. K.D. Gupta	Chairperson, Independent Director
2.	Mr. Sachin Agarwal	Member, Executive Director, Non-Independent
3.	Mr. Alok Agarwal	Member, Executive Director, Non-Independent
4.	Mr. R.C. Katiyar	Member, Independent Director

3. Average Net Profit of Last three year

(Rupees in lakhs)

Financial year	Net Profit
2011-2012	665.64
2012-2013	1,214.13
2013-2014	1,101.27
TOTAL	**2,981.04**
Average of three year net profits	993.68
Prescribed CSR expenditure (2% of the average net profit of three years)	19.87

4. Details of CSR expenditure

(Rupees in lakhs)

Total amount to be spent for the financial year	19.87 lakhs
Amount unspent	5.98 lakhs
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 upto the reporting period	Amount spent: Direct or through implementing agency
1.	The Education Project	Education	Rural areas near Lucknow, Uttar Pradesh	Rs. 100 Lakhs (approx)	Rs. 13.89 lakhs*	Rs. 13.89 lakhs*	Through Foundation
TOTAL				**100.00**	**13.89**	**13.89**	

* The amount of Rs. 13.89 lakhs has been transferred to the PTC Foundation which has been founded with the objective of undertaking PTC's corporate social responsibility objectives. The Foundation has already begun work for creating a facility for providing primary and secondary education to underprivileged children.

The unspent amount of Rs. 5.98 lakh, pending on account of documentation has been spent and deposited in PTC Foundation bank account in June, 2015. In June, 2015 Company sponsored 'Blood Donation Drive' project under sector 'Health and Medicine', the program was held in Lucknow, Uttar Pradesh. Amount spent on this activity was 0.75 lacs.

Before Corporate Social Responsibility (CSR) has been introduced under corporate regulations, it was already textured into our Company's value systems. Our Chairman, Mr. Sateesh 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 stakeholders. This involves investing part of our profits beyond business, for the larger good of society.

PTC believes that its approach to corporate social responsibility will benefit the larger ecosystem comprising all our stakeholders. Its efforts towards CSR shall help create long-lasting value across the environmental, social and economic landscapes. The company firmly believes that it can fulfill its commitment to its stakeholders only by sustainable growth.

On this background, PTC's key CSR initiatives shall be 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 processes.

Any development in this regard will be updated at www.ptcil.com

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

(Sachin Agarwal)	**(K.D. Gupta)**
Managing Director	Chairperson, CSR Committee

Place: Lucknow

Date: June 25, 2015

FORM NO. MR. 3

ANNEXURE VI

SECRETARIAL AUDIT REPORT

(For the financial year ended on March 31, 2015)

[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,
Malviya Nagar, Aishbagh, Lucknow – 226 004

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 our 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, 2015 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, 2015 according to the provisions of:

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

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

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

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

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, 1992;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   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 and/or listed not granted any options 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:

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

(b) The Environment Protection Act, 1986

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

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

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India **(not applicable as not notified during the period under review);** and

(ii) Listing Agreements entered into by the Company with BSE Limited, Mumbai & Over the Counter Exchange of India (OTCEI), 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.

We further report that during the audit period the company has:

(i) got listed at BSE Limited w.e.f. March 12, 2015 vide direct Listing scheme. Further OTCEI has been de-recognised as a stock exchange under the relevant provision of the Securities and Exchange Board of India Act, 1992 and the Securities Contracts (Regulation) Act, 1956 with effect from March 31, 2015.

(ii) converted the 4,00,000 (Four Lakhs) Zero Coupon Compulsory Convertible Debentures ("CCDs") of face value of Rs. 1,000/- (Rupees One thousand) each issued to the foreign Investors into 10,47,813 equity shares of Rs. 10/- each.

For Amit Gupta & Associates

Company Secretaries

Amit Gupta

Proprietor

Membership No. : F5478

C.P. No. 4682

Date: 25th May, 2015

Place: New Delhi

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

To,

The Members,
PTC Industries Limited,
Malviya Nagar, Aishbagh, Lucknow – 226 004

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: 25th May, 2015
Place: New Delhi

ANNEXURE VII

Particulars regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo for the year ended 31st March, 2015 pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken

- Special purpose CNC Machine (Travisan) is being installed for faster and accurate machining of castings thereby saving on machining hours / energy.
- 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 converted to electrical furnace from diesel in order to enhance productivity and energy conservation.
- Energy saving 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.
- Energy saving and over all power quality improving P2 Power Active Filter installed at work place.
- Oil Circuit Breaker (OCB) replaced with more efficient Vacuum Circuit Breaker (VCB)
- Encourage pool system for transportation to reduce fuel consumption and air pollution.

(b) Additional investments and proposal, if any being implemented for reduction of energy consumption.

- 1 MW Rooftop Solar Plant is being commissioned in the AMTC plant for generation of energy through renewable sources.
- Waste heat recovery systems are being installed in the new AMTC plant to utilize residual heat from the casting process.
- Geo-thermal heating and cooling systems to be set up to transfer heat from the ground and reduce energy costs for heating and cooling of shells and castings respectively.

- Comprehensive recycling and reuse systems being implemented for reuse of direct and indirect materials to reduce solid waste generation and make production more environmentally friendly.
- The Energy Logger Instrument shall be procured for observation of Energy trend to save energy.
- Use of large size glass window panels in all areas of the new plant for ample daylight to save on electrical lighting load.
- Energy saving LED Lights being installed in shop floors and offices for all new requirements / replacements.
- Additional P2 Power Active Filter Device to be installed with sophisticated machines.
- Shell Firing Furnace to be installed with advance technology to reduce gas consumption.
- Straddle Carrier and Comb lift to be purchased for more efficient material handling and save on fuel.

(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

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 a 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 3,000 kgs single piece casting by RapidCast™ technology and is in the process of creating capabilities to manufacture 5,000 kgs single piece castings through this 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 been accorded approval for weighted deduction by the DSIR. The weighted tax deduction is equal to 200% of such expenditure incurred.
- The Company has been developing 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 is 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.
- A high level of automation and process control is employed through the Company's path-breaking technologies.

(b) Benefits derived as a result of above R&D

- High levels of integrity and consistency in the products manufactured by the Company.
- 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.
- Latest and best-in-class manufacturing processes at par with international technology and standards.

(c) Future plan of action

- The commissioning and installation of the new Advanced Manufacturing and Technology Centre shall introduce state-of-the-art manufacturing processes and systems to the country.
- Capabilities are being developed to manufacture large size castings up to 5,000 kilograms a piece by the RapidCast™ Process

- A new range of assembled parts have been developed for power equipments.
- Significant developments are being made to reduce casting weights and improve surface finish in order to manufacture parts with higher integrity and quality.
- Development of environmentally neutral manufacturing processes which reduce solid wastes and toxic gaseous emissions.
- Large number materials used in the manufacturing process are recycled thereby reducing operating cost and impact on the environment.
- Increase in export turnover and consequently foreign exchange earnings for the country.

(d)	**Expenditure on R&D**	**2014-15** (Rupees in lakhs)	**2013-14** (Rupees in lakhs)
i.	Capital	2.32	4.30
ii.	Revenue	57.17	70.98
iii.	Total	59.49	75.28
iv.	% of total turnover	0.59	0.63

II. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

(a) Efforts in brief, made towards technology during selection, absorption and innovation

- At present 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 is the maximum size which can be produced. In order to break this limit, the Company has undertaken a research and development project to develop the Rapidcast™ process to make large size castings without manufacturing any tooling.
- This project has been approved by the Department of Scientific and Industrial Research of the Government of India.
- The Company has already successfully produced up to 3000 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 be 'cast' – costly fabricated parts can be converted into castings.

- There are very few foundries in the world who have such a wide range of moulding processes including Replicast®, RapidCast™ and the latest machining facilities within a single facility. Hence, the Company will have a vast range of products for a wide range of applications which shall make it the supplier of choice both in the domestic as well as export markets.
- An increase in exports of better quality products at competitive prices.
- 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.

(b) In case of imported technology, (imported during the last five years), reckoned from the beginning of the financial year.	-
(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.
(d) Has technology been fully absorbed?	Yes, Replicast® Castings are being commercially produced by the Company.

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. The Company expects that after the commencement of its new unit *Advanced Manufacturing and Technology Centre*, it will have significant business opportunities and a competitive edge through all the technologies and systems that it shall be able to offer.

- The Company is under process of 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 shall be in a position to offer world-class products at affordable prices.
- The Company's continuous efforts to develop new overseas buyers have started giving results. During the year, various new customers have been added and commercial production shall commence during the current year as the approvals from new customers are in different stages.

(b) Total Foreign Exchange used and earned	**2014-15** (Rupees in lakhs)	**2013-14** (Rupees in lakhs)
Expenditure	262.57	6,48.51
Earnings	7,400.55	8,645.54
Net foreign exchange earning	7,137.98	7,997.03
Net foreign exchange /earning %	96.45	92.50

Place: Lucknow
Date: June 25, 2015

Sachin Agarwal
Managing Director

Alok Agarwal
Director-Quality & Technical

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The core business of PTC Industries Limited is manufacture of castings, machined components 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 spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India. The management herewith presents the Economic Overview, Forward Looking Statements, 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.

Economic Overview

India has emerged among the few large economies with encouraging economic outlook, amidst the mood of pessimism and uncertainties that engulf a number of advanced and emerging economies. Brighter prospects in India are mainly due to the fact that the economy seems to be on the path of being relieved of the vulnerabilities associated with an economic slowdown: persistent inflation, elevated fiscal deficit, slackening domestic demand, external account imbalances, and oscillating value of the rupee. The government's "Make in India" drive has also provided a much needed boost for the manufacturing sector. The country's GDP was recorded at above 6 per cent for the second consecutive year in 2014-15, at 7.4 per cent i.e. a humble growth of 0.5 per cent from 6.9 per cent in 2013-14. The change in base year and revision in the methodology of computation of GDP by aligning it with international practices, has captured the growth estimates of the Indian economy.

It is being estimated that India's growth rate will remain high in the year 2015-16, supported by a revival in investment. Further, decline in oil prices shall reduce pressure on the current account deficit and inflation. India is expected to overtake China to become the world's fastest growing economy in the current fiscal year.

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.

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 others 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. 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, manhole covers, 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

Global casting production grew in 2013, but other than large gains in China, total tonnage increased by less than half-million metric tons. After an impressive 15.1% boost in total production in 2012, the US market increased at a more modest pace. While the global economy continues to steady itself in the years after the recession, economic volatility means big losses and gains for certain countries. Smaller producers were more likely to experience losses or gains in double digits, while the majority of the world's largest producers reported only steady growth or slight contraction.

The Ferrous Metal Foundry Products Industry revenue is projected to grow over the five years to 2016. Despite significant gains following the economic downturn, industry growth has decelerated in recent years. The economic slowdown in emerging markets, such as China, and debt issues in developed countries, such as the United States and Europe, have weakened demand and prices for ferrous metals worldwide. The operating context for the year was challenging, given the backdrop of a market slowdown, a volatile input cost environment and heightened competitive intensity. Your Company's performance for the year 2014-15 has to be viewed in the context of aforesaid economic and market environment.

PTC believes that winning with customers is a key enabler for winning in the marketplace and has a strong customer agenda in place to deliver quality products to the customers. The industry is faced with the challenge of realising tailored customer solutions that have to be developed quickly and produced cost-effectively. These requirements manifest the need for efficient operations management and optimisation of costs.

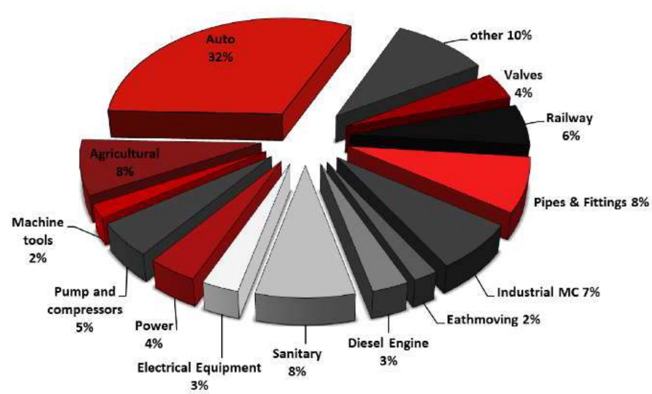
Forecasts for the coming year are very conservative ranging from slow growth to risk of another downturn. The problems in the Euro zone are leveling and turning slightly up. At best, it will be a slow growth as there are no drivers pushing for fast growth.

Indian Industry

The Indian Metal Casting Industry is well established. According to the recent World Census of Castings by Modern Castings, India ranks as the third largest casting producer, producing an estimated 9.81 Million MT of various grades of castings as per international standards.

The various types of castings which are produced are ferrous, non-ferrous, aluminum alloy, graded cast iron, ductile iron, steel. etc. for application in Automobiles, Valves and Pumps, Railways, Engines, Construction machinery, Power, Paper and Textile machinery, and castings for more critical applications like Aerospace, etc. However, grey iron castings have the major share (approximately 70 %) of the total castings produced. There are roughly 4,600 units out of which 80% can be classified as Small Scale units and 10% as Medium and 5% as Large Scale units.

Sector wise Consumption of Casting



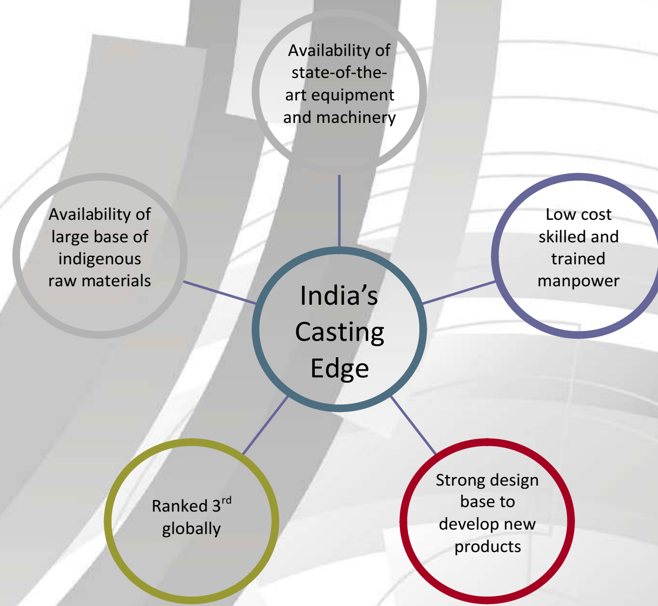
The Company continues to derive sustainable benefit from its strong foundation and long tradition of research, which differentiates it from many others. New products, processes and metallurgies flow from work done in the PTC research and development centre. With world class facilities and superior technologies,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

Casting Industry

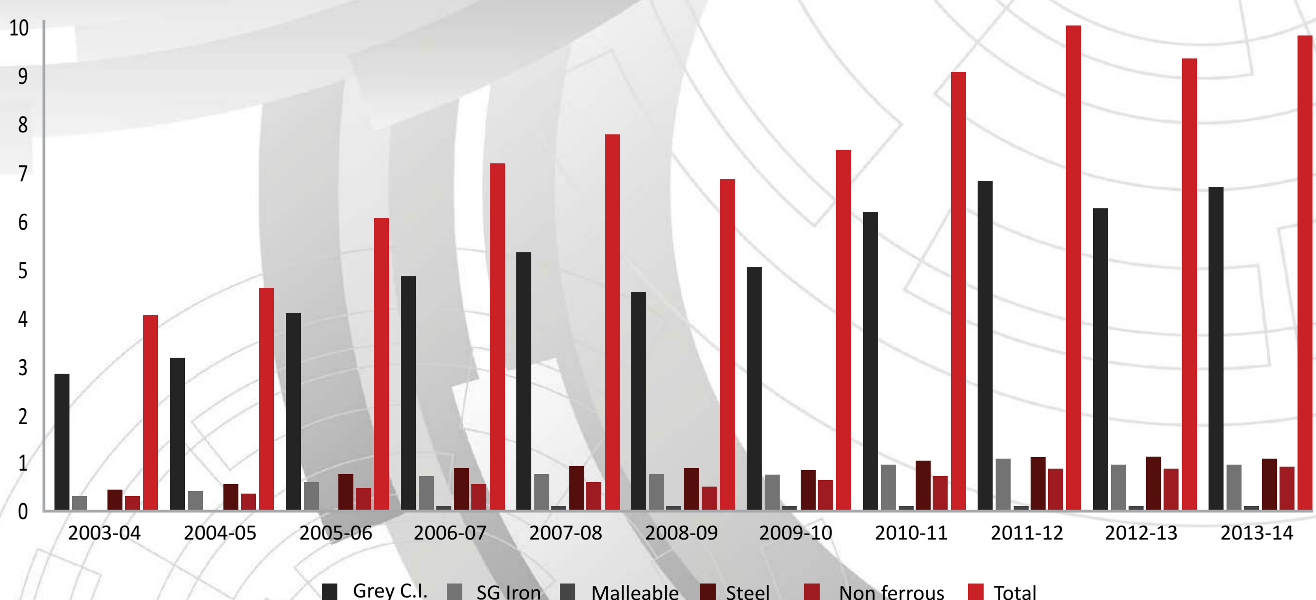
The Indian metal casting industry forms the crux of the country's industrial growth. It has come a long way from the days when it was predominantly used for die-casting in the automobile industry and a few electronic goods. Today, it manufactures various types of castings comprising ferrous and non-ferrous, which include nickel and aluminium alloys, graded cast iron, ductile iron, steel etc.

Global metal casting production was still led by China, the US and India. China was the top global producer, with 44.5 million metric tons. The boost represents a large majority of the overall increase in global production, and China continued to increase its share of the global market. The US remains the world's second largest producer by producing 12.25 million metric tons followed by India which strengthened its position by producing 9.81 million metric tons. India's production capacity has grown by growth rate of 12 per cent in last decade as against a world average of around 3.6%.

The growth of industry is expected to rise at the accelerated pace keeping in view of developments being brought in infrastructure and projects around the world. Indian Foundry Industry is expected to grow driven by an increase in automation, availability of cheap labour and increase in domestic demand as well as a rise in exports.



Production of Castings in Million M.T.(2013-14)-INDIA

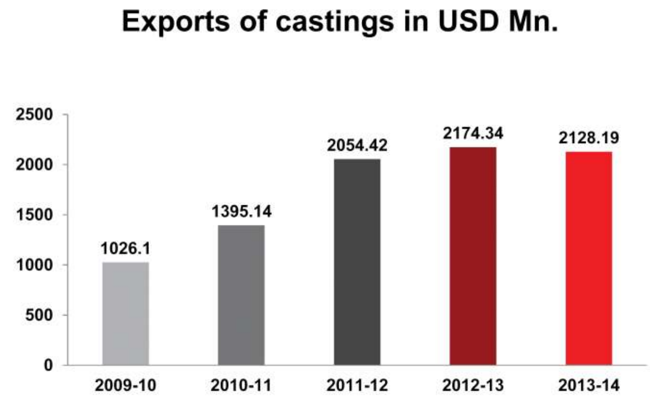


Particulars	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Grey C.I.	2.840	3.180	4.116	4.870	5.332	4.532	5.050	6.180	6.798	6.254	6.700
SG Iron	0.363	0.442	0.618	0.762	0.802	0.785	0.800	0.984	1.090	0.981	1.000
Malleable	0.039	0.040	0.000	0.062	0.065	0.061	0.060	0.069	0.066	0.060	0.060
Steel	0.465	0.581	0.805	0.914	0.964	0.916	0.880	1.070	1.140	1.158	1.100
Non ferrous	0.331	0.380	0.516	0.571	0.608	0.547	0.653	0.750	0.900	0.891	0.950
Total	4.038	4.623	6.055	7.179	7.771	6.841	7.443	9.053	9.994	9.344	9.810

The Indian government has also stepped up infrastructure spending from the current 5 per cent of gross domestic product (GDP) to 10 per cent by 2017. India is committed to investing US$ 1 trillion in infrastructure during the 12th Five Year Plan (2012–17), from US$ 428 billion in the 11th Five-Year Plan. With this initiative, the prolonged demand of good infrastructure is likely to met but there are also several nagging issues that the industry will need to overcome if sustained, stable and long-term growth is to be attained.

The export of castings by Indian foundries has declined slightly from USD 2,174.34 Crores in 2012-13 to USD 2,128.19 Crores in 2013-14. This slowdown is due to weak demand but apparently not too important keeping in view the recent developments in global economy and the strengthening of Indian foundries. With Indian manufacturers penetrating various global markets, it is apparent that by the year 2015-2016 India's share in exports of casting will go up to USD 3.6-3.8 billion.

India's manufacturing sector grew gradually in 2014-15. In the year 2015-16, it is expected that lower inflation, easier financial conditions and positive government policy shall support a gradual pick-up in the growth cycle of the country.



HIGHLIGHTS AND KEY EVENTS

PTC's strength in the global and domestic market has been built up over five decades. It has transformed itself from a modest small scale industry to one of the leading suppliers of high precision castings for critical and super-critical component requirements across the world.

In the year, 2014-15, PTC Industries demonstrated its resilience with its determined leadership and committed workforce, which enabled the company to sustain its market strength, financial performance and operational efficiency without derailing its long term strategic plans. In the reporting period, the Company strengthened its

product portfolio, research and technology edge, and worked on increasing its penetration of the overseas market and expanding its customer base. Various cost reduction measures were undertaken by the company to ensure stability of performance, the benefits of which are likely to be derived in the future.

Some of the achievements of the company during the period are:

- Advanced Manufacturing and Technology Centre (AMTC) a new state-of-the art facility is being set-up in Lucknow, which will be 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 Industries Limited has been featured as one of the '16 Hidden Gems' of India by Forbes India magazine.
- The company also marked its presence in 'Hannover Messe', the world's biggest industrial fair held in Hannover, Germany where a large number of visitors from around the world appreciated its focus on innovation and technology. The Honorable Chief Minister of Uttar Pradesh, Mr. Akhilesh Yadav and the Secretary of the Department of Industrial Policy and Promotion (DIPP), Mr. Amitabh Kant visited the PTC stand and interacted with Mr. Sachin Agarwal, Managing Director.
- The Company listed its shares on the Bombay Stock Exchange thereby keeping its promise to provide a trading platform to its shareholders.
- The Company has maintained its EBITDA levels despite a fall in turnover in the year 2014-15 as it prepared for a major capability and capacity expansion.
- The PTC Foundation was formed to undertake the Corporate Social Responsibility objectives of the Company.

PTC's impressive facilities are constantly transformed through upgrades in technology and automation. In the last three years, amidst the global crisis, PTC has reinforced its position globally and emerged stronger than ever with strong customer relationships coupled with specialized manufacturing abilities. Our relentless focus on technology and innovation has opened up new opportunities and has transformed the company into a globally recognized casting brand. PTC endeavors in building for the future with technology.

OUTLOOK

The foundry industry is passing through a visibly sluggish phase now as it rides on the manufacturing sector, which has been facing its own growth challenges. 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 industry produces 10 million tonnes of cast components worth about $18 billion, which is nearly 10% 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 exports castings worth $2.2 billion a year. This can potentially 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 will open 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. The country's new manufacturing policy envisages a manufacturing share of 25% in the GDP and creating 100 million jobs in ten years. Since most sectors use metal castings in manufacturing, it is difficult to meet this goal without a corresponding growth of the foundry sector.

PTC is ideally positioned to take advantage of the promising growth in the foundry sector. PTC has successfully developed and indigenized world class technologies and processes. 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 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, power, oil & gas, railways, etc. which will make it the supplier of choice both in the domestic as well as export markets.

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 sluggish. In line with its long term strategy, the Company is in the process of construction of its new "Advanced Manufacturing & Technology Centre" in Lucknow, Uttar Pradesh. Significant investments are being 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 is investing in all these areas to seize the considerable opportunity that is evident both at the domestic and international level in the future.

OPPORTUNITIES AND THREATS

In recent times, India saw some slowdown in casting production due to its heavy export orientation. However, internal growth of the automotive industry has driven some recent upturns in production levels. Indian foundries face some problems in supply of castings due to the infrastructure issues related to raw materials and energy supplies. The Indian foundries are also hampered by cumbersome regulations and very high energy costs.

However, India is now poised to become 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 are now lower than China. It has about 4,600 foundries that produce about 9 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. With the new 'Make in India' campaign being pushed by the Prime Minister, the foundry industry is expected to bounce back. It is predicted that in the coming ten years the demand for the foundries will go up by three folds. The India Foundrymen Association estimates that India needs to double its casting capacity in the next five years to meet projected demand. This is bound to bring in new challenges and opportunities for the foundries.

The Company is expected to gain a steady growth again and use the opportunity available in the industry. The combination of effective manufacturing costs with the good quality system and automation would give an edge to the Company in terms of pricing, quality and demands. The Company has added facilities which shall make it more competent than others competing in the

market. Forthcoming projects in various sectors viz. steel, oil & shore and power etc. are such that your company shall have more chances to take advantage of these projects, due to its expertise in that field. The slow cash flow and sluggish domestic market is a great threat as it may increase the overheads. Growing environmental concerns regarding pollution emitted by foundries may bring legal complication.

The existing units are being modernized/expanded and some new entrants have also come up in different parts of the country based on modern, cost effective, state of-the-art technologies. In the last few years, the rapid and stable growth of the demand side has also prompted domestic entrepreneurs to set up fresh projects in different states of the country. As the axis of growth is gradually shifting from the developed economies to developing economies in Asia, due to high consumption pattern and thereby inducing better investment, the foundry market is expected to grow strongly in the near future.

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

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® and RapidCast™ technologies.

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.

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™.

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 the domestic market, the Company has been able to offset this by sustaining profitability in the export market.

- **Operational Risks**

The rapid evolution of technologies and the natural ageing of existing facilities pose the risk of the current production facilities becoming obsolete and uneconomic. There is also a saturation on the capacity to expand in the current unit, especially in Lucknow. Hence, the Company has deployed the latest best-in-class technologies like Replicast® and RapidCast™ and is constructing of 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. A number of 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, excellent 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, exposure to movements in interest rates and foreign exchange rates. 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. During the year, the extreme volatility in the exchange rates led to an adverse effect on the profitability of the Company. The Company has mitigated risks on its foreign currency borrowings by hedging them partially. However, at any point of time, PTC's exports are 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. Last year, PTC raised Rupees forty crores during the year in the form of equity in order to partially fund the expansion of its manufacturing facilities.

- **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 2.30 Contingent Liabilities of Notes to Accounts.

INTERNAL CONTROL SYSTEMS AND THEIRADEQUACY

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.

FINANCIAL PERFORMANCE

Total Income

₹ In Crores

Particulars	FY 15	FY 14	% change
Revenue from sale of products	100.68	118.53	(15)
Other operating income	2.66	3.74	(29)
Less: Excise Duty	2.57	3.21	(20)
	100.77	**119.06**	(15)
Other income	1.64	2.55	(36)
Total Income	**102.41**	**121.61**	(16)

The Company witnessed a decline in revenue from operations by 15% to Rs. 100.77 crores from Rs. 119.06 crores in the previous year. This is primarily due to a general economic slowdown and the Company's concentration on trials and research for its new facility. The EBITDA in number terms declined by Rs. 2.21 crores to Rs. 19.06 crores from Rs. 21.27 crores in the previous year but as a percentage of revenue rose to 19% from 18% last year.

The failure of the power sector to regain its strength has led to decline in revenues from Plant 2, leading to a decline in net domestic sales by approximately 14%. Export sales (including incentives) also fell by 16% to Rs. 78.45 crores as against Rs. 92.96 crores during the previous year as the environment in Europe remained subdued.

The Profit after tax has risen by Rs. 0.47 crores to Rs. 6.49 crores from Rs. 6.02 crores in the previous year.

Gross Sale of products

₹ In Crores

Particulars	FY 15	FY 14	% change
Stainless steel castings	75.00	87.76	(15)
Alloy and non-alloy steel castings	6.61	13.71	(52)
Structures and forgings	6.59	7.05	(7)
Assembly items	6.92	4.69	48
Others	5.56	5.32	5
Revenue from Sale of products	**100.68**	**118.53**	(15)

Gross sales of products declined during the financial year 2014-15 by 15% as compared to the previous year. This is primarily led by a fall in the total revenues generated through sale of products. With the recovery of the global and domestic markets in a couple of years, the Company expects a growth in these numbers.

Raw Materials consumed

₹ In Crores

Particulars	FY 15	FY 14	% change
Scraps and metals			
Stainless steel scrap	16.08	20.95	(23)
Iron and steel scrap	0.69	3.31	(79)
Ferrous and non- ferrous alloys	8.06	4.63	74
Structures and fabrication	3.17	3.49	(9)
Raw castings (including assembly)	3.78	3.88	(3)
Total	**31.78**	**36.26**	(12)

Consumption of ferrous and non ferrous alloys increased while consumption of all other materials declined. This is due to a shift in the product mix towards higher alloy castings and also an overall decline in sales in the domestic market, which includes the alloy and non-alloy products. Overall, the consumption has declined by 12% due to low volumes, drop in metal prices and overall efficiencies.

Employee benefits expense

₹ In Crores

Particulars	FY 15	FY 14	% change
Payments to & provisions for employees	**16.77**	**16.14**	4

Payments and provisions for employees saw a marginal increase of 4% due to operational efficiencies and normal salary increments.

Other expenses

₹ In Crores

Particulars	FY 15	FY 14	% change
Manufacturing expenses	30.91	33.36	(7)
Administrative and selling expenses	7.83	11.75	(33)
Total	**38.74**	**45.11**	(14)

Manufacturing expenses declined by 14% due to overall declines in stores and spares consumed (10%), work charges (12%). This was offset to some extent by rise in maintenance costs for machinery. Administrative costs declined primarily due to absence of onetime cost incurred for legal and professional charges paid in connection with the CCDs during previous year.

Finance costs

₹ In Crores

Particulars	FY 15	FY 14	% change
Finance costs	2.56	5.30	(52)

Finance costs declined sharply due to conversion of borrowing into foreign currencies and availability of capital during the year. These costs will grow as the Company invests in the new manufacturing facility in the year 2015-16.

Fixed Assets

₹ In Crores

Particulars	FY 15	FY 14	% change
Tangible & intangible assets	43.00	48.07	(11)
Capital work in progress	34.72	18.20	91
Total	**77.72**	**66.27**	17

The increase in capital work in progress is primarily related to investment in the new AMTC plant which is expected to be commissioned in the year 2015-16.

Inventories

₹ In Crores

Particulars	FY 15	FY 14	% change
Raw materials	8.15	8.67	(6)
Stores and spares	2.96	3.50	(15)
Work in progress & finished goods	21.05	16.66	26
Total	**32.16**	**28.83**	12

Inventory has increased by 12% (including an increase in WIP by 26%) mainly due to a correction in the levels of stock that need to be maintained by the Company. Given the production cycle of 3-4 months, the Company expects to have inventory levels commensurate with this.

Sundry Debtors

₹ In Crores

Particulars	FY 15	FY 14	% change
Gross Debtors	31.97	31.83	0
Less: provisions	(0.25)	(0.15)	67
Total	**31.72**	**31.68**	0

Sundry debtors are in stable position due to timely realisations during the financial year 2014-15.

Loans and Advances

₹ In Crores

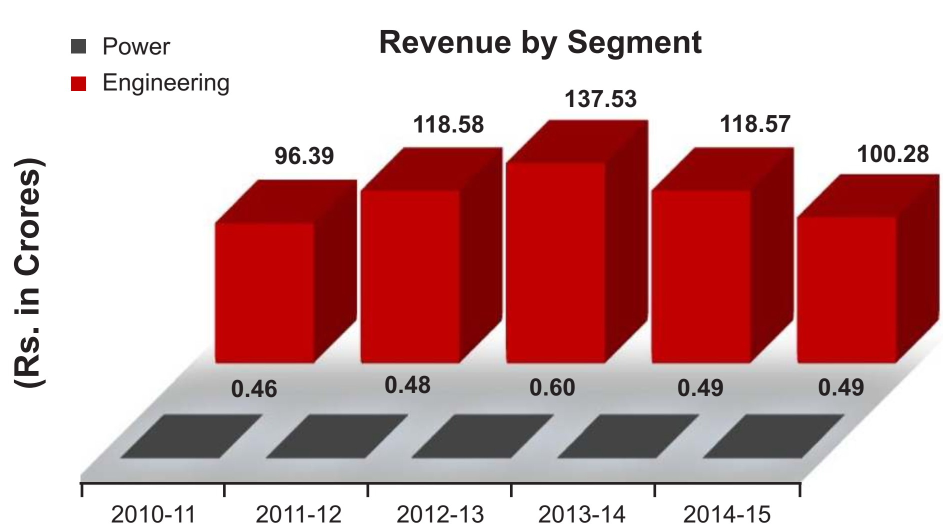
Particulars	FY 15	FY 14	% change
Loans and Advances	13.16	13.60	(3)

Loans and advances have declined marginally by 3% due to maturity of some deposits given by the company.

SEGMENT-WISE PERFORMANCE

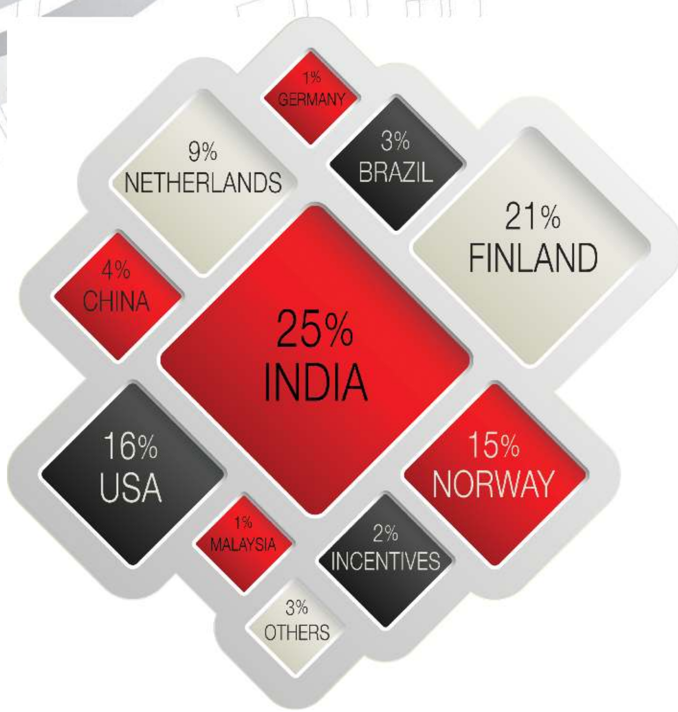
The Company recognizes manufacturing of Stainless Steel Castings, Alloys Steel Castings, Non Alloy Steel Castings and Steel Structure as its primary segment while the Company has presented secondary segmental reporting on the basis of geographical location of customers. Accounting Standard 17-"Segment Reporting" issued by the Institute of Chartered Accountants of India which requires disclosure of information on the basis of reportable segment and in this regard the performance of business segment plant wise and country wise is as follows :

			March 31, 2015
	Engineering Division	Power Division	Total
Segment Revenue			
Revenue	1,00,33,69,994	-	1,00,33,69,994
Income from power generation	-	43,70,156	43,70,156
Income from operations	**1,00,33,69,994**	**43,70,156**	**1,00,77,40,150**
Other income	1,64,34,980	-	1,64,34,980
Total Revenue	**1,01,98,04,974**	**43,70,156**	**1,02,41,75,130**
Segment results			
Profit before finance cost, depreciation and tax	18,73,65,410	32,25,061	19,05,90,471
Less: finance cost	2,56,30,458	-	2,56,30,458
Less: depreciation	6,21,01,617	14,71,144	6,35,72,761
Profit before exceptional item and tax	**9,96,33,335**	**17,53,917**	**10,13,87,252**
Exceptional item	1,59,89,782	-	1,59,89,782
Profit before tax	**8,36,43,553**	**17,53,917**	**8,53,97,470**
Provision for taxation			
Current tax			2,56,60,042
Deferred tax			(25,70,168)
Deferred tax (earlier years)			(26,35,021)
Profit for the year			**6,49,42,617**



GEOGRAPHICAL SALES

Particulars	March 31, 2015	
India	25,57,48,078	
Finland	21,34,34,176	
USA	16,45,79,527	
Norway	15,07,24,997	
Neitherlands	8,60,00,448	
China	3,76,42,637	
Brazil	2,58,97,767	
Malaysia	1,18,55,739	
Germany	1,10,04,521	
Denmark	94,96,112	
Spain	60,85,091	
France	50,81,884	
Sweden	42,87,295	
Japan	13,15,731	
Switzerland	10,76,671	
Mexico	8,23,540	
Europe	2,61,101	
Saudia Arabia	1,89,771	
Sub Total	-	9,85,50,50,857
Export Incentives		2,22,35,064
Total		1,00,77,40,150



HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

At the core of PTC's Human Resource Management (HRM) policy is the underlying belief that employees are our primary source of competitiveness. Hence the focus is on enriching the quality of life of its employees, developing their potential and maximising their productivity. The unique attributes of our policy are climate of openness, equity, fairness and respect for the individual, freedom to experiment, mutual trust, and teamwork. PTC Industries is 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 this is referred to as 'winning balance'. Over the last three years, the Company has focused on this aspect through creation of better opportunities and environment for its manpower and greater leadership involvement and engagement.

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. The Company has held the view that people are its greatest asset. It is, therefore, endeavouring to adopt the best standards for employee well-being and quality of life. This year, there has also been a special emphasis on working towards the well-being of our own workers as well as those of our suppliers.

During the year, the Company continued its HR policy improvements, particularly on rules related to their health and safety. PTC has continued to support employee welfare with the continuation of the 'Family Support' scheme for the employees of Lucknow Plant 1 and their families to provide support in case of medical emergencies.

Several technical and other soft skills training programs were organised across different levels. Schemes have also been put in place for rewarding employees at all levels, based on the Company's overall performance, as measured by several pre-set performance parameters. These schemes have been extremely helpful in uniting the interest of the Company and its employees.

The 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. The Company has developed a HRD Plan with the parameters to achieve excellent results. The steps have been 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 efforts continued on capability building of employees at all levels in order to build organisational capability in functional and project management areas, fulfill the technical skill requirement arising out of advanced mechanisation and preparing bench strength of skilled manpower for critical positions in existing operations as well as for foreseen future requirements. Being a global and knowledge-based Company, in a rapidly changing industrial scenario, PTC believes in the need to develop and foster its human resources. The management believes that the business cannot grow until and unless the full potential of employees is utilized effectively in its operations.

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

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

Industrial relations during the year have been cordial and are expected to continue in the future. 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 680.

STATUTORY COMPLIANCE

The Managing Director makes a declaration at each Board Meeting regarding the compliance with provisions of various statutes after obtaining confirmation from all the units of the Company. The Company Secretary ensures compliance with the SEBI regulations and provisions of the Listing Agreement. The Executive Directors and Company Secretary as the Compliance Officer ensure compliance with the guidelines for prevention of insider trading.

CEO & CFO Certification

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 Clause 49 of the Listing Agreement. 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 Clause 41 of Listing Agreement.

CEO & CFO Certificate under Clause 49

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, 2015 (hereinafter referred to as the 'year') and to the best of our knowledge and belief:
   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We, along with other certifying officers, accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, that there are no deficiencies in the design or operation of such internal controls of which we are aware.
4. We have indicated to the auditors and the audit committee:
   i. That there are no significant changes in internal control over financial reporting during the year;
   ii. That there no significant changes in accounting policies during the year
   iii. That there are no instances of significant fraud of which we have become aware.
5. We confirm that all Directors and Members of the Senior Management have affirmed compliance with PTC's Code of Business Conduct & Ethics.

Place: Lucknow
Date: June 25, 2015

(Sachin Agarwal)
Managing Director

(Smita Agarwal)
Chief Financial Officer

REPORT ON CORPORATE GOVERNANCE

Effective Corporate Governance practices constitute the strong foundation on which successful companies are built. Good Governance underlies the success and integrity of an organisation and is essential for creating efficient and sustainable systems and practices that ensure that the affairs of the company are being managed in a way to ensure accountability, fairness and transparency. Our comprehensive Corporate Governance practices are designed to ensure that the company always works optimally, protecting the best interests of the stakeholders and upholding the reputation and status of the Company. The four pillars of our Corporate Governance philosophy are corporate fairness, fiscal accountability, disclosure and complete transparency.

The board of directors of your Company sets high standards for the Company's employees, officers and directors. It is the duty of the board of directors to serve as a prudent fiduciary for shareholders and to oversee the management of the Company's business. To fulfill its responsibilities and to discharge its duty, the board of directors follows the procedures and standards that are set forth in corporate Governance code. In fact, this has become an integral part of the way business is done. 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

The board of directors of the Company consists of ten (10) directors out of which seven (7) are Non-Rotational directors (including Nominee Director and Independent directors) and three (3) are Rotational directors. Further, board has also appointed an Independent Woman Director on the board of the Company. The composition of the board is in compliance with Clause 49 of the Listing Agreements entered into with the stock exchanges. The board periodically evaluates the need for change in its composition and size.

Composition of the board, and directorships held on March 31, 2015

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				
Satish Chandra Agarwal	81	3	1	2
Sachin Agarwal	43	8	2	4
Priya Ranjan Agarwal	56	2	-	1
Alok Agarwal	53	-	-	6
Non-Executive Director, Non Independent				
Arun Jwala Prasad*[1]	57	1	-	1
Non-Executive Director, Nominee				
Narayanan Shadagopan	44	3	-	2
Non-Executive Directors, Independent				
Radha Krishna Pandey*[2]	75	16	3	3
Dr. Rakesh Chandra Katiyar	59	1	4	3
Ajay Kashyap	66	3	-	1
Krishna Das Gupta	72	3	4	6
Shashi Vaish*[3]	64	1	-	-
Brij Lal Gupta*[4]	63	-	-	2

Notes:

1. Directorship of directors in other companies also includes directorship in Private Limited Companies.

*[1] Mr. Arun Jwala Prasad resigned from the directorship of the company w.e.f. August 9, 2014. The details of directorship and committee membership are on the date on which he ceased to be director.

*[2] Mr. R.K. Pandey resigned from the directorship of the company w.e.f. September 23, 2014. The details of other directorship and committee is on the date on which he ceased to be director.

*[3] Mrs. Shashi Vaish was appointed as Women Independent Director w.e.f. August 9, 2014.

*[4] Mr. Brij Lal Gupta was appointed as Independent Director w.e.f. December 6, 2014.

A brief profile of the directors is given below:

Satish Chandra Agarwal

Mr. Sateesh Agarwal is the Chairman of PTC Industries Limited. He founded Precision Tools & Castings (now PTC Industries) in 1963 with a vision to make it one of the leading engineering goods producer of the country. He was appointed the Managing Director of the company in May, 1970 and continued till 2006. Mr. Sateesh Agarwal is a Bachelor of Engineering (Mechanical).

Under his able leadership, PTC has become a dynamic, forward-looking company. He initiated the diversification of PTC's product portfolio by introducing various molding processes and multiple grades of steel, stainless steel and super alloys. Mr. Sateesh Agarwal's vision for growth and expansion for the company led him to acquire and amalgamate a tool & die manufacturing company and an alloy steel manufacturing entity with PTC.

Mr. Agarwal, using his skills and immense knowledge of the casting industry, was able to successfully develop industrial castings for import substitution in India and then went ahead and made the company's first exports to USA in 1986. Under his guidance, PTC received a number of awards like the 'Best Exporter Shield' from EEPC(Northern Region), 'Certificate of Excellence' along with various quality certifications like ISO 9001-2000 by BVQI, AD-2000 Merkblat by TUVNORD, etc. Mr. Agarwal has also been bestowed with the 'Dhatu Nayak' award by the All India Induction Furnaces Association in 1992-93. He was also recognised as 'Honorary Citizen, City of Tulsa' for his contribution to the industrial development in Tulsa, Okhlahoma.

He continues to provide his guidance and wisdom to the Company and its members.

Sachin Agarwal

Mr. Sachin Agarwal, the Managing Director of PTC Industries Limited was born in Lucknow, UP where he spent his early years. For his higher education, he proceeded to the United States where he obtained an MBA in Operations from the University of Tulsa, Oklahoma and an M. Sc in Finance from Boston College, Massachusetts. He returned to Lucknow in 1998 as Director, Corporate Planning for PTC and developed an ERP software along with e.Soft Technologies Limited, a company that he co-founded in 1999. After firmly establishing e.Soft's name in India and abroad, Sachin went on to re-engineer the casting manufacture processes in PTC. His creative approach towards the business led him to experiment with many new and promising technologies for this age old industry.

When Sachin took over as Managing Director of PTC in the year 2006, he was only 34. Under his leadership, PTC began to grow at an extraordinary pace. His explorations with new technologies continued and by this time he had succeeded in developing and commercializing the Replicast® Technology. Due to his efforts, PTC became the only foundry in India to successfully indigenize this technology and received the 'National Award for R&D Efforts in Industry' by DSIR which was presented to Sachin 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's worked on the development of new technologies and metallurgies for production of components required for various super-critical applications like aerospace, oil & gas, energy & nuclear power and marine. He added customers like Rolls Royce, Emerson and Wartsila to the Company's already impressive portfolio. His management approach has been exemplary and his track record includes driving the Company's casting business to develop innovative technologies and expand significantly. It is his vision which has led PTC to new heights, and he continues to constantly introduce new technologies, build capabilities and inspire the workforce with his zeal and enthusiasm.

Sachin is a Past Chairman for CII in UP and in this role he has worked tirelessly to showcase UP in many parts of the country. With his 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 23 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. Earlier, he handled Heavy Engineering division and is now also responsible for the activities of Lucknow Plant 2. In addition, he continues to shoulder several other corporate responsibilities. He has been instrumental in the execution of several large project orders received by PTC from companies like BHEL and BEML.

Alok Agarwal

Mr. Alok Agarwal began working with PTC Industries in the year 1994, nearly 21 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. He spent a number of years at the Ahemdabad 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 skills, he was chosen to head Lucknow Plant 1 and the Quality & Technical divisions of the Company. He has done extensive work in improving the quality standards in the Plant and obtaining various ISO and other quality certifications for the Company. His responsibilities also include Environment, Health and Safety compliances for the Company.

Narayanan Shadagopan

Mr. Narayanan Shadagopan joined the Company in July 2013 as Non-Executive Director and a nominee of the Investors. Mr. Shadagopan holds an MBA from London Business School.

Mr. Narayanan Shadagopan has more than 19 years experience in investment banking and asset management. He was a Partner at Toscafund Asset Management, a London-based fund manager, and co-managed the Tosca MOD family of funds. He left Toscafund to start Pragati in 2011.

Prior to Toscafund, Mr. Shadagopan has worked briefly in the role of Head of Risk Management within the Financial Institutions Principal and Distressed Group at the Royal Bank of Scotland in London where he was brought in to manage illiquid assets after the financial crisis. Prior to joining RBS, he spent several years in the Principal Transactions group at Credit Suisse in London where he was responsible for deploying the bank's balance sheet across the capital structure in both debt and equity transactions. He started his career at Bear Stearns, in their fixed income division in New York. He has brought a wealth of experience to PTC and is actively involved in the Board processes.

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.

Dr. 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.Literature 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-Commissioner of Income-Tax with the Government of India. He is a director on the Board of various other companies.

Shashi Vaish

Mrs. Shashi Vaish has done her M.Sc in Physics from Kanpur University. She is also a Company Secretary and has served on the Working Committee of Seth M.R. Jaipuria School, Lucknow for over five years. She is also a Director on the Board of M/s Vaibhav Electronics Private Limited. Mrs. Shashi Vaish has an experience of more than 39 years in secretarial work in various capacities.

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.

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 Meetings during the year		Attendance at Last AGM held on 23rd July, 2014
		Held	Attended	
Satish Chandra Agarwal	00142960	6	2	No
Sachin Agarwal	00142885	6	5	Yes
Priya Ranjan Agarwal	00129176	6	4	Yes
Alok Agarwal	00129260	6	6	Yes
Narayanan Shadagopan	03469992	6	5	No
Dr. Rakesh Chandra Katiyar	00556214	6	6	Yes
Ajay Kashyap	00661344	6	2	No
Krishna Das Gupta	00374379	6	5	Yes
Radha Krishna Pandey *1	00190017	3	2	No
Arun Jwala Prasad *2	00277081	2	0	No
Shashi Vaish *3	00655901	2	0	NA
Brij Lal Gupta *4	06503805	1	1	NA

*1 Mr. R.K. Pandey resigned from the directorship of the company w.e.f. September 23, 2014. The details of other directorship and committee is on the date on which he ceased to be the director.

*2 Mr. Arun Jwala Prasad resigned from the directorship of the company w.e.f. August 9, 2014. The details of directorship and committee membership are on the date on which he ceased to be the director.

*3 Mrs. Shashi Vaish was appointed as Women Independent Director w.e.f. August 9, 2014.

*4 Mr. Brij Lal Gupta was appointed as an Independent Director w.e.f. December 6, 2014.

The board met six times during the financial year ended 31st March, 2015 on the following dates and the maximum time gap between the two board Meetings did not exceed the prescribed limit.

i) 23rd April, 2014
ii) 24th May, 2014
iii) 09th August, 2014
iv) 08th November, 2014
v) 06th December, 2014
vi) 07th February, 2015

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 was reconstituted during the year. It comprises of five directors (3 Independent-Non-executive, 1 Executive and 1 Nominee Director). The composition and attendance of the Audit Committee is as under:

	Name	Category	Number of meetings during 2014-15	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	4	4
2.	Alok Agarwal	Member, Executive Director	4	4
3.	Brij Lal Gupta*	Member, Independent Director	1	1
4.	Krishna Das Gupta	Member, Independent Director	4	4
5.	Narayanan Shadagopan	Member, Nominee Director	4	4
6.	Radha Krishna Pandey*	Member, Independent Director	2	1

* Mr. Brij Lal Gupta, Independent Director, was inducted in the Audit Committee w.e.f. December 6, 2014 in place of Mr. Radha Krishna Pandey, Independent Director who resigned from his office w.e.f. September 23, 2014.

The scope, activities and terms of reference of the Audit Committee is as set out in Clause 49 of the Listing Agreement read with 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 has been reconstituted during the year. It comprises of four directors (3 are Independent-Non Executive and 1 is Executive director). The Composition and attendance of the Nomination and Remuneration Committee is as under:

	Name	Category	Number of meetings during 2014-15	
			Held	Attended
1.	Krishna Das Gupta	Chairman, Independent Director	1	1
2.	Satish Chandra Agarwal	Member, Executive Chairman	1	1
3.	Brij Lal Gupta*	Member, Independent Director	0	0
4.	Dr. Rakesh Chandra Katiyar	Member, Independent Director	1	1
5.	Radha Krishna Pandey*	Member, Independent Director	1	1

* Mr. Brij Lal Gupta, Independent Director, was inducted in the Nomination and Remuneration Committee w.e.f. December 6, 2014 in place of Mr. Radha Krishna Pandey, Independent Director who resigned from his office w.e.f. September 9, 2014.

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 the 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 familiarisation 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 2014-2015

(₹ in Lacs)

Name	Salary	Contribution to funds	Sitting fees	Perquisite/ Commission	Total
Satish Chandra Agarwal	32.94		-	9.66	**42.60**
Sachin Agarwal	32.02	2.18	-	28.99	**63.19**
Priya Ranjan Agarwal	21.10	1.48	-	-	**22.58**
Alok Agarwal	20.64	1.40	-	-	**22.04**
Arun Jwala Prasad*	-	-	-	-	
Radha Krishna. Pandey**	-	-	0.15	-	**0.15**
Krishna Das Gupta	-	-	0.47	-	**0.47**
Ajay Kashyap	-	-	0.10	-	**0.10**
Dr. Rakesh Chandra Katiyar	-	-	0.55	-	**0.55**
Shashi Vaish	-	-	-	-	**-**
Brij Lal Gupta	-	-	0.10	-	**0.10**
TOTAL					**151.78**

* Mr. Arun Jwala Prasad, resigned from the directorship of the company w.e.f. August 9, 2014 and the board inducted Mrs. Shashi Vaish, Independent Director appointed in place of him w.e.f. August 9, 2014.

** Mr. Radha Krishna Pandey, resigned from the directorship of the company w.e.f. September 23, 2014 and the board inducted Mr. Brij Lal Gupta, Independent Director appointed in place of him w.e.f. December 6, 2014.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

The Stakeholder Relationship Committee has been reconstituted during the year. It comprises of four directors (2 Independent-Non Executive and 2 Executive directors). Composition and attendance of the Stakeholders Relationship Committee is as under:

	Name	Category	Number of meetings during 2014-15	
			Held	Attended
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director	3	2
2.	Sachin Agarwal	Member, Executive Director	3	3
3.	Satish Chandra Agarwal	Member, Executive Chairman	3	1
4.	Krishna Das Gupta*	Member, Independent Director	1	1

* Mr. Krishna Das Gupta was inducted as a member in the committee w.e.f. February 7, 2015 in place of Mr. Arun Jwala Prasad, Non-Executive Director who resigned from his office w.e.f. August 9, 2014.

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, 2015** are as under:

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

Share Transfers (from April 1, 2014 to March 31, 2015)

No. of shares transferred / transmitted	:	159850/9600
No. of shares pending for transfer	:	Nil
Pending due to Exchange of Counter Receipts (CR) to share certificates	:	NA

There are 69,000 equity shares against which shareholders have not claimed share certificates in lieu of the Counter Receipts (CR) aggregating to 1.32% of the total paid-up equity share capital of the Company.

PROJECT MONITORING AND ENVIRONMENT COMMITTEE

Composition

The Project Monitoring and Environment Committee of the Company comprises of six directors (1 Independent-Non Executive, 4 Executive and 1 Nominee–Non Executive Director). Composition and attendance of Project Monitoring and Environment Committee is as under:

	Name	Category	Number of meetings during 2014-15	
			Held	Attended
1.	Satish Chandra Agarwal	Chairman, Executive Chairman	2	1
2.	Sachin Agarwal	Member, Executive Director	2	2
3.	Alok Agarwal	Member, Executive Director	2	2
4.	Priya Ranjan Agarwal	Member, Executive Director	2	1
5.	Narayanan Shadagopan	Member, Nominee Director	2	1
6.	Ajay Kashyap	Member, Independent Director	2	0

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.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition

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

	Name	Category	Number of meetings during 2014-15	
			Held	Attended
1.	Krishna Das Gupta	Chairman, Independent Director	2	2
2.	Sachin Agarwal	Member, Executive Director	2	2
3.	Alok Agarwal	Member, Executive Director	2	2
4.	Dr. Rakesh Chandra Katiyar	Member, Independent Director	2	2

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 was formed by the resolution passed in the meeting of board of directors held on April 23, 2014. It comprises of three directors (1 Independent-Non Executive and 2 Executive directors). The composition and attendance of the Banking Committee is as under:

	Name	Category	Number of meetings during 2014-15	
			Held	Attended
1.	Sachin Agarwal	Chairman, Managing Director	3	3
2.	Alok Agarwal	Member, Executive Director	3	3
3.	Krishna Das Gupta	Member, Independent Director	3	0

Terms of Reference

The Banking Committee is responsible for the opening and closing of bank accounts, authorising persons to operate the bank accounts of the Company and for any other tasks that may delegated by the board regarding day to day banking matters of the Company.

RISK MANAGEMENT COMMITTEE

Composition

The Risk Management Committee of the board was formed by a resolution passed in the meeting of board of directors held on May 24, 2014. It comprises of three directors and CFO (1 Independent-Non Executive directors, 2 Executive directors and Chief Financial Officer). The composition of the Risk Management Committee is as under:

	Name	Category
1.	Dr. Rakesh Chandra Katiyar	Chairman, Independent Director
2.	Sachin Agarwal	Member, Executive Director
3.	Alok Agarwal	Member, Executive Director
4.	Smita Agarwal	Member, Chief Financial Officer

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, Chief Financial Officer and Company Secretary (2 Executive directors, CFO and CS). The composition of the Listing Committee is as under:

	Name	Category
1.	Sachin Agarwal	Chairman, Executive Director
2.	Alok Agarwal	Member, Executive Director
3.	Smita Agarwal	Member, Chief Financial Officer
4.	Arun Kumar Gupta	Member, General Manager (Finance), Compliance Officer & Company Secretary

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.

BOARD EVALUATION AND TRAINING

Training of board members

The Company, in order to keep its directors appraised with the developments in the industrial sector, arranges skill development program 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 behavior, 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 a 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:

No. of AGM	Date	Time	Location	Special Resolution Passed
51st	July 23, 2014	03:00 P.M.	Registered Office	Yes*
50th	July 16, 2013	02.00 P.M.	Registered Office	Yes
49th	September 29, 2012	03.00 P.M.	Registered Office	Yes

*In the 51st Annual General Meeting of the Company four out of twelve resolutions were passed with requisite majority as Special Resolution.

During the fiscal year 2014-15 no resolutions were passed by postal ballot and no extraordinary general meetings were held.

Special resolutions proposed to be passed by way of postal ballot

In the meeting of board of directors held on May 25, 2015, the board proposed to seek approval from members for sale, lease or disposal of the land, building and immovable assets of Plant 1 and Plant 2 of the Company. The Company is seeking the shareholders' approval for sale, lease or disposal of the land, building and immovable assets of Plant 1 and

Plant 2 of the Company by a special resolution, through postal ballot, for which necessary communication shall be sent in due course of time.

None of the business proposed to be transacted at ensuing Annual General Meeting requires passing of special resolution by postal ballot.

DISCLOSURES

1. 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 Accounting Standard 18 (AS-18) 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.
2. 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.
3. 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.
4. Your company has made compliances with both mandatory as well as non-mandatory requirements of Clause 49 of Listing Agreement in letter and spirit.

Share capital Audit by practicing company secretary

A qualified practicing Company Secretary carried out audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital on stock exchanges. The reconciliation of share capital audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Means of Communication

1. The quarterly and annual results are submitted to the Stock Exchange through electronic mail.
2. Financial results are published in English and Hindi newspapers. Notices of board meetings to approve the financial results are also published in newspapers.
3. Financial results are also displayed at Company's website www.ptcil.com under the head 'Financials'.
4. There are no Institutional Investors nor are any presentations made to analysts.
5. A Management Discussion and Analysis Report is a part of the Company's Annual Report.

Company's Website

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 the Quality Control measures taken by the Company. The financial results are also posted on the website.

Dividend

As the Company has continued its expansion and modernization plans, it expects a huge outlay of funds in the coming year. Hence, the Directors regret their inability to recommend any dividend this year.

GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting	:	Date: August 12, 2015 Time: 03:00 P.M. Venue: Registered Office at Malviya Nagar, Aishbagh, Lucknow-226 004, Uttar Pradesh, India.
Financial calendar (Tentative)	:	1st April 2015 to 31st March 2016 Quarterly financial results tentative dates: Quarter ending June 30, 2015 — August 12, 2015 Quarter ending September, 2015 — November 13, 2015 Quarter ending December 31, 2015 — February 13, 2016 Financial Year ending on March 31, 2016 and fourth quarter ending on that date — May 24, 2016
Book Closure	:	August 5, 2015 to August 12, 2015 (both days inclusive)
Listing on Stock Exchange	:	BSE Limited OTC Exchange of India (De-recognised as a stock exchange under the relevant provision of the Securities and Exchange Board of India Act, 1992 and the Securities Contracts (Regulation) Act, 1956 with effect from March 31, 2015)
Stock Exchange Code	:	BSE Ltd. - 539006
Market Price Data	:	No trading of the equity shares of the Company took place during the last financial year at OTCEI or BSE Ltd. Therefore, details of high/ low price of shares of each month of the last financial year have not been given.
Performance in comparison to broad based indices such as BSE Sensex, CRISIL index, etc.	:	Shares of the company were not traded during the financial year under report hence comparison is not provided.
Corporate Identity Number (CIN)	:	L27109UP1963PLC002931
Registrar and Transfer Agent	:	M/s Link Intime India Pvt. Ltd. C-13 Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup(w), Mumbai 400 078 Phone : 91-22 - 25963838 Fax : 91-22 - 25946969 e-mail : mumbai@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	:	Please refer page ___

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, 2015 is as under:

Description of Shares	Number of Shares	Percentage
No. of shares in physical mode	4,19,280	8.00
No. of shares in electronic mode	48,19,783	92.00
Total	**52,39,063**	**100.00**

Distribution of shareholding (As on March 31, 2015)

Number of shares	Number of shareholders	Number of shares	Percentage to total number of shares
From - To			
1 - 500	475	90,020	1.7182
501 - 1000	46	36,980	0.7059
1001 - 2000	13	20,000	0.3817
2001 - 3000	4	11,300	0.2157
3001 - 4000	1	4,000	0.0763
4001 - 5000	4	19,400	0.3703
5001 - 10000	7	55,090	1.0515
10001 and above	38	50,02,273	95.4803
Total	**588**	**52,39,063**	**100.00**

Shareholding Pattern	No. Of Shares	% of Capital
Promoters and directors (including relatives)	33,21,020	63.39
Foreign companies	10,47,813	20.00
Corporate bodies (other than promoters' companies)	2,27,600	4.34
Indian public	6,15,730	11.75
NRIs	19,800	0.38
Market makers	7,100	0.14
Total	**52,39,063**	**100.00**

Details of the directors seeking appointment/ Reappointment in the forthcoming Annual General Meeting

Name	Mrs. Shashi Vaish	Mr. Brij Lal Gupta	Mr. Alok Agarwal
Date of Birth	20/12/1950	20/07/1951	29/08/1962
Date of Joining	09/08/2014	06/12/2014	27/07/1994
No. of shares held	-	-	3,86,000
Qualification	M.Sc (Physics) and FCS	B.Sc and CAIIB	B. Technology (IIT Kanpur)
Experience	39 years	41 years	21 years
Expertise	Secretarial and legal	Banking, finance and sales operations	Engineering
Other Directorship	Vaibhav Electronics Pvt. Ltd.	-	-
Chairman/membership in committees	-	Member of the following committees of PTC Industries Limited: 1. Audit Committee 2. Nomination and Remuneration Committee	Member of the following committees of PTC Industries Limited: 1. Audit Committee 2. Corporate Social Responsibility Committee 3. Project Monitoring and Environment Committee 4. Banking Committee 5. Risk Management Committee 6. Listing Committee

Company Secretary Certificate regarding compliance of status of Corporate Governance

To the Members of PTC Industries Limited

1. We have examined the compliance of conditions of Corporate Governance by PTC Industries Limited, for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said company Executed with stock exchange(s) in India.
2. 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.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement(s).
4. 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: June 25, 2015

(C.P Shukla)
CP No. 5138
M. No. F3819

Independent Auditor's Report

To the Members of PTC Industries Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of PTC Industries Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order

to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143(3) of the Act, we report that:

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

b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

e. on the basis of the written representations received from the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act;

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

i. as detailed in Note 2.30 to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;

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

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Walker Chandiok & Associates
Chartered Accountants
Firm's Registration No.: 001329N

per **Siddharth Talwar**
Partner
Membership No. 512752

Place : New Delhi

Date : 25 May 2015

Annexure to the Independent Auditor's Report of even date to the members of PTC Industries Limited on the financial statements for the year ended 31 March 2015

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, 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. No material discrepancies were noticed on such verification.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management.

b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.

(iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

(v) 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) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth 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 with 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, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Amount paid under protest (₹)	Period to which the amount relates	Forum where dispute is pending
UP VAT Act 2007	Penalty	1,590,000	596,250	2013-14	Tribunal, Commercial Tax, Uttar Pradesh

Annexure to the Independent Auditor's Report of even date to the members of PTC Industries Limited on the financial statements for the year ended 31 March 2015

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.

(viii) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.

(ix) In our opinion, the Company has not defaulted in repayment of dues to any financial institution or a bank or to debenture-holders during the year.

(x) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable.

(xi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.

(xii) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

For Walker Chandiok & Associates
Chartered Accountants
Firm's Registration No.: 001329N

per **Siddharth Talwar**
Partner
Membership No. 512752

Place : New Delhi

Date : 25 May 2015

(All amounts in Indian rupees, unless stated otherwise)

Balance Sheet	Note	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	5,23,90,630	4,19,12,500
Reserves and surplus	2.2	1,08,74,54,304	64,87,71,300
		1,13,98,44,934	**69,06,83,800**
Non current liabilities			
Long term borrowings	2.3	1,53,98,848	45,76,94,191
Deferred tax liabilities, net	2.4	6,34,15,302	7,61,99,948
Other long term liabilities	2.5	10,500	26,250
Long term provisions	2.6	62,11,786	1,02,74,552
		8,50,36,436	**54,41,94,941**
Current liabilities			
Short term borrowings	2.7	20,34,72,693	20,42,06,142
Trade payables	2.8	8,24,62,228	8,69,60,716
Other current liabilities	2.9	8,36,40,057	11,94,23,363
Short term provisions	2.10	37,59,497	69,43,902
		37,33,34,475	**41,75,34,123**
TOTAL		**1,59,82,15,845**	**1,65,24,12,864**
ASSETS			
Non current assets			
Fixed assets			
Tangible assets	2.11	42,75,66,093	47,75,74,140
Intangible assets	2.11	24,51,038	31,66,638
Capital work in progress		34,71,61,945	18,19,73,014
Non current investments	2.12	2,82,020	1,86,100
Long term loans and advances	2.13	7,40,52,093	6,92,77,257
Other non current assets	2.14	-	13,10,111
		85,15,13,189	**73,34,87,260**
Current assets			
Current investments	2.15	18,36,309	18,36,309
Inventories	2.16	32,17,15,512	28,82,87,993
Trade receivables	2.17	31,71,84,188	31,68,36,381
Cash and bank balances	2.18	1,33,15,450	14,69,10,469
Short term loans and advances	2.19	5,75,82,170	6,67,16,309
Other current assets	2.20	3,50,69,027	9,83,38,143
		74,67,02,656	**91,89,25,604**
TOTAL		**1,59,82,15,845**	**1,65,24,12,864**

Significant accounting policies 1
Notes 1 to 2.42 form an integral part of financial statements

This is the Balance Sheet referred to in our report of even date
For Walker Chandiok & Associates
Chartered Accountants

per **Siddharth Talwar**
Partner

Place : Delhi
Date : May 25, 2015

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

Sachin Agarwal
Managing Director

Smita Agarwal
Chief Financial Officer

Alok Agarwal
Director (Quality & Technical)

A. K. Gupta
Company Secretary

Place : Lucknow
Date : May 25, 2015

Statement of Profit and Loss

	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
INCOME			
Revenue from operations, gross	2.21	1,03,33,59,701	1,22,26,80,509
Less : Excise duty		2,56,19,551	3,20,87,158
Revenue from operations, net		**1,00,77,40,150**	**1,19,05,93,351**
Other income	2.22	1,64,34,980	2,54,56,525
Total income		**1,02,41,75,130**	**1,21,60,49,876**
EXPENSES			
Cost of materials consumed	2.23	31,68,36,674	35,96,46,935
Changes in inventories of finished goods and work in progress	2.24	(4,39,53,579)	2,38,95,002
Employee benefits expense	2.25	16,76,21,600	16,16,98,830
Research and development expense	2.28	57,17,135	70,97,565
Other expenses	2.26 (a)	38,72,53,858	44,08,46,348
Prior period expenses	2.26 (b)	1,08,971	1,02,08,449
Total expenses		**83,35,84,659**	**1,00,33,93,129**
Profit before finance cost, depreciation, exceptional items and tax		**19,05,90,471**	**21,26,56,747**
Finance costs	2.27	2,56,30,458	5,30,05,193
Depreciation and amortisation	2.11	6,35,72,761	4,37,29,923
Profit before exceptional items and tax		**10,13,87,252**	**11,59,21,631**
Exceptional items	2.36	1,59,89,782	57,94,540
Profit before tax		**8,53,97,470**	**11,01,27,091**
Tax expenses			
- current tax		2,56,60,042	2,46,31,957
- deferred tax		(25,70,168)	(2,24,864)
- deferred tax (earlier years)		(26,35,021)	2,54,79,782
Profit for the year		**6,49,42,617**	**6,02,40,216**
Earnings per share (before exceptional items) ₹ 10/- each fully paid up			
Basic (in ₹)	2.38	16.85	15.76
Diluted (in ₹)		15.45	13.45
Earnings per share (after exceptional items) ₹ 10/- each fully paid up			
Basic (in ₹)	2.38	13.52	14.37
Diluted (in ₹)		12.40	12.27

Significant accounting policies 1
Notes 1 to 2.42 form an integral part of financial statements

This is the Balance Sheet referred to in our report of even date
For Walker Chandiok & Associates
Chartered Accountants

per **Siddharth Talwar**
Partner

Place : Delhi
Date : May 25, 2015

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

Sachin Agarwal
Managing Director

Smita Agarwal
Chief Financial Officer

Alok Agarwal
Director (Quality & Technical)

A. K. Gupta
Company Secretary

Place : Lucknow
Date : May 25, 2015

(All amounts in Indian rupees, unless stated otherwise)

	Cash flow statement	For the year ended March 31, 2015	For the year ended March 31, 2014
A	**Cash flow from operating activities**		
	Net profit before tax	**8,53,97,470**	**11,01,27,091**
	Adjustment for :		
	Depreciation	6,35,72,761	5,39,69,115
	Unrealised foreign exchange fluctuation loss	63,57,464	1,69,03,820
	Loss on sale of fixed assets	12,84,682	5,57,667
	Provision for doubtful debts/ loans and advances	9,98,863	-
	Bad debts written off	20,41,022	76,94,796
	Dividend and other income	(844)	(8,125)
	Provisions made no longer required written back	(80,68,373)	(11,62,147)
	Finance costs	1,89,70,202	4,32,22,039
	Interest on deposit	(82,43,954)	(2,07,63,038)
	Operating profit before working capital changes	**16,23,09,293**	**21,05,41,218**
	Adjustments for changes in working capital :		
	(Increase)/decrease in trade receivables	(66,71,922)	8,62,94,178
	(Increase)/decrease in inventories	(3,34,27,519)	6,31,88,509
	Decrease /(increase) in loans and advances and other assets (current and non current)	8,17,77,825	(7,79,60,398)
	Increase/(decrease) in trade payables, provisions and other liabilities	(8,95,26,055)	36,61,923
	Cash generated from operations	**11,44,61,622**	**28,57,25,430**
	Income tax paid	(1,76,00,000)	(1,95,00,000)
	Net cash from operating activities(A)	**9,68,61,622**	**26,62,25,430**
B	**Cash flows from investment activities**		
	Purchase of fixed assets	(18,26,99,185)	(13,16,32,565)
	Sale of fixed assets	12,46,265	20,03,820
	Interest received	1,30,04,659	1,70,88,976
	Proceeds from fixed deposits	(16,58,61,249)	(2,13,45,42,336)
	Placement of fixed deposits	27,83,06,643	2,04,33,39,301
	Purchase of current and non current investments	(95,920)	(19,36,309)
	Dividend received	844	8,125
	Net cash from investment activities (B)	**(5,60,97,943)**	**(20,56,70,988)**
C	**Cash from financing Activities**		
	Proceeds from long term borrowings	(4,22,95,343)	(10,11,23,070)
	Proceeds from TDDP - DSIR Grant	-	1,00,00,000
	Proceeds from issue of CCD's	-	40,00,00,000
	Proceeds from short term borrowings (net)	(7,33,449)	(29,99,94,534)
	Interest expense	(1,88,84,512)	(4,63,85,303)
	Net cash used in financing activities (C)	**(6,19,13,304)**	**(3,75,02,907)**
	Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	**(2,11,49,625)**	**2,30,51,535**
	Cash and cash equivalents at beginning of period	**2,70,51,220**	**39,99,685**
	Cash and cash equivalents at end of period (refer note 2.18)	**59,01,595**	**2,70,51,220**

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

For Walker Chandiok & Associates
Chartered Accountants

per **Siddharth Talwar**
Partner

Place : Delhi
Date : May 25, 2015

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

Sachin Agarwal
Managing Director

Smita Agarwal
Chief Financial Officer

Alok Agarwal
Director (Quality & Technical)

A. K. Gupta
Company Secretary

Place : Lucknow
Date : May 25, 2015

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

1.1 Basis of preparation of financial statements

The financial statements have been prepared to comply with the accounting principles generally accepted in India ("Indian GAAP"), including the Accounting Standards specified under Section 133 of the Companies Act 2013 (the 'Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The financial statements have been prepared on a going concern basis under the historical cost convention on the accrual basis of accounting. The accounting policies have been consistently applied by the Company.

1.2 Use of estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Examples of such estimates includes estimated provision for doubtful debts/advances, employee retirement benefit plans, provision for income taxes, useful life of fixed assets, diminution in value of investments, other probable obligations and inventory write down. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

1.3 Fixed assets

(a) Tangible assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss. Project under commissioning and other assets under erection/installation are shown under capital work in progress and are carried at cost, comprising of direct cost and related incidental expenses. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Foreign currency loans availed for acquisition of fixed assets are converted at the rate prevailing on the due date for installments repayable during the year and at the rate prevailing on the date of balance sheet for the outstanding loan. The fluctuation is adjusted in the original cost of fixed assets.

(b) Intangible assets

Intangibles are stated at cost less accumulated amortization and impairment losses (if any). Cost related to technical assistance for new projects are capitalized. The software and technical assistance are amortised over a period of 10 years.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

1.4 Depreciation

(a) Tangible and Intangible assets

(I) Depreciation on fixed assets is provided pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has, effective from 1st April 2014, revised the estimated useful lives of its fixed assets, which are either less than or in accordance with the provisions of Schedule II to the Act as follows:

Block of asset	Life (in years)
Free hold land	N.A.
Lease hold land	Lease period
Factory building	30 years
Plant and Machinery	10 years (Plant-1) 15 years (Other Plants)
Computer	3 years
Lab Equipment	10 years
Moulds and Dies	8 years
Vehicles	8 years
Motor cycles and scooters	10 years
Furniture and fixtures	10 years
Office equipments	5 years
Windmill	22 years
Intangible assets	
Software	6 years
Licenses	5 years

(II) Leasehold land is depreciated over the period of lease.

(III) Cost of License is amortized over a period of five years, which is the tenure of licence agreement.

1.5 Investments

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments; all other investments are classified as long term investments. Long term investments are carried at cost less provision (if any) for decline in value which is other than temporary in nature. Current investments are carried at lower of cost and fair value.

1.6 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition:

- Cost of raw materials, stores and spares includes direct expenses and is determined on the basis of first in first out method.
- Work in progress is carried at lower of cost or net realisable value.
- Finished products are valued at lower of cost or net realisable value and net of excise duty.

1.7 Employee benefits

(a) Provident fund

The Company makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee. The Company makes monthly contributions and has no further obligation under the plan beyond its contributions.

(b) Gratuity

Gratuity is a post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the year in which such gains or losses arise.

The Company also has a defined contribution superannuation plan in respect of eligible employees under a scheme of Life Insurance Corporation of India; contributions in respect of such scheme are recognized in the Statement of Profit and Loss.

(c) Compensated absences

Provision for compensated absences when determined to be a long term benefit is made on the basis of actuarial valuation as at the end of the year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the year in which such gains or losses arise. Provision related to short term compensated absences of workers is provided on actual basis.

(d) Short Term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

1.8 Research and development costs

Revenue expenditure is charged to the Statement of Profit and Loss under respective heads of account in the year in which it is incurred. Capital expenditure is included in fixed assets and depreciated as per the depreciation policy of the Company.

1.9 Impairment

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

1.10 Foreign currency transactions

(a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(c) Exchange differences

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

The Company generally uses foreign exchange forward contracts to hedge its exposure for movement in foreign exchange rates. The use of these foreign exchange forward contracts reduces the risk or cost to the Company and the Company does not use the foreign exchange forward contracts or options for trading or speculation purpose.

Foreign exchange forward contracts where there is an underlying are accounted in accordance with AS 11-"The Effects of changes in Foreign Exchange Rates" i.e.,

(a) the premium or discount on all such contracts arising at the inception of each contract is amortised as income or expenditure over the life of contract.

(b) the exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

(c) any profit or loss arising on the cancellation or renewal of such contracts is recognised as income or as expense for the year.

(d) The Company has elected to account for exchange difference arising on reporting of long-term foreign currency items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 pertaining to (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011). Accordingly, the effect of exchange differences on long term foreign currency loans of the Company is accounted by addition or deduction to the cost of fixed assets so far it relates to depreciable capital assets.

1.11 Taxation

The tax expense comprises of current taxes and deferred taxes. Current tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of Income Tax Act, 1961. Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are reviewed at each Balance Sheet date and recognized/derecognized only to the extent that there is reasonable/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes 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 recognizes 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.

1.12 Revenue recognition

(a) Revenue from sale of goods is recognised upon transfer of all significant risks and rewards incident to ownership to the buyer which generally coincides with the dispatch of goods to the customers.

i) Domestic sales are recorded net of sale returns, sales tax and excise duty. Export sales are stated net of returns and include export incentives.

ii) No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

(b) Revenue generated from Windmill located in district Kutch, Gujarat is adjusted against the consumption of power at the manufacturing unit of the Company located in Mehsana, Gujarat. The monetary value of the unit so adjusted, calculated at the prevailing Gujarat Energy Transmission Corporation Limited (GETCO) rate net of wheeling charge is included in the Power and Fuel Account. The value of the unadjusted units as at the balance sheet date has been included under Sundry Debtors.

The Company has been permitted by the Gujarat Energy Development Agency (GEDA) to set up a Wind Farm of 0.75 MW in district Kutch, Gujarat in accordance with the provisions of the Wind Power Generation Policy, 2002. A tripartite Wheeling and Banking agreement has been entered into by the Company with GEDA and Gujarat Energy Transmission Corporation Limited (GETCO).

(c) Income from interest on deposits, loans and interest bearing securities is recognised on the time proportionate method taking into account the amount invested and the underlying rate of interest.

1.13 Export benefits/incentives

Revenue in respect of duty entitlement pass book scheme, focus claims and duty drawback scheme is recognized on an accrual basis on export of goods if the entitlement can be estimated with reasonable accuracy.

1.14 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

1.15 Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event, where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made.

A disclosure for a contingent liability is made where there is a :

(i) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;

(ii) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

(iii) or where reliable estimate of the obligation cannot be made.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.16 Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 Cash and bank equivalents

Cash and cash equivalents comprise cash on hand, in current accounts and deposits accounts with an original maturity of three months or less and exclude restricted cash. Restricted cash represents deposits that have been pledged with banks against performance guarantees issued to customers as security to meet contractual obligations.

1.18 Government grants

Grants in the nature of contribution towards capital cost of setting up projects are treated as capital reserve.

1.19 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for its intended use are complete.

1.20 Segment reporting

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of goods produced, with each segment representing a strategic business unit that serves different markets. The Company operates in India and other countries and accordingly geographical segments have been reported.

Intersegment transfers:

Inter segment revenues have been accounted for based on the transaction price agreed to between segments which is primarily market led.

Allocation of costs:

Direct revenues and direct expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenues and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis are presented as "Unallocable" in the segment disclosure.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.1 Share Capital

Particulars	As at March 31, 2015 Amount	As at March 31, 2014 Amount
Authorised		
89,75,000 (previous year 89,75,000) equity shares of ₹ 10 each	8,97,50,000	8,97,50,000
20,25,000 (previous year 20,25,000) redeemable cumulative preference shares of ₹ 10 each	2,02,50,000	2,02,50,000
	11,00,00,000	11,00,00,000
Issued, subscribed and fully paid up		
52,39,063 (previous year 41,91,250) equity shares of ₹ 10 each	5,23,90,630	4,19,12,500
	5,23,90,630	4,19,12,500

a) Reconciliation of the number of equity shares outstanding :

	Equity shares with voting rights			
	As at March 31, 2015		As at March 31, 2014	
Particulars	**Number**	**Amount**	**Number**	**Amount**
Opening balance	41,91,250	4,19,12,500	41,91,250	4,19,12,500
Shares issued on conversion of CCDs	10,47,813	1,04,78,130	-	-
Closing balance	**52,39,063**	**5,23,90,630**	**41,91,250**	**4,19,12,500**

b) Shares issued on conversion of Compulsory Convertible Debentures (CCDs)

Pursuant to the resolution passed by the shareholders of the Company at the Annual General Meeting held on 16 July 2013, the Company had issued Zero Coupon Compulsory Convertible Debentures of face value of ₹ 1,000 each for a consideration of ₹ 40,00,00,000 to Pragati India Fund Limited and PI International LP through preferential issue. CCDs were converted as under in two tranches during the financial year:

Dates of Board Meetings in which conversion of CCDs into equity shares were approved	Tranche No.	No. of CCDs converted	No. of shares issued in lieu of conversion
April 23, 2014	1	1,39,130	3,64,456
November 8, 2014	2	2,60,870	6,83,357
		4,00,000	**10,47,813**

c) 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.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

d) Details of shareholders holding more than 5 percent shares in the Company:

	Equity shares with voting rights			
	As at March 31, 2015		As at March 31, 2014	
Name of Shareholders	**No. of shares held**	**% of holding**	**No. of shares held**	**% of holding**
Pragati India Fund Limited	10,47,813	20.00%	-	-
Mapple Commerce Private Limited	6,23,750	11.91%	6,23,750	14.88%
Satish Chandra Agarwal	5,84,480	11.16%	5,84,480	13.95%
Saroj Agarwal	5,29,700	10.11%	5,29,700	12.64%
Nirala Merchants Private Limited	4,60,200	8.78%	4,10,200	9.79%
Priya Ranjan Agarwal	3,86,000	7.37%	3,86,000	9.21%

e) Share capital includes 27,60,000 equity shares of ₹ 10 each allotted as fully paid bonus shares in the year 1993-94 by capitalisation of general reserve and revaluation reserve.

2.2 RESERVES AND SURPLUS

Particulars	**As at March 31, 2015**	**As at March 31, 2014**
Capital reserve	**1,75,200**	**1,75,200**
Technology Development and Demonstration Programme grant (note a)		
Opening balance	4,00,00,000	3,00,00,000
Add: additions during the year	-	1,00,00,000
	4,00,00,000	**4,00,00,000**
Securities premium account		
Opening balance	2,25,50,000	2,25,50,000
Additions during the year	38,95,21,870	-
	41,20,71,870	**2,25,50,000**
General reserve	**46,24,16,726**	**46,24,16,726**
Statement of profit and loss		
Opening balance	12,36,29,374	6,33,89,158
Adjustment of depreciation (net of deferred tax) [refer note 2.11]	-1,57,81,483	-
Additions during the year	6,49,42,617	6,02,40,216
Available for appropriations	**17,27,90,508**	**12,36,29,374**
Total	**1,08,74,54,304**	**64,87,71,300**

a) The Company has submitted a project proposal amounting to ₹ 18,00,00,000 to the Department of Scientific and Industrial Research, Ministry of Science and Technology, New Delhi, for development and commercialization of RapidCast™ Technology of single piece Stainless Steel Casting of upto 5,000 kgs. The department has committed partial support as a grant of ₹ 5,00,00,000 out of total cost of ₹ 18,00,00,000 under the Technology Development and Demonstration Programme (TDDP) of Department of Scientific and Industrial Research (DSIR) for a project duration of 24 months vide their letter no.DSIR/TDDP/PTCIL-41/2010-11 dated September 20, 2011 and after that this was extended by DSIR up to September 8, 2014 vide their letter dated December 23, 2013. This has been further extended by DSIR up to September 30, 2015. The Company had received grant of ₹ 4,00,00,000 during previous years and incurred the expense of ₹ 82,29,279 during the year towards the project.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.3 LONG TERM BORROWINGS

	As at March 31, 2015		As at March 31, 2014	
Particulars	**Non-current**	**Current**	**Non-current**	**Current**
Secured				
Term loans from banks	1,42,25,892	2,60,84,360	5,71,31,651	2,52,55,728
Vehicle loans	11,72,956	10,11,136	5,62,540	21,77,046
	1,53,98,848	**2,70,95,496**	**5,76,94,191**	**2,74,32,774**
Unsecured				
Loans from others	-	-	-	8,52,181
	-	**-**	**-**	**8,52,181**
Unsecured				
Compulsory convertible debentures	-	-	40,00,00,000	-
	-	**-**	**40,00,00,000**	**-**
Total	**1,53,98,848**	**2,70,95,496**	**45,76,94,191**	**2,82,84,955**

Notes:

(a) Term loans from State Bank of India are secured by way of:

i) Equitable mortgage on pari-passu basis on the land & building of Lucknow Plant 1, Lucknow Plant 2, land at Vill-Bani & Vill-Sarai Shahajadi, Pargana-Bijnor and land at Surajbari (Windmill) and first pari-passu charge on all movable fixed assets of the Company.

ii) Personal guarantee of four directors.

(b) Term of repayments (State Bank of India)

	As at March 31, 2015			As at March 31, 2014		
	Loan	**Pending**	**Periodicity**	**Loan**	**Pending**	**Periodicity**
Bank Name	**Amount**	**Installments**	**Repayments**	**Amount**	**Installments**	**Repayments**
State Bank of India	1,32,24,491	4	Quarterly	3,90,76,540	8	Quarterly
	2,70,85,761	8	Quarterly	4,33,10,840	12	Quarterly

(c) Vehicle loans from Tata Capital Financial Services Limited are secured by way of absolute charge on specific assets purchased under the scheme and repayable within a period of 36 months. Entire loan is repayable up to February, 2018.

(d) Compulsory Convertible Debentures (CCDs)

Pursuant to the resolution passed by the shareholders of the Company at the Annual General Meeting held on 16 July 2013, the Company had issued Zero Coupon Compulsory Convertible Debentures of face value of ₹ 1,000 each for a consideration of ₹ 40,00,00,000 to Pragati India Fund Limited and PI International LP through preferential issue. Further, 1,39,130 CCDs were converted in to 3,64,456 fully paid equity shares by the Board of Directors in their meeting held on April 23, 2014 in first tranche and 2,60,870 CCDs were converted in to 6,83,357 fully paid equity shares by the Board of Directors in their meeting held on November 8, 2014 in second tranche during the financial year.

(e) Rate of interest

The Company's long term borrowings from banks and others have an effective weighted average rate of 4.69% p.a. (previous year 4.72% p.a.) calculated using interest rates effective as on March 31, 2015 for the respective borrowings.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.4 DEFERRED TAX LIABILITIES, NET

Particulars	As at March 31, 2015	As at March 31, 2014
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation charged in the books	3,86,52,136	7,90,93,787
Tax impact on allowance under tax exemptions/deductions	2,95,88,889	23,77,988
Deferred tax assets		
Provision for employee benefits	40,16,235	47,91,369
Provision for doubtful debts	8,09,488	4,80,458
Deferred tax liabilities, net	**6,34,15,302**	**7,61,99,948**

2.5 OTHER LONG TERM LIABILITIES

Particulars	As at March 31, 2015	As at March 31, 2014
Security deposit	10,500	26,250
	10,500	**26,250**

2.6 LONG TERM PROVISIONS

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for employees benefits		
- Gratuity (refer note 2.31)	-	59,09,193
- Compensated absences	62,11,786	43,65,359
	62,11,786	**1,02,74,552**

2.7 SHORT TERM BORROWINGS

Particulars	As at March 31, 2015	As at March 31, 2014
Secured		
Cash credits from banks	19,46,30,853	18,22,80,702
Buyers' credit in foreign currency from banks	88,41,840	2,19,25,440
	20,34,72,693	**20,42,06,142**

a) Short term borrowing from State Bank of India and Punjab National Bank are secured by way of:

i) First charge ranking pari-passu on the whole of the present and future current assets of the Company.

ii) Second charge on equitable mortgage on pari-passu basis on the land & building of Lucknow Plant 1, Lucknow Plant 2, land at Vill-Bani and Vill-Sarai Shahajadi and land at Surajbari (Windmill).

iii) Personal guarantee of four directors.

2.8 TRADE PAYABLES

Particulars	As at March 31, 2015	As at March 31, 2014
Payables to micro, small and medium enterprises	-	-
Others	8,24,62,228	8,69,60,716
	8,24,62,228	**8,69,60,716**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

Based on the information available with the Company, no principal or interest is payable to micro, small and medium enterprises at the balance sheet date. Further, no interest during the year has been paid or was payable in this respect. The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

2.9 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2015	As at March 31, 2014
Current maturities of long term borrowings (refer note 2.3)	2,70,95,496	2,82,84,955
Interest accrued and due on borrowings	8,60,559	7,74,869
Amount payable to banks	-	4,52,90,777
Advance from customers	19,24,872	86,51,016
Creditors for capital goods	2,90,17,165	77,86,418
Statutory dues payable	7,82,657	10,90,022
Employee payables	55,77,874	42,81,780
Security deposit	-	50,00,000
Other payables	1,83,81,434	1,82,63,526
	8,36,40,057	**11,94,23,363**

2.10 SHORT TERM PROVISIONS

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for wealth tax	95,142	92,616
Provision for taxation (net of advance tax)	-	35,83,629
Provision for employee benefits		
- Gratuity (refer note 2.31)	26,58,089	24,22,314
- Leave encashment	10,06,266	8,45,343
	37,59,497	**69,43,902**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.11 Fixed Assets

DESCRIPTION OF ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION AND AMORTISATION				NET BLOCK	
Particulars	As at April 1, 2014	Additions	Deductions	As at March 31, 2015	As at April 1, 2014	For the year	Deductions	Up to March 31, 2015	As at March 31, 2015	As at March 31, 2014
TANGIBLE ASSETS										
Freehold land	4,01,33,593	-	-	4,01,33,593	-	-	-	-	4,01,33,593	4,01,33,593
Leasehold land	2,12,49,549	-	-	2,12,49,549	64,43,412	3,31,897	-	67,75,309	1,44,74,240	1,48,06,137
Factory building	8,61,24,125	8,80,160	-	8,70,04,285	2,45,22,885	26,89,264	-	2,72,12,149	5,97,92,136	6,16,01,239
Plant and machinery	47,54,80,360	1,82,21,721	2,46,24,337	46,90,77,744	21,12,83,663	5,72,80,534	2,30,77,293	24,54,86,904	22,35,90,840	26,57,78,929
Computer	1,52,38,030	3,06,787	-	1,55,44,817	1,21,26,558	16,70,262	-	1,37,96,820	17,47,997	31,11,469
Mould and dies	9,67,80,029	1,35,65,645	79,53,522	10,23,92,152	5,03,88,225	1,13,68,344	76,82,597	5,40,73,972	4,83,18,180	4,63,91,804
Vehicles	2,26,32,097	45,96,693	55,16,697	2,17,12,093	83,47,425	40,64,557	48,03,719	76,08,263	1,41,03,830	1,42,84,673
Furniture and fixtures	1,07,90,736	2,35,463	-	1,10,26,199	52,54,854	9,40,238	-	61,95,092	48,31,107	55,35,883
Office equipments	86,17,925	4,91,310	-	91,09,235	39,68,776	27,40,455	-	67,09,231	24,00,004	40,98,286
Research and development assets										
Plant and machinery	2,48,88,807	2,27,104	-	2,51,15,911	67,81,337	26,59,921	-	94,41,258	1,56,74,653	1,70,76,102
Computer	1,11,804	-	-	1,11,804	69,748	34,598	-	1,04,346	7,458	42,056
Mould and dies	1,11,76,876	-	-	1,11,76,876	69,96,387	21,39,377	-	91,35,764	20,41,112	41,80,490
Vehicles	6,34,822	-	-	6,34,822	1,01,343	82,536	-	1,83,879	4,50,943	5,33,479
TOTAL (A)	**81,38,58,753**	**3,85,24,883**	**3,80,94,556**	**81,42,89,080**	**33,62,84,613**	**8,60,01,983**	**3,55,63,609**	**38,67,22,987**	**42,75,66,093**	**47,75,74,140**
INTANGIBLE ASSETS										
Software	92,38,923	2,11,485	-	94,50,408	62,55,815	8,43,362	-	70,99,177	23,51,231	29,83,108
Licenses	39,70,296	-	-	39,70,296	39,70,296	-	-	39,70,296	-	-
Research and development assets										
Software	4,63,892	4,633	-	4,68,525	2,80,362	88,356	-	3,68,718	99,807	1,83,530
TOTAL (B)	**1,36,73,111**	**2,16,118**	**-**	**1,38,89,229**	**1,05,06,473**	**9,31,718**	**-**	**1,14,38,191**	**24,51,038**	**31,66,638**
GRAND TOTAL (A+B)	**82,75,31,864**	**3,87,41,001**	**3,80,94,556**	**82,81,78,309**	**34,67,91,086**	**8,69,33,701**	**3,55,63,609**	**39,81,61,178**	**43,00,17,131**	**48,07,40,778**

a) Additions to fixed assets include exchange loss of ₹ 20,86,237 (previous year exchange loss of ₹ 1,07,34,090) capitalized during the year.

b) The Company has reassessed the useful life of fixed assets in accordance with the guidelines under Schedule II of the Companies Act, 2013 with effect from 1st April 2014, resulting into adjustment of ₹ 1,57,81,483 (net of deferred tax) to the opening balance of retained earnings and addition in depreciation expense for the current year by ₹ 1,01,54,753.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

DESCRIPTION OF ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION AND AMORTISATION				NET BLOCK	
Particulars	As at April 1, 2013	Additions	Deductions	As at March 31, 2014	As at April 1, 2013	For the year	Deductions	Up to March 31, 2014	As at March 31, 2014	As at March 31, 2013
TANGIBLE ASSETS										
Freehold land	3,87,98,593	13,35,000	-	4,01,33,593	-	-	-	-	4,01,33,593	3,87,98,593
Leasehold land	2,12,49,549	-	-	2,12,49,549	61,74,898	2,68,514	-	64,43,412	1,48,06,137	1,50,74,651
Factory building	8,13,77,387	47,46,738	-	8,61,24,125	2,20,06,105	25,16,780	-	2,45,22,885	6,16,01,240	5,93,71,282
Plant and machinery	45,79,42,367	1,88,91,818	13,53,825	47,54,80,360	17,74,86,196	3,40,11,024	2,13,557	21,12,83,663	26,41,96,697	28,04,56,171
Computer	1,42,55,400	9,82,630	-	1,52,38,030	1,08,29,194	12,97,364	-	1,21,26,558	31,11,472	34,26,206
Mould and dies	8,68,57,900	99,22,129	-	9,67,80,029	4,09,28,893	94,59,332	-	5,03,88,225	4,63,91,804	4,59,29,007
Vehicles	2,12,65,120	28,19,116	14,52,139	2,26,32,097	74,70,918	17,01,223	8,24,716	83,47,425	1,42,84,672	1,37,94,202
Furniture and fixtures	1,08,83,287	7,01,795	7,94,346	1,07,90,736	47,29,614	5,25,790	550	52,54,854	55,35,882	61,53,673
Office equipments	80,48,704	5,69,221	-	86,17,925	36,88,873	2,79,903	-	39,68,776	46,49,149	43,59,831
Research and development assets										
Plant and machinery	2,48,45,417	43,390	-	2,48,88,807	51,84,223	15,97,114	-	67,81,337	1,81,07,470	1,96,61,194
Computer	1,11,804	-	-	1,11,804	51,949	17,799	-	69,748	42,056	59,855
Mould and dies	1,11,76,876	-	-	1,11,76,876	57,06,026	12,90,361	-	69,96,387	41,80,489	54,70,850
Vehicles	2,48,603	3,86,219	-	6,34,822	64,960	36,383	-	1,01,343	5,33,479	1,83,643
TOTAL (A)	**77,70,61,007**	**4,03,98,056**	**36,00,310**	**81,38,58,753**	**28,43,21,849**	**5,30,01,587**	**10,38,823**	**33,62,84,613**	**47,75,74,140**	**49,27,39,158**
INTANGIBLE ASSETS										
Software	86,50,100	5,88,823	-	92,38,923	53,63,502	8,92,313	-	62,55,815	29,83,108	32,86,597
Licences	39,70,296	-	-	39,70,296	39,70,296	-	-	39,70,296	-	-
Research and development assets										
Software	4,63,892	-	-	4,63,892	2,05,148	75,214	-	2,80,362	1,83,530	2,58,746
TOTAL (B)	**1,30,84,288**	**5,88,823**	**-**	**1,36,73,111**	**95,38,946**	**9,67,527**	**-**	**1,05,06,473**	**31,66,638**	**35,45,343**
GRAND TOTAL (A+B)	**79,01,45,295**	**4,09,86,879**	**36,00,310**	**82,75,31,864**	**29,38,60,795**	**5,39,69,114**	**10,38,823**	**34,67,91,086**	**48,07,40,778**	**49,62,84,501**

a) Additions to fixed assets include exchange loss of ₹ 1,07,34,090 (previous year exchange loss of ₹ 34,31,045) and borrowing costs of ₹ nil (Previous year ₹ 24,80,753) capitalized during the year.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.12 Non Current Investments

Particulars	As at March 31, 2015	As at March 31, 2014
Long term investments (Non - Trade)		
Quoted (valued at cost unless otherwise stated)		
Investments in mutual funds		
UTI Equity Fund (Prev. Mastergain1992 of UTI) 5,000 units of Rs. 10 each (previous year - 5,000 units of Rs. 10 each)	50,000	50,000
Investment in equity instruments		
Equity Shares in Valecha Engineering Limited 1,125 shares of Rs. 10 each (previous year - 1,125 shares of Rs. 10 each)	20,100	20,100
Equity Shares in Kailash Structures Limited 1,600 shares of Rs. 10 each (previous year - 1,600 shares of Rs. 10 each)	-	16,000
	70,100	**86,100**
Unquoted - Trade (valued at cost unless otherwise stated)		
Investment in subsidiaries		
21,192 (previous year - 10,000) Equity shares in Modrany & PTC Piping Systems Private Limited (face value of Rs.10/-each fully paid up)	2,11,920	1,00,000
	2,11,920	**1,00,000**
	2,82,020	**1,86,100**
Market value of investments in mutual funds	4,32,018	3,59,199
Aggregate market value of investments in equity instruments	1,00,631	42,806

2.13 Long Term Loans And Advances

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured considered good)		
Capital advances	4,17,02,990	89,15,847
Security deposits	62,03,513	58,27,963
Loan to employees	69,42,012	64,16,548
Accrued interest	7,33,303	55,91,298
Balances with statutory and government authorities	-	1,50,00,000
Advance income tax (previous years, net of provision)	13,70,304	8,34,163
Minimum alternate tax credit entitlement	1,70,99,971	2,66,91,438
	7,40,52,093	**6,92,77,257**

2.14 Other Non Current Assets

Particulars	As at March 31, 2015	As at March 31, 2014
Deposits with banks	-	13,10,111
	-	**13,10,111**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.15 Current Investments

Particulars	As at March 31, 2015	As at March 31, 2014
Quoted (valued at cost or fair value, whichever is lower)		
Investments in mutual funds		
PNB Mutual Fund	15,45,068	15,45,068
777.481 units (previous year 777.481 units) of Rs. 1,987.27 each		
IDFC Mutual Fund	2,91,241	2,91,241
190.688 units (previous year 190.688 units) of Rs. 1,527.32 each		
	18,36,309	**18,36,309**
Market value of investments in mutual fund as at the end of the year	20,35,532	18,74,764

2.16 Inventories

Particulars	As at March 31, 2015	As at March 31, 2014
Direct raw materials	8,15,41,852	8,67,40,929
Materials, stores and spares	2,24,00,710	2,98,86,833
Work in progress	21,05,43,285	16,61,54,019
Finished goods	-	4,35,687
Loose tools	72,29,665	50,70,525
	32,17,15,512	**28,82,87,993**
Goods in transit included in above inventories is as under:		
Direct raw materials	-	1,36,475

2.17 Trade Receivables

Particulars	As at March 31, 2015	As at March 31, 2014
Trade receivables outstanding for a period exceeding		
six months from the date they are due for payment		
Unsecured, considered good	14,73,896	1,85,69,676
Unsecured, considered doubtful	24,79,473	14,80,610
Less: Provision for bad debts	(24,79,473)	(14,80,610)
	14,73,896	**1,85,69,676**
Others		
Unsecured, considered good	31,57,10,292	29,82,66,705
	31,71,84,188	**31,68,36,381**

2.18 Cash And Bank Balances

Particulars	As at March 31, 2015	As at March 31, 2014
Cash and cash equivalents		
Cash in hand	9,88,580	3,66,699
Balance with banks in current account		
- in current accounts	49,13,015	1,16,84,521
- in deposit account with original maturity upto 3 months	-	1,50,00,000
Other bank balances		
Deposits with original maturity more than 3 months but less than 12 months*	74,13,855	11,98,59,249
	1,33,15,450	**14,69,10,469**

*Includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.19 Short Term Loans And Advances

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured, considered good)		
Prepaid expenses	33,95,837	25,02,816
Interest accrued on deposits	4,43,902	3,46,612
Loan to employees	62,84,807	41,39,034
Balances with statutory and government authorities	3,23,23,566	2,94,86,423
Other loans and advances	1,26,45,930	2,80,07,461
Receivable from subsidiary *	24,88,128	22,33,963
	5,75,82,170	**6,67,16,309**

* includes amount recoverable from Modrany Power & PTC Piping Systems Private Limited, subsidiary company on account of expenses incurred by the PTC Industries Limited.

2.20 Other Current Assets

Particulars	As at March 31, 2015	As at March 31, 2014
(Considered good, unless otherwise stated)		
Export incentives receivable	1,65,07,196	2,96,59,182
Claims receivable	1,85,61,831	2,62,33,367
Unamortised deferred premium	-	12,51,904
Foreign currency receivable	-	4,11,93,690
	3,50,69,027	**9,83,38,143**

2.21 Revenue From Operations

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Sale of products (refer note (a) below)	1,00,67,54,481	1,18,52,67,222
Other operating revenues (refer note (b) below)	2,66,05,220	3,74,13,287
Gross revenue from operations	**1,03,33,59,701**	**1,22,26,80,509**
Less: excise duty	2,56,19,551	3,20,87,158
Net revenue from operations	**1,00,77,40,150**	**1,19,05,93,351**
(a) Sale of products comprises		
Castings (stainless steel)	74,99,67,746	87,76,10,439
Castings (alloy and non-alloy steel)	6,61,01,687	13,70,99,897
Structures and forgings	6,59,27,998	7,05,03,867
Assembly items	6,92,46,380	4,69,23,948
Others	5,55,10,670	5,31,29,071
	1,00,67,54,481	**1,18,52,67,222**
(b) Other operating revenues		
Export incentives	2,22,35,064	3,25,42,325
Income from power generation	43,70,156	48,70,962
	2,66,05,220	**3,74,13,287**
(c) Domestic and export sales		
Domestic sales	24,44,63,323	28,81,71,403
Export sales	76,22,91,158	89,70,95,819
	1,00,67,54,481	**1,18,52,67,222**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.22 Other Income

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Interest received		
- from banks	71,89,700	1,90,91,084
- from others	10,54,254	16,71,954
Dividend income	844	8,125
Income from mutual funds	-	33,36,621
Bad debts recovered	6,208	-
Provisions made no longer required written back	80,68,373	11,62,147
Miscellaneous income	1,15,601	1,86,594
	1,64,34,980	**2,54,56,525**

2.23 Cost Of Materials Consumed

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Opening stock	8,67,40,929	12,58,66,341
Add: purchases	31,24,93,793	32,34,43,895
Less: closing stock	8,15,41,852	8,67,40,929
	31,76,92,870	**36,25,69,307**
Less: consumed for research and development (note 2.28)	8,56,196	29,22,372
Cost of materials consumed	**31,68,36,674**	**35,96,46,935**
Note (i) cost of materials consumed :		
Scraps and metals		
Stainless steel scrap	17,63,80,737	20,95,39,989
Iron and steel scrap	74,25,458	3,30,62,503
Ferrous and non-ferrous alloys	6,44,10,619	4,62,72,874
Structures and fabrication	3,16,52,227	3,48,69,388
Raw castings (including assembly)	3,78,23,829	3,88,24,553
	31,76,92,870	**36,25,69,307**
Less: raw material consumed for research and development (note 2.28)	8,56,196	29,22,372
	31,68,36,674	**35,96,46,935**

2.24 Changes in Inventories of Finished Goods and Work-in-progress

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Inventories as at March 31, 2014		
Work-in-progress	16,61,54,019	19,04,45,173
Finished goods	4,35,687	39,535
	16,65,89,706	**19,04,84,708**
Inventories as at March 31, 2015		
Work-in-progress	21,05,43,285	16,61,54,019
Finished goods	-	4,35,687
	21,05,43,285	**16,65,89,706**
Change in inventories	**(4,39,53,579)**	**2,38,95,002**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.25 Employee Benefits Expense

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Salaries, wages and bonus	15,09,67,239	14,78,38,952
Contribution to provident and other funds	1,22,87,311	1,04,03,112
Staff welfare expenses	43,67,050	34,56,766
	16,76,21,600	**16,16,98,830**

2.26 Other Expenses

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Manufacturing expenses		
Stores and spares consumed	11,41,59,784	12,69,71,085
Power and fuel	8,63,71,913	8,94,03,820
Repairs and maintenance		
- plant and machinery	2,07,48,600	2,26,74,687
- building	22,95,743	21,18,722
Packing and general consumables	1,76,13,697	1,93,31,848
Processing and work charges	5,01,61,494	5,66,78,229
Freight inward	33,29,283	25,61,049
Testing and inspection charges	1,44,19,205	1,38,41,720
	30,90,99,719	**33,35,81,160**
Administrative and selling expenses		
Rent	23,64,065	28,14,265
Rates and taxes	46,29,620	36,83,268
Insurance expenses	17,60,306	25,32,006
Security expenses	54,75,393	46,71,746
Legal and professional expenses	1,06,32,230	1,94,41,575
Travelling and conveyance	62,14,380	79,65,487
Vehicle running and maintenance	44,87,192	41,67,638
Communication expenses	30,66,110	30,35,606
Printing and stationery	28,03,117	28,91,088
Conference, training and recruitment	16,43,264	16,32,535
Freight and clearing	1,21,83,287	1,55,86,136
Sales commission	61,94,128	90,05,209
Late delivery charges	15,06,140	1,37,45,570
Advertisement and promotion	28,57,242	29,92,142
Payment to auditors (refer note below)	25,53,412	16,42,110
Donation and charity	52,077	3,78,276
Loss on sale of assets, net	12,84,682	5,57,667
Corporate social responsibility expenses	13,88,600	-
Bad debts written off	20,41,022	76,94,796
Provision for doubtful debts, loans and advances	9,98,863	-
Miscellaneous expenses	40,19,009	28,28,068
	7,81,54,139	**10,72,65,188**
Statutory auditors:		
Audit fees	11,90,000	10,00,000
Tax audit fees	1,80,000	1,00,000
Limited review	2,10,000	1,00,000
Out of pocket expenses	9,73,412	4,42,110
	25,53,412	**16,42,110**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.26 (b)Prior period expenses

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Other expenses	1,08,971	2,62,141
Gratuity	-	8,68,937
Leave encashment	-	-11,61,821
Depreciation	-	1,02,39,192
	1,08,971	**1,02,08,449**

2.27 Finance Costs

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Interest		
- working capital loans	1,42,10,282	2,67,10,381
- term loans	43,61,905	93,37,675
- others	3,98,015	21,08,169
Bank charges	66,60,256	97,83,154
Loss on foreign currency transactions and translation	-	50,65,814
	2,56,30,458	**5,30,05,193**

2.28 Research And Development Expense

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Raw materials consumed	8,56,196	29,22,372
Materials, stores and spares consumed	27,51,189	25,59,657
Salary and wages	16,87,175	14,99,321
Other expenses	4,22,575	1,16,215
	57,17,135	**70,97,565**

2.29 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 recognized in the statement of profit and loss with respect to aforementioned premises is Rs 23,64,065 (previous year Rs. 28,14,265)

2.30 Contingent Liabilities and Commitments

(A) Contingent Liabilities

Particulars		As at March 31, 2015	As at March 31, 2014
(i)	In respect of non fund-based working capital facilities from banks:		
	Bank guarantees	12,20,000	2,57,44,887
	Letter of credit	10,73,07,910	99,17,040
(ii)	Disputed demands for excise duty and service tax (refer note a below)	1,36,170	4,69,23,008
(iii)	Disputed demands for sales tax (refer note b below)	9,93,750	-
(iv)	Disputed demands for income tax	-	10,02,053

Notes:

a) 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 notice/demands to the department and the appeals are pending with Appellate authorities.

b) Assessment for the financial year 2011-12 for sales tax has been completed. An appeal for the financial year 2013-14 is pending at Tribunal, Commercial Tax against demand for Rs. 15,90,000 and the Company has deposited as a security for Rs. 5,96,250.

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.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

(B) Commitments

Particulars	As at March 31, 2015	As at March 31, 2014
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	25,37,24,039	4,08,16,765

2.31 Employee Benefit Obligations

Defined contribution plans

Amount of ₹ 1,22,87,311 (previous year - ₹ 1,04,03,112) has been recongnized as an expense in respect of contribution for Provident Fund and Employee State Insurance Fund deposited with the government authorities.

Defined benefit plans

The Company makes contribution towards gratuity to a defined contribution retirement benefits plan for qualifying employees. The Company has taken policy with Life Insurance Corporation of India to provide for payment of retirement benefits to vested employees. The present value of obligation is determined based on actuarial valuation.

The following table sets forth the status of the Gratuity Plan of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

Particulars	As at March 31, 2015	As at March 31, 2014
Present value of the obligation at the beginning of the period	3,76,38,115	3,46,50,987
Current service cost	29,80,349	33,78,502
Interest cost	30,11,049	31,18,589
Benefits paid	(25,15,026)	(22,34,984)
Actuarial loss/(gain) on obligation	30,59,197	(4,06,042)
Present value of the obligation at the end of the period	**4,41,73,684**	**3,85,07,052**
Change in plan assets:		
Fair value of plan assets at the beginning of the period	3,01,75,545	2,62,52,514
Expected return on plan assets	35,32,746	25,52,897
Contributions	1,03,22,330	36,05,118
Benefits paid	(25,15,026)	(22,34,984)
Fair value of plan asset at the end of the period	**4,15,15,595**	**3,01,75,545**
Amount of the obligation recognised in the Balance Sheet		
Present value of the obligation at the end of the period	4,41,73,684	3,85,07,052
Fair value of plan assets at end of period	4,15,15,595	3,01,75,545
Net liability recognized in Balance Sheet	**26,58,089**	**83,31,507**
Amount of gratuity expenses recognised in the statement of profit and loss		
Current service cost	29,80,349	33,78,502
Interest cost	30,11,049	31,18,589
Expected return on plan asset	(35,32,746)	(25,52,897)
Net actuarial loss/(gain) recognized in the period	33,99,205	(4,06,042)
	58,57,857	**35,38,152**

The expense for gratuity in respect of the current year and previous year have been included under Salaries, wages and bonus.

The present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan arising on the plan liabilities and the plan assets.

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Present value of defined benefit obligation	4,41,73,684	3,85,07,052	3,17,23,460	2,92,39,165	2,57,93,633
Fair value of plan assets	4,15,15,595	3,01,75,545	2,86,15,739	2,73,27,643	2,43,93,467
Surplus or (deficit) in the plan assets	(26,58,089)	(83,31,507)	(31,07,721)	(19,11,522)	(14,00,166)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

The actuarial assumptions used to determine the gratuity benefit obligations are as follows :

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Discount rate	8.00%	9.00%
Salary escalation rate	6.50%	6.50%

Salary escalation rate:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Investment details of plan assets :

The details of investment maintained by Life Insurance Corporation are not available with the Company and have not been disclosed.

2.32 Value and percentage to total consumption of imported/indigenous direct raw materials, indirect raw materials stores, spares and other consumables consumed

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
Direct raw materials	**Imported**	**Indigenous**	**Imported**	**Indigenous**
Value (₹)	35,933	31,68,00,741	55,75,024	35,40,71,911
Percentage	0.01%	99.99%	1.55%	98.45%
Stores and spares consumed*	**Imported**	**Indigenous**	**Imported**	**Indigenous**
Value (₹)	1,32,47,214	12,16,61,170	1,52,41,541	13,44,04,231
Percentage	9.82%	90.18%	10.19%	89.81%

* Stores and spares consumed include repairs and maintenance of plant and machinery

2.33 C.I.F. value of imports

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Direct raw materials	27,788	65,75,758
Materials, stores and spares	66,35,757	1,63,24,622
Capital goods	45,11,811	3,19,95,708
	1,11,75,356	**5,48,96,088**

2.34 Expenditure in foreign currency during the year (on accrual basis, including research and development)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Travelling and conveyance	11,99,399	10,49,374
Testing and inspection charges	46,25,065	19,18,052
Legal and professional charges	6,68,908	6,87,230
Rent	37,44,494	48,30,957
Printing and stationery	5,59,732	7,18,777
Sales commission	42,84,826	3,27,373
Conference, training and recruitment	-	4,23,181
	1,50,82,424	**99,54,944**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.35 Earning in foreign currency

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
From export of castings and forgings/structures (F.O.B. basis)	72,72,17,240	89,14,26,402

2.36 Exceptional items

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Foreign exchange fluctuations*	1,59,89,782	57,94,540
	1,59,89,782	**57,94,540**

*Due to significant volatility in foreign currency exchange rates, the Company has considered loss/(profit) on foreign exchange fluctuation as an exceptional item.

2.37 Corporate social responsibility expenses

(a) Gross amount required to be spent by the company during the year in compliance with section 135 of the Act is ₹ 19,87,362

b) Amount spent during the year on-

	In cash	Yet to be paid in cash	Total
Contribution to trust	13,88,600	-	13,88,600

2.38 Calculation of earning per share and diluted earning per share

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Net profit for the period	6,49,42,617	6,02,40,216
Exceptional items	1,59,89,782	57,94,540
Weighted average number of ordinary shares outstanding	48,02,339	41,91,250
Earning per share on profit after taxation before exceptional items (face value ₹ 10/- per share)	16.85	15.76
Earning per share on profit after taxation and exceptional items (face value ₹ 10/- per share)	13.52	14.37
Diluted weighted average number of ordinary shares outstanding	52,39,063	49,08,930
Diluted earning per share on profit after taxation before exceptional items (face value ₹ 10/- per share)	15.45	13.45
Diluted earning per share on profit after taxation and exceptional items (face value ₹ 10/- per share)	12.40	12.27

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.39 Segment Reporting

Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accounts of India which requires disclosure of information on the basis of reportable segment. The Company recognizes manufacturing of stainless steel castings, alloy steel castings, non alloy steel castings, steel structures and assembly items as its primary segment.

a) Business segment has been disclosed as the primary segment. The Company is organised into two business segments namely engineering division and power division.

b) Secondary segment reporting is performed on the basis of location of all customers. The location of customers is classified into two geographic segments namely in India and outside India.

Business segment :

Performance of business segment is as follows :

	March 31, 2015			March 31, 2014		
	Engineering Division	Power Division	Total	Engineering Division	Power Division	Total
Segment Revenue						
Revenue	1,00,33,69,994	-	1,00,33,69,994	1,18,57,22,389	-	1,18,57,22,389
Income from power generation	-	43,70,156	43,70,156	-	48,70,962	48,70,962
Income from operations	**1,00,33,69,994**	**43,70,156**	**1,00,77,40,150**	**1,18,57,22,389**	**48,70,962**	**1,19,05,93,351**
Other income	1,64,34,980	-	1,64,34,980	2,54,56,525	-	2,54,56,525
Total Revenue	**1,01,98,04,974**	**43,70,156**	**1,02,41,75,130**	**1,21,11,78,914**	**48,70,962**	**1,21,60,49,876**
Segment results						
Profit before finance cost, depreciation and tax	18,73,65,410	32,25,061	19,05,90,471	20,77,24,176	49,32,571	21,26,56,747
Less: finance cost	2,56,30,458	-	2,56,30,458	5,30,05,193	-	5,30,05,193
Less: depreciation	6,21,01,617	14,71,144	6,35,72,761	4,18,48,765	18,81,158	4,37,29,923
Profit before exceptional item and tax	**9,96,33,335**	**17,53,917**	**10,13,87,252**	**11,28,70,218**	**30,51,413**	**11,59,21,631**
Exceptional item	1,59,89,782	-	1,59,89,782	57,94,540	-	57,94,540
Profit before tax	**8,36,43,553**	**17,53,917**	**8,53,97,470**	**10,70,75,678**	**30,51,413**	**11,01,27,091**
Provision for taxation						
Current tax			2,56,60,042			2,46,31,957
Deferred tax			(25,70,168)			(2,24,864)
Deferred tax (earlier years)			(26,35,021)			2,54,79,782
Profit for the year			**6,49,42,617**			**6,02,40,216**
Segment assets and liabilities						
Segment assets	1,55,95,15,808	2,16,00,066	1,58,11,15,874	1,60,26,53,873	2,30,67,553	1,62,57,21,426
Add: unallocable assets			1,70,99,971			2,66,91,438
Net segment assets			**1,59,82,15,845**			**1,65,24,12,864**
Segment liabilities	37,59,42,660	1,20,50,775	38,79,93,435	86,53,81,069	1,52,72,180	88,06,53,249
Add: unallocable liabilities (net of advance tax)			7,03,77,476			8,10,75,815
Net segment liabilities			**45,83,70,911**			**96,17,29,064**
Capital expenditure incurred	3,87,41,001	-	3,87,41,001	4,09,86,879	-	4,09,86,879
Depreciation and amortisation	6,21,01,617	14,71,144	6,35,72,761	4,18,48,765	18,81,158	4,37,29,923
Non cash expenses included in segment expenses	20,41,022	-	20,41,022	76,94,796	-	76,94,796

(All amounts in Indian rupees, unless stated otherwise)

Geographical segment :

Performance of Geographical segment is as follows :

	March 31, 2015			March 31, 2014		
	India	Outside India	Total	India	Outside India	Total
Revenue (refer note 2.21)	24,54,48,992	76,22,91,158	1,00,77,40,150	29,34,97,532	89,70,95,819	1,19,05,93,351
Segment asset	1,59,82,15,845	-	1,59,82,15,845	1,65,24,12,864	-	1,65,24,12,864
Segment liability	45,83,70,911	-	45,83,70,911	96,17,29,064	-	96,17,29,064
Capital expenditure	3,87,41,001	-	3,87,41,001	4,09,86,879	-	4,09,86,879

2.40 Related Party Disclosure :

The disclosure of transactions with the related party as defined in the Accounting Standard are given below:

Key Management Personnel ("KMP") of the Company
1. Mr. Satish Chandra Agarwal
2. Mr. Sachin Agarwal
3. Mr. Priya Ranjan Agarwal
4. Mr. Alok Agarwal

Entities controlled by KMPs and/or their relatives
1. Mapple Commerce Private Limited
2. e.Soft Technologies Limited
3. Nirala Merchants Private Limited
4. PTC Foundation

Subsidiary company
1. Modrany Power and PTC Piping Systems Private Limited

Relatives of Key Management Personnel
1. Mrs. Saroj Agarwal
2. Mrs. Smita Agarwal
3. Ms. Kanchan Agarwal
4. Mrs. Anshoo Agarwal
5. Mrs. Reena Agarwal

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

The following transactions were carried out with the related parties:

Particulars	Year ended March 31, 2015				Year ended March 31, 2014			
	Enterprises controlled by directors/ relatives	Subsidiary	Key management personnel (KMP)	Relatives of KMPs	Enterprises controlled by directors/ relatives	Subsidiary	Key management personnel (KMP)	Relatives of KMPs
Transactions during the year								
1. Interest charges	-	-	-	-	2,27,481	-	-	-
a. Mapple Commerce Private Limited					1,29,690			
b. Nirala Merchants Private Limited					97,791			
2. Service charges	9,60,451	-	-	-	7,99,394	-	-	-
a.e. Soft Technologies Limited	9,60,451				7,99,394			
3. Rent paid	-	-	-	6,00,000	-	-	-	4,42,500
a. Mrs. Saroj Agarwal				6,00,000				4,42,500
4. Repayment of loans	-	-	-	-	51,01,704	-	-	-
a. Mapple Commerce Private Limited					17,58,281			
b. Nirala Merchants Private Limited					33,43,423			
5. Investment	-	1,11,920	-	-	-	1,00,000	-	-
a. Modrany Power & PTC Piping Systems Pvt Ltd.		1,11,920				1,00,000		
6. Legal and professional expenses	-	2,83,375	-	-	-	22,33,963	-	-
a. Modrany Power & PTC Piping Systems Pvt Ltd.		2,83,375				22,33,963		
7. Corporate social responsibility expenses	13,88,600	-	-	-	-	-	-	-
a. PTC Foundation	13,88,600							
Amounts paid during the year to KMP's and relatives of KMP's								
1. Managerial remuneration	-	-	1,50,40,548	-	-	-	1,22,57,006	-
2. Salary and allowances	-	-	-	41,32,010	-	-	-	38,79,318
Outstanding balance (Amount payable)	**As at March 31, 2015**				**As at March 31, 2014**			
Enterprises controlled by directors/relatives								
e.Soft Technologies Limited	4,62,931	-	-	-	57,640	-	-	-
Key management personnel								
Managerial remuneration	-	-	20,58,794	-	-	-	14,40,769	-
Relative of KMP's								
Salary and allowances	-	-	-	2,93,330	-	-	-	2,07,573
Outstanding balance (Amount receivable)								
Modrany Power & PTC Piping Systems Private Limited	-	24,88,128	-	-	-	22,33,963	-	-

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.41 Derivative Instruments

The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

(a) The forward exchange contracts outstanding at the year end are as under:

Particulars	Currency	March 31, 2015		March 31, 2014	
		Foreign Currency	INR	Foreign Currency	INR
Buyer's credit	USD	-	-	3,31,200	2,00,34,288
Foreign currency term loans	USD	-	-	6,81,000	4,11,93,690

(b) The foreign currency exposures not hedged as at year end are as under:

Particulars	Currency	As at March 31, 2015		As at March 31, 2014	
		Foreign Currency	INR	Foreign Currency	INR
Buyer's credit	JPY	1,68,00,000	88,41,840	-	-
Foreign currency term loans	USD	6,39,200	4,03,10,252	6,81,000	4,11,93,690
Creditors	USD	11,497	7,25,017	53,972	32,64,738
Creditors	EUR	74,063	50,67,390	14,912	12,44,894
Creditors	GBP	43,095	40,28,985	2,188	2,20,746
Creditors	DKK	-	-	985	11,052
Trade receivables	USD	12,62,093	7,85,27,426	15,54,493	9,42,94,240
Trade receivables	EUR	24,58,224	16,44,30,617	18,72,692	15,23,00,418

2.42 Previous year figures have been regrouped/rearranged wherever considered necessary to make them comparable with those of the current year.

For Walker Chandiok & Associates
Chartered Accountants

per **Siddharth Talwar**
Partner

Place : Delhi
Date : May 25, 2015

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

Sachin Agarwal
Managing Director

Smita Agarwal
Chief Financial Officer

Alok Agarwal
Director (Quality & Technical)

A. K. Gupta
Company Secretary

Place : Lucknow
Date : May 25, 2015

Five Years at a Glance

Particulars	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Revenue From Operations, net	10,077.40	11,905.93	13,813.02	11,906.09	9,684.99
Export	7,622.91	8,970.96	8,149.99	5,286.44	4,598.69
Export Incentive	222.35	325.42	333.87	274.22	282.77
Income From Power Generation	43.70	48.71	59.68	48.10	46.06
Domestic, Net of Taxes and Duties	2,188.44	2,560.84	5,269.48	6,297.33	4,757.47
Earnings Before Interest, Depreciation, Exceptional Items & Taxes	1,905.90	2,126.57	2,401.13	1,822.61	1,406.93
Finance Costs	256.30	530.05	760.53	767.11	579.74
Depreciation	635.73	437.30	426.47	389.86	339.88
Exceptional Items	159.90	57.95	311.82	-	-
Profit Before Tax	853.97	1,101.27	902.31	665.64	487.31
Taxes, Net Of Mat Credit Entitlement	204.55	498.87	135.72	-38.29	171.77
Net Profit	649.42	602.40	766.59	703.93	315.54
Share Capital	523.91	419.13	419.13	419.13	419.13
Reserve & Surplus	10,874.54	6,487.71	5,785.31	4,918.73	4,014.79
Net Worth	11,398.45	6,906.84	6,204.44	5,337.86	4,433.92
Diluted Earnings Per Share	12.40	12.27	18.29	16.80	7.53
Book Value (Rs.)	217.57	164.79	148.03	127.36	105.79
Total Outside Liabilities/ Tangible Net Worth	0.40	1.38	1.49	1.87	1.81
Current Assets/Current Liabilities	1.96	1.13	1.25	1.15	1.08
Operating Profit Margin	18.91%	17.86%	17.38%	15.31%	14.53%
Net Profit Margin	6.44%	5.06%	5.55%	5.91%	3.26%
Average Realisation					
(I) U.S. Dollor = Rupees	60.97	58.93	53.59	47.59	45.57
(Ii) Euro = Rupees	77.09	77.68	69.55	66.40	60.51

Independent Auditor's Report

To the Members of PTC Industries Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of PTC Industries Limited, ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Holding Company's Board of Directors, and the respective Board of Directors/management of the subsidiary included in the Group are responsible for the design, implementation and maintenance of internal control 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. Further, in terms with the provisions of the Act, the respective Board of Directors of the Holding Company and its subsidiary, are responsible for maintenance of adequate accounting records; safeguarding the assets; 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the auditor's report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order

to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

7. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2015, their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

9. (a) We did not audit the financial statements of a subsidiary, included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs. 2,10,710 as at 31 March 2015, total revenues (after eliminating intra-group transactions) of Rs. nil and net cash flows amounting to Rs. 1,11,360 for the year ended on that date. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditors.

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

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, and based on the comments in the auditor's reports of the subsidiary company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by Section 143(3) of the Act, and based on the auditor's report of a subsidiary, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) The consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2015 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(i) as detailed in Note 2.30, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

(ii) the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For Walker Chandiok & Associates
Chartered Accountants
Firm's Registration No.: 001329N

per **Siddharth Talwar**
Partner
Membership No. 512752

Place : Delhi
Date : 25 May 2015

Annexure to the Independent Auditor's Report of even date to the members of PTC Industries Limited, on the consolidated financial statements for the year ended 31 March 2015

Based on the audit procedures performed for the purpose of reporting a true and fair view on the consolidated financial statements of the Holding 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 based on the comments in the auditor's reports of the subsidiary company incorporated in India, we report that:

(i) (a) A subsidiary company incorporated in India does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable to it. The Holding Company incorporated in India have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Holding 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. No material discrepancies were noticed on such verification, which in our opinion is reasonable having regard to the size of the respective companies and the nature of their assets.

(ii) (a) A subsidiary company incorporated in India does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable to it. The management of Holding Company incorporated in India has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management of the holding company.

(b) The procedures of physical verification of inventory followed by the management of the Holding Company are reasonable and adequate in relation to the size of the respective companies and the nature of their business.

(c) The Holding Company is maintaining proper records of inventory and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Holding company and its subsidiary company incorporated in India have not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable to them.

(iv) Owing to the nature of its business, the subsidiary company incorporated in India does not maintain any physical inventories or sells any goods or services. Further, there are no transactions pertaining to purchase of fixed assets or sale of services in respect to the aforementioned subsidiary company. Accordingly, clause 3(iv) of the Order with respect to purchase of inventories and fixed assets and sale of goods and services is not applicable to it. In our opinion, in respect to the Holding Company incorporated in India, there is an adequate internal control system commensurate with the size of respective companies and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

(v) The Holding Company and a subsidiary company incorporated in India have 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 to them.

(vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records, for the holding company and a subsidiary company incorporated in India, under sub-section (1) of Section 148 of the Act, in respect of products and services of a subsidiary company incorporated in India. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to them.

(vii) (a) The Holding Company and a subsidiary company incorporated in India have generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities though there 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 become payable.

(b) There are no dues, in a subsidiary company incorporated in India, in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in the Holding Company incorporated in India in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Amount paid under protest (₹)	Period to which the amount relates	Forum where dispute is pending
UP VAT Act 2007	Penalty	1,590,000	596,250	2013-14	Tribunal, Commercial Tax, Uttar Pradesh

(c) There were no amounts in Holding company and its subsidiary company incorporated in India which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable to them.

(viii) In our opinion, the Holding Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year. In our opinion, the subsidiary company incorporated in India has been registered for a period of less than five years. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) A subsidiary company incorporated in India has no dues payable to a financial institution or a bank or debenture-holders during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to it. The Holding Company incorporated in India has not defaulted in repayment of dues to any financial institution or a bank or to debenture-holders during the year.

(x) The Holding Company and a subsidiary company incorporated in India have not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable to them.

(xi) A subsidiary company incorporated in India did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to it. In our opinion, the Holding Company incorporated in India has applied the term loans for the purpose for which these loans were obtained.

(xii) No fraud on or by the Holding Company and a subsidiary company incorporated in India has been noticed or reported during the period covered by our audit.

For Walker Chandiok & Associates
Chartered Accountants
Firm's Registration No.: 001329N

per Siddharth Talwar
Partner
Membership No.: 512752

Place: Delhi
Date: 25 May 2015

(All amounts in Indian rupees, unless stated otherwise)

Consolidated Balance Sheet

	Note	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	5,23,90,630	4,19,12,500
Reserves and surplus	2.2	1,08,48,78,477	64,65,01,859
		1,13,72,69,107	**68,84,14,359**
Non current liabilities			
Long term borrowings	2.3	1,53,98,848	45,76,94,191
Deferred tax liabilities, net	2.4	6,34,15,302	7,61,99,948
Other long term liabilities	2.5	10,500	26,250
Long term provisions	2.6	62,11,786	1,02,74,552
		8,50,36,436	**54,41,94,941**
Current liabilities			
Short term borrowings	2.7	20,34,72,693	20,42,06,142
Trade payables	2.8	8,24,62,228	8,69,60,716
Other current liabilities	2.9	8,37,26,546	11,94,58,191
Short term provisions	2.10	37,59,497	69,43,902
		37,34,20,964	**41,75,68,951**
TOTAL		**1,59,57,26,507**	**1,65,01,78,251**
ASSETS			
Non current assets			
Fixed assets			
Tangible assets	2.11	42,75,66,093	47,75,74,140
Intangible assets	2.11	24,51,038	31,66,638
Capital work in progress		34,71,61,945	18,19,73,014
Non current investments	2.12	70,100	86,100
Long term loans and advances	2.13	7,40,52,093	6,92,77,257
Other non current assets	2.14	-	13,10,111
		85,13,01,269	**73,33,87,260**
Current assets			
Current investments	2.15	18,36,309	18,36,309
Inventories	2.16	32,17,15,512	28,82,87,993
Trade receivables	2.17	31,71,84,188	31,68,36,381
Cash and bank balances	2.18	1,35,26,160	14,70,09,819
Short term loans and advances	2.19	5,50,94,042	6,44,82,346
Other current assets	2.20	3,50,69,027	9,83,38,143
		74,44,25,238	**91,67,90,991**
TOTAL		**1,59,57,26,507**	**1,65,01,78,251**

Significant accounting policies 1
Notes 1 to 2.37 form an integral part of the consolidated financial statements

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

For Walker Chandiok & Associates
Chartered Accountants

per **Siddharth Talwar**
Partner

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

Sachin Agarwal
Managing Director

Smita Agarwal
Chief Financial Officer

Alok Agarwal
Director (Quality & Technical)

A. K. Gupta
Company Secretary

Place : Delhi
Date : May 25, 2015

Place : Lucknow
Date : May 25, 2015

(All amounts in Indian rupees, unless stated otherwise)

Consolidated Statement of Profit and Loss

	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
INCOME			
Revenue from operations, gross	2.21	1,03,33,59,701	1,22,26,80,509
Less : Excise duty		2,56,19,551	3,20,87,158
Revenue from operations, net		**1,00,77,40,150**	**1,19,05,93,351**
Other income	2.22	1,64,34,980	2,54,56,525
Total income		**1,02,41,75,130**	**1,21,60,49,876**
EXPENSES			
Cost of materials consumed	2.23	31,68,36,674	35,96,46,935
Changes in inventories of finished goods and work in progress	2.24	(4,39,53,579)	2,38,95,002
Employee benefits expense	2.25	16,80,17,225	16,35,31,266
Research and development expense	2.28	57,17,135	70,97,565
Other expenses	2.26 (a)	38,73,66,573	44,12,82,704
Prior period expenses	2.26 (b)	1,08,971	1,02,08,449
Total expenses		**83,40,92,999**	**1,00,56,61,921**
Profit before finance cost, depreciation, exceptional items and tax		**19,00,82,131**	**21,03,87,955**
Finance costs	2.27	2,56,32,114	5,30,05,842
Depreciation and amortisation	2.11	6,35,72,761	4,37,29,923
Profit before exceptional items and tax		**10,08,77,256**	**11,36,52,190**
Exceptional items	2.32	1,59,89,782	57,94,540
Profit before tax		**8,48,87,474**	**10,78,57,650**
Tax expenses			
- current tax		2,56,60,042	2,46,31,957
- deferred tax		(25,70,168)	(2,24,864)
- deferred tax (earlier years)		(26,35,021)	2,54,79,782
Profit for the year		**6,44,32,621**	**5,79,70,775**
Earnings per share (before exceptional items) ₹ 10/- each fully paid up			
Basic (in ₹)	2.34	16.75	15.21
Diluted (in ₹)		15.35	12.99
Earnings per share (after exceptional items) ₹ 10/- each fully paid up			
Basic (in ₹)	2.34	13.42	13.83
Diluted (in ₹)		12.30	11.81

Significant accounting policies 1

Notes 1 to 2.37 form an integral part of the consolidated financial statements

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

For Walker Chandiok & Associates
Chartered Accountants

per **Siddharth Talwar**
Partner

Place : Delhi
Date : May 25, 2015

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

Sachin Agarwal
Managing Director

Smita Agarwal
Chief Financial Officer

Alok Agarwal
Director (Quality & Technical)

A. K. Gupta
Company Secretary

Place : Lucknow
Date : May 25, 2015

(All amounts in Indian rupees, unless stated otherwise)

	Consolidated Cash Flow Statement	For the year ended March 31, 2015	For the year ended March 31, 2014
A	**Cash flow from operating activities**		
	Net profit before tax	**8,48,87,474**	**10,78,57,650**
	Adjustment for :		
	Depreciation	6,35,72,761	5,39,69,115
	Unrealised foreign exchange fluctuation loss	63,57,464	1,69,03,820
	Loss on sale of fixed assets	12,84,682	5,57,667
	Provision for doubtful debts/ loans and advances	9,98,863	-
	Bad debts written off	20,41,022	76,94,796
	Dividend and other income	(844)	(8,125)
	Provisions made no longer required written back	(80,68,373)	(11,62,147)
	Finance costs	1,89,70,202	4,32,22,039
	Interest on deposit	(82,43,954)	(2,07,63,038)
	Operating profit before working capital changes	**16,17,99,297**	**20,82,71,777**
	Adjustments for changes in working capital :		
	(Increase)/decrease in trade receivables	(66,71,922)	8,62,94,178
	(Increase)/decrease in inventories	(3,34,27,519)	6,31,88,509
	Decrease /(increase) in loans and advances and other assets (current and non current)	8,22,35,600	(7,57,26,435)
	Increase/(decrease) in trade payables, provisions and other liabilities	(8,94,74,394)	36,96,751
	Cash generated from operations	**11,44,61,062**	**28,57,24,780**
	Income tax paid	(1,76,00,000)	(1,95,00,000)
	Net cash from operating activities(A)	**9,68,61,062**	**26,62,24,780**
B	**Cash flows from investment activities**		
	Purchase of fixed assets	(18,26,99,185)	(13,16,32,565)
	Sale of fixed assets	12,46,265	20,03,820
	Interest received	1,30,04,659	1,70,88,976
	Proceeds from fixed deposits	(16,58,61,249)	(2,13,45,42,336)
	Placement of fixed deposits	27,83,06,643	2,04,33,39,301
	Purchase of current and non current investments	16,000	(18,36,309)
	Dividend received	844	8,125
	Net cash from investment activities (B)	**(5,59,86,023)**	**(20,55,70,988)**
C	**Cash from financing Activities**		
	Proceeds from long term borrowings	(4,22,95,343)	(10,11,23,070)
	Proceeds from TDDP - DSIR Grant	-	1,00,00,000
	Proceeds from issue of CCD's	-	40,00,00,000
	Proceeds from short term borrowings (net)	(7,33,449)	(29,99,94,534)
	Interest expense	(1,88,84,512)	(4,63,85,303)
	Net cash used in financing activities (C)	**(6,19,13,304)**	**(3,75,02,907)**
	Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	**(2,10,38,265)**	**2,31,50,885**
	Cash and cash equivalents at beginning of period	**2,71,50,570**	**39,99,685**
	Cash and cash equivalents at end of period (refer note 2.18)	**61,12,305**	**2,71,50,570**

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

For Walker Chandiok & Associates
Chartered Accountants

per **Siddharth Talwar**
Partner

Place : Delhi
Date : May 25, 2015

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

Sachin Agarwal
Managing Director

Smita Agarwal
Chief Financial Officer

Alok Agarwal
Director (Quality & Technical)

A. K. Gupta
Company Secretary

Place : Lucknow
Date : May 25, 2015

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

1.1 Principles of consolidation

The consolidated financial statements relate to PTC Industries Limited('the Company') and its subsidiary company. The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis byadding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 -"Consolidated Financial Statements"

Additional information to consolidated financial statements as at 31 March 2015 (Pursuant to Schedule III to the Companies Act, 2013):

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit and loss
Parent Company				
PTC Industries Limited	1,13,98,44,934	100.23%	6,49,42,617	100.79%
Subsidiaries: Indian				
Modrany Power & PTC Piping Systems Pvt Limited	-23,63,907	(0.21)%	-5,09,996	(0.79)%
Less: Effects of intercompany adjustments/eliminations	-2,11,920	(0.02)%	-	-
Total	**1,13,72,69,107**		**6,44,32,621**	

1.2 Basis of preparation of financial statements

The financial statements have been prepared to comply with the accounting principles generally accepted in India ("Indian GAAP"), including the Accounting Standards specified under Section 133 of the Companies Act 2013 (the 'Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The financial statements have been prepared on a going concern basis under the historical cost convention on the accrual basis of accounting. The accounting policies have been consistently applied by the Company.

1.3 Use of estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Examples of such estimates includes estimated provision for doubtful debts/advances, employee retirement benefit plans, provision for income taxes, useful life of fixed assets, diminution in value of investments, other probable obligations and inventory write down. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

1.4 Fixed assets

(a) Tangible assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss. Project under commissioning and other assets under erection/installation are shown under capital work in progress and are carried at cost, comprising of direct cost and related incidental expenses. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Foreign currency loans availed for acquisition of fixed assets are converted at the rate prevailing on the due date for installments repayable during the year and at the rate prevailing on the date of balance sheet for the outstanding loan. The fluctuation is adjusted in the original cost of fixed assets.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

(b) Intangible assets

Intangibles are stated at cost less accumulated amortization and impairment losses (if any). Cost related to technical assistance for new projects are capitalized. The software and technical assistance are amortised over a period of 10 years.

1.5 Depreciation

(a) Tangible and Intangible assets

(I) Depreciation on fixed assets is provided pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has, effective from 1st April 2014, revised the estimated useful lives of its fixed assets, which are either less than or in accordance with the provisions of Schedule II to the Act as follows:

Block of asset	Life (in years)
Free hold land	N.A.
Lease hold land	Lease period
Factory building	30 years
Plant and Machinery	10 years (Plant-1)
	15 years (Other Plants)
Computer	3 years
Lab Equipment	10 years
Moulds and Dies	8 years
Vehicles	8 years
Motor cycles and scooters	10 years
Furniture and fixtures	10 years
Office equipments	5 years
Windmill	22 years
Intangible assets	
Software	6 years
Licences	5 years

(II) Leasehold land is depreciated over the period of lease.

(III) Cost of Licence is amortized over a period of five years, which is the tenure of licence agreement.

1.6 Investments

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments; all other investments are classified as long term investments. Long term investments are carried at cost less provision (if any) for decline in value which is other than temporary in nature. Current investments are carried at lower of cost and fair value.

1.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition:

- Cost of raw materials, stores and spares includes direct expenses and is determined on the basis of first in first out method.
- Work in progress is carried at lower of cost or net realisable value.
- Finished products are valued at lower of cost or net realisable value and net of excise duty.

1.8 Employee benefits

(a) Provident fund

The Company makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee. The Company makes monthly contributions and has no further obligation under the plan beyond its contributions.

(b) Gratuity

Gratuity is a post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the year in which such gains or losses arise.

The Company also has a defined contribution superannuation plan in respect of eligible employees under a scheme of Life Insurance Corporation of India; contributions in respect of such scheme are recognized in the Statement of Profit and Loss.

(c) Compensated absences

Provision for compensated absences when determined to be a long term benefit is made on the basis of actuarial valuation as at the end of the year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the year in which such gains or losses arise. Provision related to short term compensated absences of workers is provided on actual basis.

(d) Short Term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

1.9 Research and development costs

Revenue expenditure is charged to the Statement of Profit and Loss under respective heads of account in the year in which it is incurred. Capital expenditure is included in fixed assets and depreciated as per the depreciation policy of the Company.

1.10 Impairment

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

1.11 Foreign currency transactions

(a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(c) Exchange differences

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

The Company generally uses foreign exchange forward contracts to hedge its exposure for movement in foreign exchange rates. The use of these foreign exchange forward contracts reduces the risk or cost to the Company and the Company does not use the foreign exchange forward contracts or options for trading or speculation purpose.

Foreign exchange forward contracts where there is an underlying are accounted in accordance with AS 11-"The Effects of changes in Foreign Exchange Rates" i.e.,

(a) the premium or discount on all such contracts arising at the inception of each contract is amortised as income or expenditure over the life of contract.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

(b) the exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

(c) any profit or loss arising on the cancellation or renewal of such contracts is recognised as income or as expense for the year.

(d) The Company has elected to account for exchange difference arising on reporting of long-term foreign currency items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 pertaining to (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011). Accordingly, the effect of exchange differences on long term foreign currency loans of the Company is accounted by addition or deduction to the cost of fixed assets so far it relates to depreciable capital assets.

1.12 Taxation

The tax expense comprises of current taxes and deferred taxes. Current tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of Income Tax Act, 1961. Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are reviewed at each Balance Sheet date and recognized/derecognized only to the extent that there is reasonable/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes 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 recognizes 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.

1.13 Revenue recognition

(a) Revenue from sale of goods is recognised upon transfer of all significant risks and rewards incident to ownership to the buyer which generally coincides with the dispatch of goods to the customers.

  i) Domestic sales are recorded net of sale returns, sales tax and excise duty. Export sales are stated net of returns and include export incentives.

  ii) No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

(b) Revenue generated from Windmill located in district Kutch, Gujarat is adjusted against the consumption of power at the manufacturing unit of the Company located in Mehsana, Gujarat. The monetary value of the unit so adjusted, calculated at the prevailing Gujarat Energy Transmission Corporation Limited (GETCO) rate net of wheeling charge is included in the Power and Fuel Account. The value of the unadjusted units as at the balance sheet date has been included under Sundry Debtors.

The Company has been permitted by the Gujarat Energy Development Agency (GEDA) to set up a Wind Farm of 0.75 MW in district Kutch, Gujarat in accordance with the provisions of the Wind Power Generation Policy, 2002. A tripartite Wheeling and Banking agreement has been entered into by the Company with GEDA and Gujarat Energy Transmission Corporation Limited (GETCO).

(c) Income from interest on deposits, loans and interest bearing securities is recognised on the time proportionate method taking into account the amount invested and the underlying rate of interest.

1.14 Export benefits/incentives

Revenue in respect of duty entitlement pass book scheme, focus claims and duty drawback scheme is recognized on an accrual basis on export of goods if the entitlement can be estimated with reasonable accuracy.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

1.15 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

1.16 Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event, where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made.

A disclosure for a contingent liability is made where there is a :

(i) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;

(ii) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

(iii) or where reliable estimate of the obligation cannot be made.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.17 Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.18 Cash and bank equivalents

Cash and cash equivalents comprise cash on hand, in current accounts and deposits accounts with an original maturity of three months or less and exclude restricted cash. Restricted cash represents deposits that have been pledged with banks against performance guarantees issued to customers as security to meet contractual obligations.

1.19 Government grants

Grants in the nature of contribution towards capital cost of setting up projects are treated as capital reserve.

1.20 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for its intended use are complete.

1.21 Segment reporting

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of goods produced, with each segment representing a strategic business unit that serves different markets. The Company operates in India and other countries and accordingly geographical segments have been reported.

Intersegment transfers:

Inter segment revenues have been accounted for based on the transaction price agreed to between segments which is primarily market led.

Allocation of costs:

Direct revenues and direct expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenues and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis are presented as "Unallocable" in the segment disclosure.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.1 Share Capital

Particulars	As at March 31, 2015 Amount	As at March 31, 2014 Amount
Authorised		
89,75,000 (previous year 89,75,000) equity shares of ₹ 10 each	8,97,50,000	8,97,50,000
20,25,000 (previous year 20,25,000) redeemable cumulative preference shares of ₹ 10 each	2,02,50,000	2,02,50,000
	11,00,00,000	11,00,00,000
Issued, subscribed and fully paid up		
52,39,063 (previous year 41,91,250) equity shares of ₹ 10 each	5,23,90,630	4,19,12,500
	5,23,90,630	4,19,12,500

a) Reconciliation of the number of equity shares outstanding :

	Equity shares with voting rights			
	As at March 31, 2015		As at March 31, 2014	
Particulars	Number	Amount	Number	Amount
Opening balance	41,91,250	4,19,12,500	41,91,250	4,19,12,500
Shares issued on conversion of CCDs	10,47,813	1,04,78,130	-	-
Closing balance	**52,39,063**	**5,23,90,630**	**41,91,250**	**4,19,12,500**

b) Shares issued on conversion of Compulsory Convertible Debentures (CCDs)

Pursuant to the resolution passed by the shareholders of the Company at the Annual General Meeting held on 16 July 2013, the Company had issued Zero Coupon Compulsory Convertible Debentures of face value of ₹ 1,000 each for a consideration of ₹ 40,00,00,000 to Pragati India Fund Limited and PI International LP through preferential issue. CCDs were converted as under in two tranches during the financial year:

Dates of Board Meetings in which conversion of CCDs into equity shares were approved	Tranche No.	No. of CCDs converted	No. of shares issued in lieu of conversion
April 23, 2014	1	1,39,130	3,64,456
November 8, 2014	2	2,60,870	6,83,357
		4,00,000	**10,47,813**

c) 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.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

d) Details of shareholders holding more than 5 percent shares in the Company:

	Equity shares with voting rights			
	As at March 31, 2015		As at March 31, 2014	
Name of Shareholders	**No. of shares held**	**% of holding**	**No. of shares held**	**% of holding**
Pragati India Fund Limited	10,47,813	20.00%	-	-
Mapple Commerce Private Limited	6,23,750	11.91%	6,23,750	14.88%
Satish Chandra Agarwal	5,84,480	11.16%	5,84,480	13.95%
Saroj Agarwal	5,29,700	10.11%	5,29,700	12.64%
Nirala Merchants Private Limited	4,60,200	8.78%	4,10,200	9.79%
Priya Ranjan Agarwal	3,86,000	7.37%	3,86,000	9.21%

e) Share capital includes 27,60,000 equity shares of ₹ 10 each allotted as fully paid bonus shares in the year 1993-94 by capitalisation of general reserve and revaluation reserve.

2.2 RESERVES AND SURPLUS

Particulars	As at March 31, 2015	As at March 31, 2014
Capital reserve	**1,75,200**	**1,75,200**
Technology Development and Demonstration Programme grant (note a)		
Opening balance	4,00,00,000	3,00,00,000
Add: additions during the year	-	1,00,00,000
	4,00,00,000	**4,00,00,000**
Securities premium account		
Opening balance	2,25,50,000	2,25,50,000
Additions during the year	38,95,21,870	-
	41,20,71,870	**2,25,50,000**
General reserve	**46,24,16,726**	**46,24,16,726**
Statement of profit and loss		
Opening balance	12,13,59,933	6,33,89,158
Adjustment of depreciation (net of deferred tax) [refer note 2.11]	-1,57,81,483	-
Additions during the year	6,44,32,621	5,79,70,775
Losses of subsidiary	2,03,610	-
Available for appropriations	**17,02,14,681**	**12,13,59,933**
Total	**1,08,48,78,477**	**64,65,01,859**

a) The Company has submitted a project proposal amounting to ₹ 18,00,00,000 to the Department of Scientific and Industrial Research, Ministry of Science and Technology, New Delhi, for development and commercialization of RapidCast™ Technology of single piece Stainless Steel Casting of upto 5,000 kgs. The department has committed partial support as a grant of ₹ 5,00,00,000 out of total cost of ₹ 18,00,00,000 under the Technology Development and Demonstration Programme (TDDP) of Department of Scientific and Industrial Research (DSIR) for a project duration of 24 months vide their letter no.DSIR/TDDP/PTCIL-41/2010-11 dated September 20, 2011 and after that this was extended by DSIR up to September 8, 2014 vide their letter dated December 23, 2013. This has been further extended by DSIR up to September 30, 2015. The Company had received grant of ₹ 4,00,00,000 during previous years and incurred the expense of ₹ 82,29,279 during the year towards the project.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.3 LONG TERM BORROWINGS

Particulars	As at March 31, 2015 Non-current	As at March 31, 2015 Current	As at March 31, 2014 Non-current	As at March 31, 2014 Current
Secured				
Term loans from banks	1,42,25,892	2,60,84,360	5,71,31,651	2,52,55,728
Vehicle loans	11,72,956	10,11,136	5,62,540	21,77,046
	1,53,98,848	**2,70,95,496**	**5,76,94,191**	**2,74,32,774**
Unsecured				
Loans from others	-	-	-	8,52,181
	-	**-**	**-**	**8,52,181**
Unsecured				
Compulsory convertible debentures	-	-	40,00,00,000	-
	-	**-**	**40,00,00,000**	**-**
Total	**1,53,98,848**	**2,70,95,496**	**45,76,94,191**	**2,82,84,955**

Notes:

(a) Term loans from State Bank of India are secured by way of:

i) Equitable mortgage on pari-passu basis on the land & building of Lucknow Plant 1, Lucknow Plant 2, land at Vill-Bani & Vill-Sarai Shahajadi, Pargana-Bijnor and land at Surajbari (Windmill) and first pari-passu charge on all movable fixed assets of the Company.

ii) Personal guarantee of four directors.

(b) Term of repayments (State Bank of India)

Bank Name	As at March 31, 2015 Loan Amount	As at March 31, 2015 Pending Installments	As at March 31, 2015 Periodicity Repayments	As at March 31, 2014 Loan Amount	As at March 31, 2014 Pending Installments	As at March 31, 2014 Periodicity Repayments
State Bank of India	1,32,24,491	4	Quarterly	3,90,76,540	8	Quarterly
	2,70,85,761	8	Quarterly	4,33,10,840	12	Quarterly

(c) Vehicle loans from Tata Capital Financial Services Limited are secured by way of absolute charge on specific assets purchased under the scheme and repayable within a period of 36 months. Entire loan is repayable up to February, 2018.

(d) Compulsory Convertible Debentures (CCDs)

Pursuant to the resolution passed by the shareholders of the Company at the Annual General Meeting held on 16 July 2013, the Company had issued Zero Coupon Compulsory Convertible Debentures of face value of ₹ 1,000 each for a consideration of ₹ 40,00,00,000 to Pragati India Fund Limited and PI International LP through preferential issue. Further, 1,39,130 CCDs were converted in to 3,64,456 fully paid equity shares by the Board of Directors in their meeting held on April 23, 2014 in first tranche and 2,60,870 CCDs were converted in to 6,83,357 fully paid equity shares by the Board of Directors in their meeting held on November 8, 2014 in second tranche during the financial year.

(e) Rate of interest

The Company's long term borrowings from banks and others have an effective weighted average rate of 4.69% p.a. (previous year 4.72% p.a.) calculated using interest rates effective as on March 31, 2015 for the respective borrowings.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.4 DEFERRED TAX LIABILITIES, NET

Particulars	As at March 31, 2015	As at March 31, 2014
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation charged in the books	3,86,52,136	7,90,93,787
Tax impact on allowance under tax exemptions/deductions	2,95,88,889	23,77,988
Deferred tax assets		
Provision for employee benefits	40,16,235	47,91,369
Provision for doubtful debts	8,09,488	4,80,458
Deferred tax liabilities, net	**6,34,15,302**	**7,61,99,948**

2.5 OTHER LONG TERM LIABILITIES

Particulars	As at March 31, 2015	As at March 31, 2014
Security deposit	10,500	26,250
	10,500	**26,250**

2.6 LONG TERM PROVISIONS

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for employees benefits		
- Gratuity (refer note 2.31)	-	59,09,193
- Compensated absences	62,11,786	43,65,359
	62,11,786	**1,02,74,552**

2.7 SHORT TERM BORROWINGS

Particulars	As at March 31, 2015	As at March 31, 2014
Secured		
Cash credits from banks	19,46,30,853	18,22,80,702
Buyers' credit in foreign currency from banks	88,41,840	2,19,25,440
	20,34,72,693	**20,42,06,142**

a) Short term borrowing from State Bank of India and Punjab National Bank are secured by way of:

i) First charge ranking pari-passu on the whole of the present and future current assets of the Company.

ii) Second charge on equitable mortgage on pari-passu basis on the land & building of Lucknow Plant 1, Lucknow Plant 2, land at Vill-Bani and Vill-Sarai Shahajadi and land at Surajbari (Windmill).

iii) Personal guarantee of four directors.

2.8 TRADE PAYABLES

Particulars	As at March 31, 2015	As at March 31, 2014
Payables to micro, small and medium enterprises	-	-
Others	8,24,62,228	8,69,60,716
	8,24,62,228	**8,69,60,716**

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

Based on the information available with the Company, no principal or interest is payable to micro, small and medium enterprises at the balance sheet date. Further, no interest during the year has been paid or was payable in this respect. The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

2.9 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2015	As at March 31, 2014
Current maturities of long term borrowings (refer note 2.3)	2,70,95,496	2,82,84,955
Interest accrued and due on borrowings	8,60,559	7,74,869
Amount payable to banks	-	4,52,90,777
Advance from customers	19,24,872	86,51,016
Creditors for capital goods	2,90,17,165	77,86,418
Statutory dues payable	7,82,657	10,90,022
Employee payables	55,77,874	42,81,780
Security deposit	-	50,00,000
Other payables	1,84,67,923	1,82,98,354
	8,37,26,546	**11,94,58,191**

2.10 SHORT TERM PROVISIONS

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for wealth tax	95,142	92,616
Provision for taxation (net of advance tax)	-	35,83,629
Provision for employee benefits		
- Gratuity (refer note 2.31)	26,58,089	24,22,314
- Leave encashment	10,06,266	8,45,343
	37,59,497	**69,43,902**

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.11 Fixed Assets

DESCRIPTION OF ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION AND AMORTISATION				NET BLOCK	
Particulars	As at April 1, 2014	Additions	Deductions	As at March 31, 2015	As at April 1, 2014	For the year	Deductions	Up to March 31, 2015	As at March 31, 2015	As at March 31, 2014
TANGIBLE ASSETS										
Freehold land	4,01,33,593	-	-	4,01,33,593	-	-	-	-	4,01,33,593	4,01,33,593
Leasehold land	2,12,49,549	-	-	2,12,49,549	64,43,412	3,31,897	-	67,75,309	1,44,74,240	1,48,06,137
Factory building	8,61,24,125	8,80,160	-	8,70,04,285	2,45,22,885	26,89,264	-	2,72,12,149	5,97,92,136	6,16,01,239
Plant and machinery	47,54,80,360	1,82,21,721	2,46,24,337	46,90,77,744	21,12,83,663	5,72,80,534	2,30,77,293	24,54,86,904	22,35,90,840	26,57,78,929
Computer	1,52,38,030	3,06,787	-	1,55,44,817	1,21,26,558	16,70,262	-	1,37,96,820	17,47,997	31,11,469
Mould and dies	9,67,80,029	1,35,65,645	79,53,522	10,23,92,152	5,03,88,225	1,13,68,344	76,82,597	5,40,73,972	4,83,18,180	4,63,91,804
Vehicles	2,26,32,097	45,96,693	55,16,697	2,17,12,093	83,47,425	40,64,557	48,03,719	76,08,263	1,41,03,830	1,42,84,673
Furniture and fixtures	1,07,90,736	2,35,463	-	1,10,26,199	52,54,854	9,40,238	-	61,95,092	48,31,107	55,35,883
Office equipments	86,17,925	4,91,310	-	91,09,235	39,68,776	27,40,455	-	67,09,231	24,00,004	40,98,286
Research and development assets										
Plant and machinery	2,48,88,807	2,27,104	-	2,51,15,911	67,81,337	26,59,921	-	94,41,258	1,56,74,653	1,70,76,102
Computer	1,11,804	-	-	1,11,804	69,748	34,598	-	1,04,346	7,458	42,056
Mould and dies	1,11,76,876	-	-	1,11,76,876	69,96,387	21,39,377	-	91,35,764	20,41,112	41,80,490
Vehicles	6,34,822	-	-	6,34,822	1,01,343	82,536	-	1,83,879	4,50,943	5,33,479
TOTAL (A)	**81,38,58,753**	**3,85,24,883**	**3,80,94,556**	**81,42,89,080**	**33,62,84,613**	**8,60,01,983**	**3,55,63,609**	**38,67,22,987**	**42,75,66,093**	**47,75,74,140**
INTANGIBLE ASSETS										
Software	92,38,923	2,11,485	-	94,50,408	62,55,815	8,43,362	-	70,99,177	23,51,231	29,83,108
Licenses	39,70,296	-	-	39,70,296	39,70,296	-	-	39,70,296	-	-
Research and development assets										
Software	4,63,892	4,633	-	4,68,525	2,80,362	88,356	-	3,68,718	99,807	1,83,530
TOTAL (B)	**1,36,73,111**	**2,16,118**	**-**	**1,38,89,229**	**1,05,06,473**	**9,31,718**	**-**	**1,14,38,191**	**24,51,038**	**31,66,638**
GRAND TOTAL (A+B)	**82,75,31,864**	**3,87,41,001**	**3,80,94,556**	**82,81,78,309**	**34,67,91,086**	**8,69,33,701**	**3,55,63,609**	**39,81,61,178**	**43,00,17,131**	**48,07,40,778**

a) Additions to fixed assets include exchange loss of ₹ 20,86,237 (previous year exchange loss of ₹ 1,07,34,090) capitalized during the year.

b) The Company has reassessed the useful life of fixed assets in accordance with the guidelines under Schedule II of the Companies Act, 2013 with effect from 1st April 2014, resulting into adjustment of ₹ 1,57,81,483 (net of deferred tax) to the opening balance of retained earnings and addition in depreciation expense for the current year by ₹ 1,01,54,753.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

DESCRIPTION OF ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION AND AMORTISATION				NET BLOCK	
Particulars	As at April 1, 2013	Additions	Deductions	As at March 31, 2014	As at April 1, 2013	For the year	Deductions	Up to March 31, 2014	As at March 31, 2014	As at March 31, 2013
TANGIBLE ASSETS										
Freehold land	3,87,98,593	13,35,000	-	4,01,33,593	-	-	-	-	4,01,33,593	3,87,98,593
Leasehold land	2,12,49,549	-	-	2,12,49,549	61,74,898	2,68,514	-	64,43,412	1,48,06,137	1,50,74,651
Factory building	8,13,77,387	47,46,738	-	8,61,24,125	2,20,06,105	25,16,780	-	2,45,22,885	6,16,01,240	5,93,71,282
Plant and machinery	45,79,42,367	1,88,91,818	13,53,825	47,54,80,360	17,74,86,196	3,40,11,024	2,13,557	21,12,83,663	26,41,96,697	28,04,56,171
Computer	1,42,55,400	9,82,630	-	1,52,38,030	1,08,29,194	12,97,364	-	1,21,26,558	31,11,472	34,26,206
Mould and dies	8,68,57,900	99,22,129	-	9,67,80,029	4,09,28,893	94,59,332	-	5,03,88,225	4,63,91,804	4,59,29,007
Vehicles	2,12,65,120	28,19,116	14,52,139	2,26,32,097	74,70,918	17,01,223	8,24,716	83,47,425	1,42,84,672	1,37,94,202
Furniture and fixtures	1,08,83,287	7,01,795	7,94,346	1,07,90,736	47,29,614	5,25,790	550	52,54,854	55,35,882	61,53,673
Office equipments	80,48,704	5,69,221	-	86,17,925	36,88,873	2,79,903	-	39,68,776	46,49,149	43,59,831
Research and development assets										
Plant and machinery	2,48,45,417	43,390	-	2,48,88,807	51,84,223	15,97,114	-	67,81,337	1,81,07,470	1,96,61,194
Computer	1,11,804	-	-	1,11,804	51,949	17,799	-	69,748	42,056	59,855
Mould and dies	1,11,76,876	-	-	1,11,76,876	57,06,026	12,90,361	-	69,96,387	41,80,489	54,70,850
Vehicles	2,48,603	3,86,219	-	6,34,822	64,960	36,383	-	1,01,343	5,33,479	1,83,643
TOTAL (A)	**77,70,61,007**	**4,03,98,056**	**36,00,310**	**81,38,58,753**	**28,43,21,849**	**5,30,01,587**	**10,38,823**	**33,62,84,613**	**47,75,74,140**	**49,27,39,158**
INTANGIBLE ASSETS										
Software	86,50,100	5,88,823	-	92,38,923	53,63,502	8,92,313	-	62,55,815	29,83,108	32,86,597
Licences	39,70,296	-	-	39,70,296	39,70,296	-	-	39,70,296	-	-
Research and development assets										
Software	4,63,892	-	-	4,63,892	2,05,148	75,214	-	2,80,362	1,83,530	2,58,746
TOTAL (B)	**1,30,84,288**	**5,88,823**	**-**	**1,36,73,111**	**95,38,946**	**9,67,527**	**-**	**1,05,06,473**	**31,66,638**	**35,45,343**
GRAND TOTAL (A+B)	**79,01,45,295**	**4,09,86,879**	**36,00,310**	**82,75,31,864**	**29,38,60,795**	**5,39,69,114**	**10,38,823**	**34,67,91,086**	**48,07,40,778**	**49,62,84,501**

a) Additions to fixed assets include exchange loss of ₹ 1,07,34,090 (previous year exchange loss of ₹ 34,31,045) and borrowing costs of ₹ nil (Previous year ₹ 24,80,753) capitalized during the year.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.12 Non Current Investments

Particulars	As at March 31, 2015	As at March 31, 2014
Long term investments (Non - Trade)		
Quoted (valued at cost unless otherwise stated)		
Investments in mutual funds		
UTI Equity Fund (Prev. Mastergain1992 of UTI) 5,000 units of Rs. 10 each (previous year - 5,000 units of Rs. 10 each)	50,000	50,000
Investment in equity instruments		
Equity Shares in Valecha Engineering Limited 1,125 shares of Rs. 10 each (previous year - 1,125 shares of Rs. 10 each)	20,100	20,100
Equity Shares in Kailash Structures Limited 1,600 shares of Rs. 10 each (previous year - 1,600 shares of Rs. 10 each)	-	16,000
	70,100	**86,100**
Market value of investments in mutual funds	4,32,018	3,59,199
Aggregate market value of investments in equity instruments	1,00,631	42,806

2.13 Long Term Loans And Advances

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured considered good)		
Capital advances	4,17,02,990	89,15,847
Security deposits	62,03,513	58,27,963
Loan to employees	69,42,012	64,16,548
Accrued interest	7,33,303	55,91,298
Balances with statutory and government authorities	-	1,50,00,000
Advance income tax (previous years, net of provision)	13,70,304	8,34,163
Minimum alternate tax credit entitlement	1,70,99,971	2,66,91,438
	7,40,52,093	**6,92,77,257**

2.14 Other Non Current Assets

Particulars	As at March 31, 2015	As at March 31, 2014
Deposits with banks	-	13,10,111
	-	**13,10,111**

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.15 Current Investments

Particulars	As at March 31, 2015	As at March 31, 2014
Quoted (valued at cost or fair value, whichever is lower)		
Investments in mutual funds		
PNB Mutual Fund	15,45,068	15,45,068
777.481 units (previous year 777.481 units) of Rs. 1,987.27 each		
IDFC Mutual Fund	2,91,241	2,91,241
190.688 units (previous year 190.688 units) of Rs. 1,527.32 each		
	18,36,309	**18,36,309**
Market value of investments in mutual fund as at the end of the year	20,35,532	18,74,764

2.16 Inventories

Particulars	As at March 31, 2015	As at March 31, 2014
Direct raw materials	8,15,41,852	8,67,40,929
Materials, stores and spares	2,24,00,710	2,98,86,833
Work in progress	21,05,43,285	16,61,54,019
Finished goods	-	4,35,687
Loose tools	72,29,665	50,70,525
	32,17,15,512	**28,82,87,993**
Goods in transit included in above inventories is as under:		
Direct raw materials	-	1,36,475

2.17 Trade Receivables

Particulars	As at March 31, 2015	As at March 31, 2014
Trade receivables outstanding for a period exceeding		
six months from the date they are due for payment		
Unsecured, considered good	14,73,896	1,85,69,676
Unsecured, considered doubtful	24,79,473	14,80,610
Less: Provision for bad debts	(24,79,473)	(14,80,610)
	14,73,896	**1,85,69,676**
Others		
Unsecured, considered good	31,57,10,292	29,82,66,705
	31,71,84,188	**31,68,36,381**

2.18 Cash And Bank Balances

Particulars	As at March 31, 2015	As at March 31, 2014
Cash and cash equivalents		
Cash in hand	9,88,580	3,66,699
Balance with banks in current account		
- in current accounts	51,23,725	1,17,83,871
- in deposit account with original maturity upto 3 months	-	1,50,00,000
Other bank balances		
Deposits with original maturity more than 3 months but less than 12 months*	74,13,855	11,98,59,249
	1,35,26,160	**14,70,09,819**

*Includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.19 Short Term Loans And Advances

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured, considered good)		
Prepaid expenses	33,95,837	25,02,816
Interest accrued on deposits	4,43,902	3,46,612
Loan to employees	62,84,807	41,39,034
Balances with statutory and government authorities	3,23,23,566	2,94,86,423
Other loans and advances	1,26,45,930	2,80,07,461
	5,50,94,042	**6,44,82,346**

2.20 Other Current Assets

Particulars	As at March 31, 2015	As at March 31, 2014
(Considered good, unless otherwise stated)		
Export incentives receivable	1,65,07,196	2,96,59,182
Claims receivable	1,85,61,831	2,62,33,367
Unamortised deferred premium	-	12,51,904
Foreign currency receivable	-	4,11,93,690
	3,50,69,027	**9,83,38,143**

2.21 Revenue From Operations

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Sale of products (refer note (a) below)	1,00,67,54,481	1,18,52,67,222
Other operating revenues (refer note (b) below)	2,66,05,220	3,74,13,287
Gross revenue from operations	**1,03,33,59,701**	**1,22,26,80,509**
Less: excise duty	2,56,19,551	3,20,87,158
Net revenue from operations	**1,00,77,40,150**	**1,19,05,93,351**
(a) Sale of products comprises		
Castings (stainless steel)	74,99,67,746	87,76,10,439
Castings (alloy and non-alloy steel)	6,61,01,687	13,70,99,897
Structures and forgings	6,59,27,998	7,05,03,867
Assembly items	6,92,46,380	4,69,23,948
Others	5,55,10,670	5,31,29,071
	1,00,67,54,481	**1,18,52,67,222**
(b) Other operating revenues		
Export incentives	2,22,35,064	3,25,42,325
Income from power generation	43,70,156	48,70,962
	2,66,05,220	**3,74,13,287**
(c) Domestic and export sales		
Domestic sales	24,44,63,323	28,81,71,403
Export sales	76,22,91,158	89,70,95,819
	1,00,67,54,481	**1,18,52,67,222**

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.22 Other Income

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Interest received		
- from banks	71,89,700	1,90,91,084
- from others	10,54,254	16,71,954
Dividend income	844	8,125
Income from mutual funds	-	33,36,621
Bad debts recovered	6,208	-
Provisions made no longer required written back	80,68,373	11,62,147
Miscellaneous income	1,15,601	1,86,594
	1,64,34,980	**2,54,56,525**

2.23 Cost Of Materials Consumed

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Opening stock	8,67,40,929	12,58,66,341
Add: purchases	31,24,93,793	32,34,43,895
Less: closing stock	8,15,41,852	8,67,40,929
	31,76,92,870	**36,25,69,307**
Less: consumed for research and development (note 2.28)	8,56,196	29,22,372
Cost of materials consumed	**31,68,36,674**	**35,96,46,935**
Note (i) cost of materials consumed :		
Scraps and metals		
Stainless steel scrap	17,63,80,737	20,95,39,989
Iron and steel scrap	74,25,458	3,30,62,503
Ferrous and non-ferrous alloys	6,44,10,619	4,62,72,874
Structures and fabrication	3,16,52,227	3,48,69,388
Raw castings (including assembly)	3,78,23,829	3,88,24,553
	31,76,92,870	**36,25,69,307**
Less: raw material consumed for research and development (note 2.28)	8,56,196	29,22,372
	31,68,36,674	**35,96,46,935**

2.24 Changes in Inventories of Finished Goods and Work-in-progress

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Inventories as at March 31, 2014		
Work-in-progress	16,61,54,019	19,04,45,173
Finished goods	4,35,687	39,535
	16,65,89,706	**19,04,84,708**
Inventories as at March 31, 2015		
Work-in-progress	21,05,43,285	16,61,54,019
Finished goods	-	4,35,687
	21,05,43,285	**16,65,89,706**
Change in inventories	**(4,39,53,579)**	**2,38,95,002**

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.25 Employee Benefits Expense

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Salaries, wages and bonus	15,13,62,864	14,96,71,388
Contribution to provident and other funds	1,22,87,311	1,04,03,112
Staff welfare expenses	43,67,050	34,56,766
	16,80,17,225	**16,35,31,266**

2.26 Other Expenses

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Manufacturing expenses		
Stores and spares consumed	11,41,59,784	12,69,71,085
Power and fuel	8,63,71,913	8,94,03,820
Repairs and maintenance		
- plant and machinery	2,07,48,600	2,26,74,687
- building	22,95,743	21,18,722
Packing and general consumables	1,76,13,697	1,93,31,848
Processing and work charges	5,01,61,494	5,66,78,229
Freight inward	33,29,283	25,61,049
Testing and inspection charges	1,44,19,205	1,38,41,720
	30,90,99,719	**33,35,81,160**
Administrative and selling expenses		
Rent	23,64,065	28,14,265
Rates and taxes	46,53,620	38,19,268
Insurance expenses	17,60,306	25,32,006
Security expenses	54,75,393	46,71,746
Legal and professional expenses	1,06,92,230	1,94,76,403
Travelling and conveyance	62,14,380	81,98,904
Vehicle running and maintenance	44,87,192	41,67,638
Communication expenses	30,72,110	30,57,374
Printing and stationery	28,05,343	28,91,088
Conference, training and recruitment	16,43,264	16,32,535
Freight and clearing	1,21,83,287	1,55,86,136
Sales commission	61,94,128	90,05,209
Late delivery charges	15,06,140	1,37,45,570
Advertisement and promotion	28,68,742	29,96,867
Payment to auditors (refer note below)	25,62,401	16,47,728
Donation and charity	52,077	3,78,276
Loss on sale of assets, net	12,84,682	5,57,667
Corporate social responsibility expenses	13,88,600	-
Bad debts written off	20,41,022	76,94,796
Provision for doubtful debts, loans and advances	9,98,863	-
Miscellaneous expenses	40,19,009	28,28,068
	7,82,66,854	**10,77,01,544**
Statutory auditors:		
Audit fees	11,90,000	10,00,000
Tax audit fees	1,80,000	1,00,000
Limited review	2,10,000	1,00,000
Out of pocket expenses	9,82,401	4,47,728
	25,62,401	**16,47,728**

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.26 (b)Prior period expenses

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Other expenses	1,08,971	2,62,141
Gratuity	-	8,68,937
Leave encashment	-	-11,61,821
Depreciation	-	1,02,39,192
	1,08,971	**1,02,08,449**

2.27 Finance Costs

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Interest		
- working capital loans	1,42,10,282	2,67,10,381
- term loans	43,61,905	93,37,675
- others	3,98,015	21,08,169
Bank charges	66,61,912	97,83,803
Loss on foreign currency transactions and translation	-	50,65,814
	2,56,32,114	**5,30,05,842**

2.28 Research And Development Expense

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Raw materials consumed	8,56,196	29,22,372
Materials, stores and spares consumed	27,51,189	25,59,657
Salary and wages	16,87,175	14,99,321
Other expenses	4,22,575	1,16,215
	57,17,135	**70,97,565**

2.29 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 recognized in the statement of profit and loss with respect to aforementioned premises is Rs 23,64,065 (previous year Rs. 28,14,265)

2.30 Contingent Liabilities and Commitments

(A) Contingent Liabilities

Particulars		As at March 31, 2015	As at March 31, 2014
(i)	In respect of non fund-based working capital facilities from banks:		
	Bank guarantees	12,20,000	2,57,44,887
	Letter of credit	10,73,07,910	99,17,040
(ii)	Disputed demands for excise duty and service tax (refer note a below)	1,36,170	4,69,23,008
(iii)	Disputed demands for sales tax (refer note b below)	9,93,750	-
(iv)	Disputed demands for income tax	-	10,02,053

Notes:

a) 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 notice/demands to the department and the appeals are pending with Appellate authorities.

b) Assessment for the financial year 2011-12 for sales tax has been completed. An appeal for the financial year 2013-14 is pending at Tribunal, Commercial Tax against demand for Rs. 15,90,000 and the Company has deposited as a security for Rs. 5,96,250.

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.

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

(B) Commitments

Particulars	As at March 31, 2015	As at March 31, 2014
Estimated amount of contracts remaining to be executed		
on capital account and not provided for (net of advance)	25,37,24,039	4,08,16,765

2.31 Employee Benefit Obligations

Defined contribution plans

Amount of ₹ 1,22,87,311 (previous year - ₹ 1,04,03,112) has been recongnized as an expense in respect of contribution for Provident Fund and Employee State Insurance Fund deposited with the government authorities.

Defined benefit plans

The Company makes contribution towards gratuity to a defined contribution retirement benefits plan for qualifying employees. The Company has taken policy with Life Insurance Corporation of India to provide for payment of retirement benefits to vested employees. The present value of obligation is determined based on actuarial valuation.

The following table sets forth the status of the Gratuity Plan of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

Particulars	As at March 31, 2015	As at March 31, 2014
Present value of the obligation at the beginning of the period	3,76,38,115	3,46,50,987
Current service cost	29,80,349	33,78,502
Interest cost	30,11,049	31,18,589
Benefits paid	(25,15,026)	(22,34,984)
Actuarial loss/(gain) on obligation	30,59,197	(4,06,042)
Present value of the obligation at the end of the period	**4,41,73,684**	**3,85,07,052**
Change in plan assets:		
Fair value of plan assets at the beginning of the period	3,01,75,545	2,62,52,514
Expected return on plan assets	35,32,746	25,52,897
Contributions	1,03,22,330	36,05,118
Benefits paid	(25,15,026)	(22,34,984)
Fair value of plan asset at the end of the period	**4,15,15,595**	**3,01,75,545**
Amount of the obligation recognised in the Balance Sheet		
Present value of the obligation at the end of the period	4,41,73,684	3,85,07,052
Fair value of plan assets at end of period	4,15,15,595	3,01,75,545
Net liability recognized in Balance Sheet	**26,58,089**	**83,31,507**
Amount of gratuity expenses recognised in the statement of profit and loss		
Current service cost	29,80,349	33,78,502
Interest cost	30,11,049	31,18,589
Expected return on plan asset	(35,32,746)	(25,52,897)
Net actuarial loss/(gain) recognized in the period	33,99,205	(4,06,042)
	58,57,857	**35,38,152**

The expense for gratuity in respect of the current year and previous year have been included under Salaries, wages and bonus.

The present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan arising on the plan liabilities and the plan assets.

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Present value of defined benefit obligation	4,41,73,684	3,85,07,052	3,17,23,460	2,92,39,165	2,57,93,633
Fair value of plan assets	4,15,15,595	3,01,75,545	2,86,15,739	2,73,27,643	2,43,93,467
Surplus or (deficit) in the plan assets	(26,58,089)	(83,31,507)	(31,07,721)	(19,11,522)	(14,00,166)

The actuarial assumptions used to determine the gratuity benefit obligations are as follows :

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Discount rate	8.00%	9.00%
Salary escalation rate	6.50%	6.50%

Salary escalation rate:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Investment details of plan assets :

The details of investment maintained by Life Insurance Corporation are not available with the Company and have not been disclosed.

2.32 Exceptional items

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Foreign exchange fluctuations*	1,59,89,782	57,94,540
	1,59,89,782	**57,94,540**

*Due to significant volatility in foreign currency exchange rates, the Company has considered loss/(profit) on foreign exchange fluctuation as an exceptional item.

2.33 Corporate social responsibility expenses

(a) Gross amount required to be spent by the company during the year in compliance with section 135 of the Act is ₹ 19,87,362

b) Amount spent during the year on-

	In cash	Yet to be paid in cash	Total
Contribution to trust	13,88,600	-	13,88,600

2.34 Calculation of earning per share and diluted earning per share

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Net profit for the period	6,44,32,621	5,79,70,775
Exceptional items	1,59,89,782	57,94,540
Weighted average number of ordinary shares outstanding	48,02,339	41,91,250
Earning per share on profit after taxation before exceptional items (face value ₹ 10/- per share)	16.75	15.21
Earning per share on profit after taxation and exceptional items (face value ₹ 10/- per share)	13.42	13.83
Diluted weighted average number of ordinary shares outstanding	52,39,063	49,08,930
Diluted earning per share on profit after taxation before exceptional items (face value ₹ 10/- per share)	15.35	12.99
Diluted earning per share on profit after taxation and exceptional items (face value ₹ 10/- per share)	12.30	11.81

2.35 Related Party Disclosure :

The disclosure of transactions with the related party as defined in the Accounting Standard are given below:

Key Management Personnel ("KMP") of the Company	1. Mr. Satish Chandra Agarwal 2. Mr. Sachin Agarwal 3. Mr. Priya Ranjan Agarwal 4. Mr. Alok Agarwal
Entities controlled by KMPs and/or their relatives	1. Mapple Commerce Private Limited 2. e.Soft Technologies Limited 3. Nirala Merchants Private Limited 4. PTC Foundation
Relatives of Key Management Personnel	1. Mrs. Saroj Agarwal 2. Mrs. Smita Agarwal 3. Ms. Kanchan Agarwal 4. Mrs. Anshoo Agarwal 5. Mrs. Reena Agarwal

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

The following transactions were carried out with the related parties:

Particulars	Year ended March 31, 2015				Year ended March 31, 2014			
	Enterprises controlled by directors/ relatives	Subsidiary	Key management personnel (KMP)	Relatives of KMPs	Enterprises controlled by directors/ relatives	Subsidiary	Key management personnel (KMP)	Relatives of KMPs
Transactions during the year								
1. Interest charges	-	-	-	-	2,27,481	-	-	-
a. Mapple Commerce Private Limited					1,29,690			
b. Nirala Merchants Private Limited					97,791			
2. Service charges	9,60,451	-	-	-	7,99,394	-	-	-
a. e. Soft Technologies Limited	9,60,451				7,99,394			
3. Rent paid	-	-	-	6,00,000	-	-	-	4,42,500
a. Mrs. Saroj Agarwal				6,00,000				4,42,500
4. Repayment of loans	-	-	-	-	51,01,704	-	-	-
a. Mapple Commerce Private Limited					17,58,281			
b. Nirala Merchants Private Limited					33,43,423			
5. Corporate social responsibility expenses	13,88,600	-	-	-	-	-	-	-
a. PTC Foundation	13,88,600							
Amounts paid during the year to KMP's and relatives of KMP's								
1. Managerial remuneration	-	-	1,50,40,548	-	-	-	1,22,57,006	-
2. Salary and allowances	-	-	-	41,32,010	-	-	-	38,79,318
Outstanding balance (Amount payable)	As at March 31, 2015				As at March 31, 2014			
Enterprises controlled by directors/relatives								
e.Soft Technologies Limited	4,62,931	-	-	-	57,640	-	-	-
Key management personnel								
Managerial remuneration	-	-	20,58,794	-	-	-	14,40,769	-
Relative of KMP's								
Salary and allowances	-	-	-	2,93,330	-	-	-	2,07,573

Summary of significant accounting policies and other explanatory information to the consolidated financials for the year ended March 31, 2015

(All amounts in Indian rupees, unless stated otherwise)

2.36 Derivative Instruments

The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

(a) The forward exchange contracts outstanding at the year end are as under:

Particulars	Currency	March 31, 2015		March 31, 2014	
		Foreign Currency	INR	Foreign Currency	INR
Buyer's credit	USD	-	-	3,31,200	2,00,34,288
Foreign currency term loans	USD	-	-	6,81,000	4,11,93,690

(b) The foreign currency exposures not hedged as at year end are as under:

Particulars	Currency	As at March 31, 2015		As at March 31, 2014	
		Foreign Currency	INR	Foreign Currency	INR
Buyer's credit	JPY	1,68,00,000	88,41,840	-	-
Foreign currency term loans	USD	6,39,200	4,03,10,252	6,81,000	4,11,93,690
Creditors	USD	11,497	7,25,017	53,972	32,64,738
Creditors	EUR	74,063	50,67,390	14,912	12,44,894
Creditors	GBP	43,095	40,28,985	2,188	2,20,746
Creditors	DKK	-	-	985	11,052
Trade receivables	USD	12,62,093	7,85,27,426	15,54,493	9,42,94,240
Trade receivables	EUR	24,58,224	16,44,30,617	18,72,692	15,23,00,418

2.37 Previous year figures have been regrouped/rearranged wherever considered necessary to make them comparable with those of the current year.

For Walker Chandiok & Associates
Chartered Accountants

per **Siddharth Talwar**
Partner

Place : Delhi
Date : May 25, 2015

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

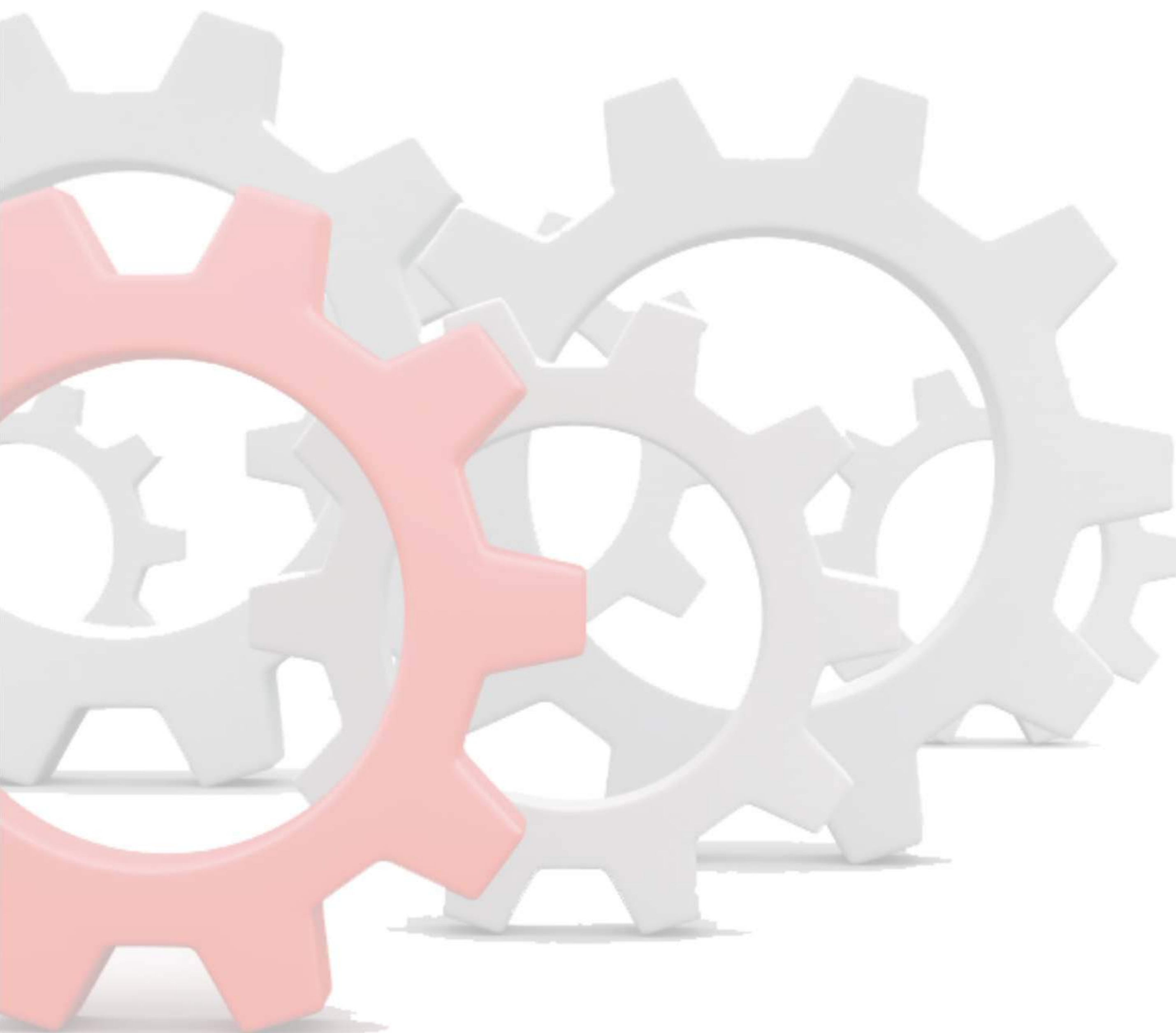
Sachin Agarwal
Managing Director

Smita Agarwal
Chief Financial Officer

Alok Agarwal
Director (Quality & Technical)

A. K. Gupta
Company Secretary

Place : Lucknow
Date : May 25, 2015



WE ARE...
OUR PEOPLE

Our people are our greatest asset – we say it often and with good reason.


BANKERS

PTC INDUSTRIES
Aspire. Innovate. Achieve.

June 25, 2015

Dear Shareholder,

I am pleased to invite you to the 52nd Annual General Meeting of PTC Industries Limited to be held on Wednesday, August 12, 2015 at 03:00 (IST) at the registered office situated at Malviya Nagar, Aishbagh, Lucknow-226 004, Uttar Pradesh, India.

The Notice of 52nd Annual General Meeting shall be despatched to all the shareholders, whose name appears in register of members on the cut-off date (July 3, 2015) on July 9, 2015.

If you are unable to attend the Annual General Meeting but wish to vote on the resolutions proposed to be transacted at the meeting, you may appoint a proxy to act on your behalf in accordance with the directions in the Notice of the meeting sent separately or you can also vote electronically. The company has arranged for an e-voting facility through CDSL. Instructions for e-voting are given in the notice convening the Annual General Meeting.

Your directors and the management of PTC Industries Limited look forward for your continued support, and to seeing you at the 52nd Annual General Meeting. Should you require any further information, please contact at us companysecretary@ptcil.com.

Best regards,

(A.K. Gupta)
General Manager (Finance) &
Company Secretary

Notes

Notes


Export Turnover
₹ 76.23 Crores
18.91% EBITDA Margin
Rs. 19.06 Crores
Net Worth ₹113.98 Crores
Export to over 18 countries
Qualified workforce
Over 100 engineers

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