PTC
INDUSTRIES
Aspire. Innovate. Achieve.

50
YEARS OF PASSION
AND INNOVATION

annual report 2012-13

CONTENTS

PTC's vision of *Aspire*, *Innovate* and *Achieve* has become entrenched in the heart of each of its members. In our 50th Annual Report, we celebrate the commitment to quality and excellence that has brought PTC so far. This milestone is a point where we now prepare ourselves for a new era of innovation leading to sustainable and profitable growth, while creating long-term value for our shareholders, our people and our customers.

Our mission...

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

OVERVIEW

REPORTS

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“We aspire to create a better future for our company and its stakeholders. We constantly innovate to achieve our goals while using our resources prudently, developing high quality products and working towards a sustainable future.”

- Mr. Sateesh Agarwal
Chairman

PTC's evolution into a professionally managed hi-tech company with a reputation for excellence across the globe is indeed a remarkable achievement. I am proud of what has been achieved and believe strongly that the best is still to come.

DEAR SHAREHOLDERS,

In the financial year 2012-13 our revenues and profits continued to grow. We have achieved high standards of performance while continuing to invest in people, technology and facilities:

Our key financial results were:

- Revenues increased by 16% at Rs. 137.86 crore from Rs. 118.55 crore in the year 2011-12.
- Earnings before interest, taxes, depreciation and amortization (EBITDA) rose by more than 27% at Rs. 23.19 crore.
- Profit before Tax (before exceptional items) grew by 82% at Rs. 12.14 Crore this year.
- Diluted Earnings Per Share (before exceptional items) increased from Rs. 16.81 last year to Rs. 25.94 this year.

It is with immense pride that I inform you that on March 20, 2013, your Company has completed 50 years of its existence. I am honored to have led PTC through this period of growth and transformation. Five decades ago, this Company started as a very small family business with a vision to provide quality and value to its customers. Its evolution into a professionally managed hi-tech company with a reputation for excellence across the globe is indeed a remarkable achievement. I am proud of what has been achieved and believe strongly that the best is still to come.

On this momentous occasion, I thank each one of you personally, who have played such a significant role in our success and growth. With your continuing support and commitment, PTC shall carry on its journey for generations to come.

During this year, the Bhiwadi Unit manufacturing alloy steel castings has been sold as a going concern on a "slump sale" basis. This is in line with the Company's strategy to focus on high value and higher technology products. Further, the Company is planning to set up a new unit with increased capacity and capability in Lucknow.

I have always believed that our growth has been intrinsically linked with the growth of our people. Hence, I take this opportunity to thank our customers, shareholders and employees who have been our valued partners in this journey of delivering consistent, competitive, profitable and responsible growth.

Sd/-
Sateesh Agarwal
Founder and Chairman

A WORD FROM THE MANAGING DIRECTOR

DEAR SHAREHOLDERS,

Half a century ago, a small group of family members founded a company for manufacture of high quality castings. They recognized the need to incorporate best practices and focus on quality from the very beginning. Thanks to the foresight of these individuals, PTC today is a successful organization with a commitment towards quality and progress.

In the last three 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. Our relentless focus on technology and innovation has opened up new opportunities and transformed the Company into a globally recognized engineering brand. At PTC, we believe in building for the future.

I am especially touched by this anniversary as I have grown up with this Company. While I have experienced difficult times during my tenure, I can imagine the evolution of PTC during the 1970s, 1980s and 1990s. We are all grateful for the pioneers who made this Company what it is today. At this occasion, our Company shall not just be satisfied by being the best in the country today, rather it aims to be the best in class in its areas of operations in the world. Further, we will not rest on our laurels and constantly endeavor to keep PTC ahead in terms of technology, value to customers, enabling work environment for employees and our overall responsibility to the society.

PTC's revenues have grown by over five times in the past decade. In the past ten years, profits have risen from 99 lakhs (in the year 2002-03) to 12.14 Crore (before exceptional items) and Earning per share has jumped from Rs. 1.65 per share to Rs. 25.94 per share (before exceptional items) this year.

The year 2012-13 has been a challenging year for the global economy. Despite the sluggish external environment, the Company has shown an impressive performance. One of our biggest achievements is the 55% growth in exports which have risen to Rs. 81.23 Crore from Rs. 52.35 Crore last year. During the current year, revenues have risen by 16% while EBITDA grew by 27%. Another highlight of the current year is the concentration on reducing our operating and manufacturing costs through employment of a number of cost saving, efficiency increasing measures. There was a sustained focus on productivity improvement and cost control in 2012-13 which has started to reflect in the financial statements.

The company continued its relentless pursuit of improvements on the operational front & focus on cost control while sharpening its focus on leveraging the strength of its customer relationships and its own capabilities in innovation and technology development.

Our priorities for the business this year are:

- Deliver on the promises that we made

The quality of our products supplied this year has shown steady improvement. We are investing in new technologies and machineries to improve operational performance and reduce cost. This has also included a continuing investment in our IT resources which is a key enabler for our business.

- Decide where to grow and where not to

We will continue to invest in our capacity and capability enhancements to improve our quality and volumes. Our new plant is a step in this direction. Areas where we have decided not to invest includes Bhiwadi unit which has been disposed off during the year.

- Improve Financial Performance

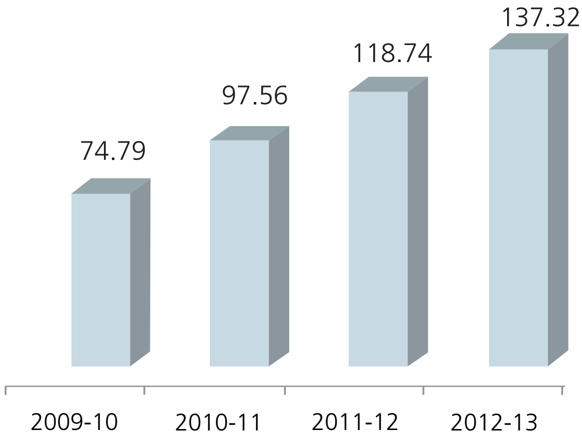
Our focus shall remain on improving our margins through automation, improvements in technology and better operational efficiency. Our financials visibly reflect this change.

The achievements of our Company are made possible by the efforts of our employees whose combined expertise and enthusiasm give us the ability to do extraordinary things. I am constantly impressed by their commitment and am grateful for their hard work and customer focus. There is no doubt in my mind that this spirit and dedication will enable our Company to take its rightful place in the industry - as the supplier of choice in the markets it serves - by differentiating itself, its products, its processes and its service to its customers."

Sd/-
Sachin Agarwal
Managing Director

Revenue from Operations

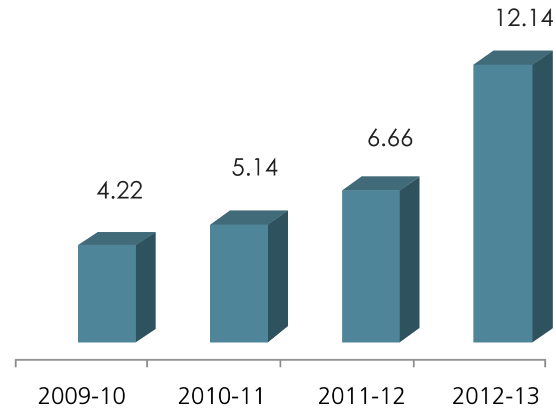
(Rupees in Crores)



Profit before tax

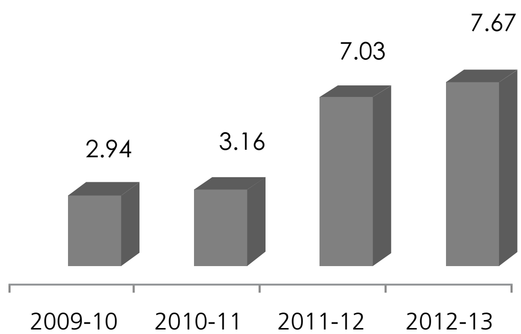
(before exceptional items)

(Rupees in Crores)



Profit after Tax

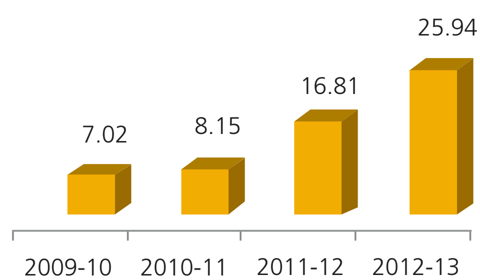
(Rupees in Crores)



Earning per Share

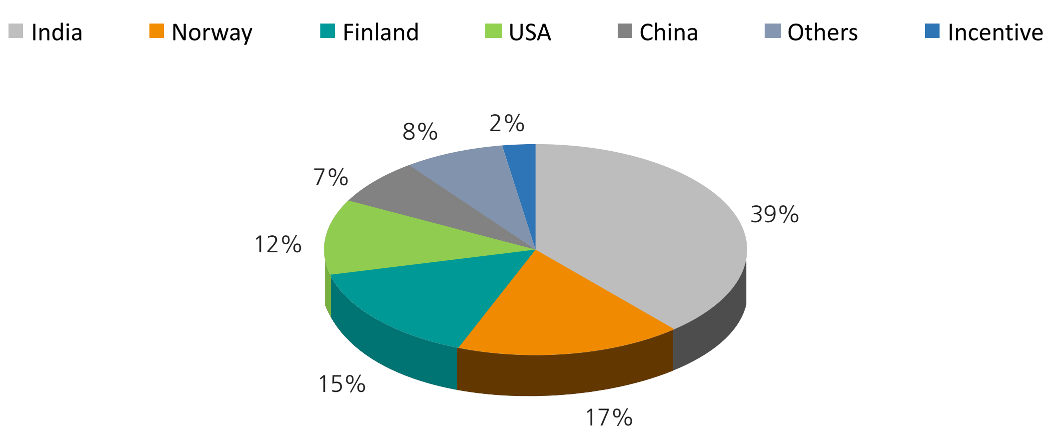
(Before exceptional items)

(of Rupees 10/- each)



Sales

(Geographical Mix)



START UP & EARLY GROWTH 1963 - 1981

1963

Precision Tools & Castings Private Limited, was founded in Lucknow by members of a family for production of Alloy/Stainless Steel Castings with the thrust for substitute for Valves & Pumps Castings.

Mr. Satish Chandra Agarwal, the present Chairman was appointed on the Board on 20.03.1963

1968

PTC received trial orders for Heat Resistant Steel Castings and commenced the first commercial production.

1970

Mr. S. C. Agarwal the sole promoter, who has been the driving force behind the success of the Company was appointed the Managing Director on 11.05.1970.

1981

PTC was equipped with the latest technology & equipments and skilled manpower to produce world class castings.

PTC's in house R&D Division was recognized by the Department of Science & Technology, Government of India from 1981.

FOCUS ON EXPORTS 1986 - 1993

1986

PTC successfully developed various intricate and sophisticated industrial castings as an import substitution to international standards and then made its first export to USA during 1986.

1988

The company progressed steadily and manufactured industrial castings of various grades of steel/stainless steel and super alloys.

1990

Several rewards and recognitions were bestowed upon Mr. S C Agarwal. The 'Dhatu Nayak' award was presented to him for the year 1992-93 by the All India Induction Furnaces' Association. He was recognised as "Honorary Citizen of the City of Tulsa, Okhlahoma, USA for his contribution to the industrial development of Tulsa City, USA

1993

From a meager export value of Rs.1 million in 1988, PTC's value of exports crossed Rs.80 million in 1993-94 i.e. an average annual growth of 115% during seven years.

Receipt of Best Exporter Shield from EEPC (Northern Region) for 1990, 1991 & 1993 and Certificate of Excellence in 1992 for Iron & Steel based products

AWARDS & AQUISITIONS 1997 - 2006

1997

Ashman Tool Engineers Pvt Ltd, engaged in the business of manufacturing tools, jigs, fixtures, moulds and dies at Lucknow (U.P.) and Sunika Alloys Pvt Ltd, engaged in the business of manufacturing alloy steel castings at Bhiwadi (Rajasthan) were amalgamated with the Company with effect from 1st April, 1997.

2000

The ISO 9001-2000 certification by BVQI and AD-2000 Merkblat certification by TUVNORD was received.

PTC was also certified by BVQI for the Pressure Equipment Directive.

2005

The Ahmedabad Plant was set up with facilities for Investment Castings (Lost Wax Process) and a CNC Machine Shop. The CNC Machine shop had Turning Centres, Turn Mill Centres, Vertical Machining Centres and Horizontal Machining Centres.

2006

PTC received the prestigious 'Technology Absorption' Award in 2006 from DSIR, Government of India for successfully absorbing the 'Replicast' technology' from Castings Technology International, UK.

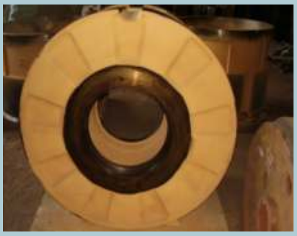
INNOVATION & AUTOMATION 2009 - 2013

2009

PTC installed the latest automated moulding system using robotic coating plant which was commissioned in Lucknow replacing the manual moulding process.

2010

A new CNC machine shop with a mix of conventional and state-of-the-art, highly productive CNC machines was set up in Lucknow for machining parts for valves, pumps and other high precision components.



2011

A new heavy engineering facility was established at the Lucknow Plant 2 situated in Sarojini Nagar. This new plant commenced production from July 1, 2011 and has been accorded ISO 9001:2008 certificate,

2013

Work initiated for a new manufacturing facility to be set up in Lucknow with the latest hi-tech equipment and machineries. This plant will manufacture castings of up to 5,000 kgs using the Replicast and RapidCast technologies.

COMPANY PROFILE

PTC INDUSTRIES LIMITED started as a modest small scale industry in 1968 (Precision Tools & Castings Private Limited), and has evolved into an internationally acclaimed foundry. PTC was amongst the first investment casting foundry in India. When PTC started its operations, Indian foundries had no standing in USA and Europe, and South Korean companies dominated the castings market. Export was a matter of pride for any unit, more so for a Foundry as Indian technology was not developed up to the level of International Standards.

With the rapidly changing global scenario, and the frequent evolutions in technology, we have managed to keep pace with the changing needs of the market. Our company has excelled at absorbing and developing new technologies, and even proceeded to indigenize it to deliver maximum value to the customer. PTC was amongst the first companies to introduce the Investment Casting (Lost Wax) process in India in the mid-sixties. Since then, we have begun to manufacture specialized castings produced by the Replicast process. In November 2006, we were awarded the prestigious National Award in the Industry presented by the Department of Science and Industrial Research. This award was received in recognition of successful absorption and commercialization of the Replicast Technology which was a first for any Indian Foundry.Over the years, PTC has grown to become a leading supplier of castings solutions, machined components and fabricated parts to many of the world's most reputed companies.

Today, PTC has 2 foundries, 2 CNC machine shops and 1 heavy engineering / fabrication facitlity in India, manufacturing castings using **Replicast, Rapidcast, Investment Casting** (Lost Wax), **Shell Moulding, Sand Moulding** and **Centrifugal Casting** processes in either as cast or finish machined condition. It meets the requirements of a wide swath of user industries, spanning Valves and Pumps, Power Generation, Pulverizing and Crushing, Mining and Earth Moving and Rail and River Transport. It offers a wide range of materials which include Alloy Steel, Stainless Steel, Duplex and Super Duplex Stainless Steel, Creep Resistant Steel, Heat Resistant Steel, Nickel Based Alloys, Cobalt Based Alloys, Austenitic Ductile Iron, Nickel Aluminium Bronze, etc.

DESCRIPTION OF ACTIVITIES

The main activities of the Company include:

FOUNDRY

Our foundries located at Lucknow and Ahmedabad produce Stainless Steel and alloy steel castings with a installed capacity of 3350 tons per year. Castings range from few grams up to 2500 Kgs per piece.

We cater to the needs of the following sectors on a large scale:

- **Thermal Power,**
- **Rail & River Transport,**
- **Earth Moving Equipment,**
- **Cement, Fertilizers,**
- **Valves and Pumps**
- **Mining, Pulverizing and Crushing etc.**

MACHINING

Our machine shops at Lucknow and Ahmedabad plants have facilities to fully machine Valves, Pumps, Impellers, Diffuser, Stuffing Box, Railway items, Part of Earth Moving Machinery etc. These plants are also geared to produce Molds, Dies, Jigs and Fixture.

FORGING AND FABRICATION

We are reputed manufacturers for supply of Forgings by both Closed die method and Open die method equiped with Die - Forged hammers. Oil Fired Furnaces for making red ingots and can manufacture forging ranging from 0.5 Kgs to 20 Kgs a piece.

BOARD OF DIRECTORS

NAME	DESIGNATION	QUALIFICATION	AGE	DATE OF JOINING THE COMPANY
MR. SATEESH AGARWAL	Chairman	B.Sc, Engg (Mech) M.I.E.	79	20 March1963
MR. SACHIN AGARWAL	Managing Director	MBA, M.Sc (Finance), USA	41	18 April 1998
MR. P. R. AGARWAL	Director Marketing	B. E. (Mech)	55	28 December 1992
MR. ALOK AGARWAL	Director Quality & Technical	B. Tech (IIT, Kanpur)	51	27 July 1994
MR. ARUN PRASAD	Director	M.A. (Sc), B. Tech (IIT, Kanpur)	55	30 July 1997
MR. R. K. PANDEY	Director	M.Com, LLB, FCS, PGDBA	73	17 March 2003
MR. AJAY KASHYAP	Director	B. Tech (Chem), M. Sc. (Chem)	64	19 April 2007
DR. R. C. KATIYAR	Director	M. Com, Ph. D, FICWA, D. Lit	57	19 April 2007
MR K. D. GUPTA	Director	M. Com, LLB, M, Phil, Masters Diploma in Public Administration	70	31 July 2008

COMPANY INFORMATION

REGISTERED OFFICE	MALVIYA NAGAR, AISHBAGH LUCKNOW – 226 004 (U.P.)
BANKERS	STATE BANK OF INDIA PUNJAB NATIONAL BANK IFCI FACTORS LIMITED
SHARE TRANSFER AGENTS	M/s LINK INTIME INDIA PRIVATE LIMITED C-13, PANNA LAL SILK MILLS COMPOUND L.B.S. MARG, BHANDUP (WEST), MUMBAI – 400 078
AUDITORS	M/s R. M. LALL & CO. LUCKNOW 226 010
COMPANY SECRETARY	MR. ARUN K. GUPTA G. M. (FINANCE) & COMPANY SECRETARY
LUCKNOW PLANT 1	MALVIYA NAGAR, AISHBAGH LUCKNOW – 226 004 (U.P.)
LUCKNOW PLANT 2	C-5 SAROJINI NAGAR INDUSTRIAL ESTATE LUCKNOW – 226 008 (U.P.)
BHIWADI PLANT (Sold w.e.f. 31 March, 2013)	B-480, RICCO INDUSTRIAL AREA, BHIWADI DISTT. ALWAR – 301 019 (RAJASTHAN)
MEHSANA PLANT	VILL. & PO: RAJPUR – 382721 TALUKA KADI AHMEDABAD MEHSANA HIGHWAY # 41, DISTT. MEHSANA (GUJARAT)
WINDMILL POWER DIVISION	SURAJBARI REGION, SHIKARPUR VILLAGE, KUTCH DISTT. (GUJARAT)

DEAR MEMBERS

Your Directors are pleased to present the 50th Annual Report for the year ended 31st March 2013.

FINANCIAL HIGHLIGHTS

Table 1 gives the financial highlights of the company for the financial year 2012-13 as compared to the previous financial year.

TABLE 1 FINANCIAL HIGHLIGHTS — RS. IN LAKHS

	2012-2013	2011-2012
Revenue From Operations		
Domestic Sales	5,968.87	6,938.21
Export Sales (FOB value)	8,122.99	5,235.19
Other Operating revenues	393.55	322.32
Total	**14,485.41**	**12,495.72**
Less: Excise Duty	699.39	640.88
Revenue From Operations (net)	**13,786.02**	**11,854.84**
Profit before Finance Cost, Depreciation & Taxes	**2,318.84**	**1,822.61**
Less: Finance Cost	678.24	767.11
Less: Depreciation	426.47	389.86
Profit before Exceptional Items and Tax	**1,214.13**	**665.64**
Exceptional Items (Loss on Slump Sale)	311.83	-
Profit before Tax	**902.30**	**665.64**
Profit before Tax of Continuing Operations	**805.00**	**755.54**
Tax Expenses of Continuing Operations		
Provision for taxation	150.13	134.66
Deferred tax	(61.50)	23.35
Profit after Tax of Continuing Operations	**716.37**	**597.53**
Profit before Tax of Discontinuing Operations	**97.30**	**(89.89)**
Tax Expenses of Discontinuing Operations		
Provision for taxation	31.28	-
Deferred tax	57.29	29.13
Profit after Tax of Discontinuing Operations	**8.73**	**(119.02)**
Add: Mat Credit entitlement	41.49	225.43
Profit after Tax	**766.59**	**703.94**
	2012-2013	**2011-2012**
Profit & Loss Statement		
Balance as per last financial statement	467.30	263.37
Addition during the year	766.59	703.94
Available for Appropriations	1,233.89	967.31
Less: Appropriations		
Transfer to General Reserve	600.00	500.00
Balance carried to balance sheet	633.89	467.31
	1,233.89	967.31

OPERATING RESULTS

The Company's revenues from operations (net) rose by 16% at Rs. 137.86 crore as compared to Rs. 118.55 crore in the previous year. The corresponding growth in Profit before Tax (before exceptional items) was over 82%. Net Domestic Sales in 2012-13 declined to Rs. 59.69 crore, approximately 14% from Rs. 69.38 crore made during 2011-12. This is largely due to a focus on international markets. Consequently Export Sales increased by a staggering 55% to Rs. 81.23 crore as against Rs. 52.35 crore during the previous year.

This year, the Bhiwadi Unit was sold on a slump sale basis as going concern. This has led to an exceptional loss of Rs. 3.12 crore. Hence, although Profit before tax (without the slump sale loss) has risen by Rs. 902.30 lakh at Rs. 1,214.13 lakh from Rs. 665.64 lakh in the previous year, the increase in Profit after tax is Rs. 62.65 lakh to Rs. 766.59 lakh from Rs. 703.94 lakh in the earlier year.

DIVIDEND

The company has continued to develop its manufacturing facilities in the current year. In view of its ongoing expansion and modernization plans, it expects a huge outlay of funds in the coming year. Hence, the Directors do not recommend any dividend this year.

IMPORTANT ACHIEVEMENTS

During the year, the Company successfully implemented a new 'Production and Planning ERP' Software at the Lucknow Plant in Aishbagh. This software is dedicated to and specializes in the Cast Metal Industry. It is designed to meet the specific requirements of each manufacturer and facilitates extensive control of the business. It has been implemented by more than 300 foundries across the world and has already become instrumental in transforming the planning and production control functions at the Plant.

EXPANSION/MODERNISATION

In the past few years, PTC has completely transformed its infrastructure to includes impressive facilities which are supported through constant upgrades in technology and automation. This year continued to witness improvements and modernizations in the manufacturing plants.

During the year, the Company aquired a 3 Tonne fully automated 'zero-harm' ladle minimizing the risk and providing zero accident tolerance for the operators. This is another step in PTC's commitment to the implementation of the International OHSAS 18001 Standards for Health and Safety.

Further, many new international customers were introduced during the year and their products are being developed.

NEW UNIT

In line with the Company's goals, ambitions and vision, a new state-of-the-art manufacturing facility is being set up in Lucknow with project cost of approximately Rs. 78 crores, proposed to be met by borrowings from banks/financial Institutions, internal accruals & raising of fresh funds by issuing Compulsorily Convertible Debentures to the Investors.

This plant shall house the latest hi-tech equipment and machineries and will be set up with a high level of automation. This unit shall have the capability to manufacture castings up to 5,000 kgs single piece using the Replicast and Rapidcast technologies. The plant is being specially designed to have a minimum impact on the environment making it a "clean, lean and green" manufacturing facility.

RESEARCH AND DEVELOPMENT ACTIVITY

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 further received sum of Rs. 1 crore towards financial grant from the Department of Scientific and Industrial Research, Government of India under its Technology Development and Demonstration Programme (TDDP). Research activities have already begun in this area since September 2011.

QUALITY AND SAFETY

Your Company accords high priority to quality, safety, training, development, health and environment. The management is committed to continue its efforts to strengthen safety measures in the workplace and bring about constant improvements in this area. 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.

SALE OF UNIT

During the previous year, the company had passed a special resolution to sell the Bhiwadi (Rajasthan) Unit in whole to a prospective buyer. Consent had been obtained from the shareholders for this purpose by means of a Postal Ballot.

This unit was sold w.e.f. March 31, 2013 on a 'slump sale' basis as a going concern to M/s Precon Technology Castings Limited. All assets and liabilities related to this unit have been transferred to the buyer. The entire amount of consideration for the sale of this unit has been received. This unit has been considered as 'Discontinued Operation' in terms of Accounting Standard 24 on Discontinued Operations in the financial statements.

OUTLOOK

The Indian foundry industry produces approximately 7 million MT of castings and employs more than 500,000 people directly. There are over 4,500 foundries in India in the small, medium and large scale. This industry makes a contribution of Rs. 7,000 per ton produced to the national exchequer by way of excise and other levies.

PTC Industries is one of the fast growing manufacturers of castings and Stainless Steel and Alloy Non-alloy castings account for more than 80% of the sales of the Company. With the growth of this sector worldwide, further growth is targeted in this area. Our products include various types of castings, i.e., ferrous, non ferrous, aluminum alloy, graded cast iron, ductile iron and various specialty steels for application in a wide range of engineering and infrastructure industries.

DIRECTORS

As per the Articles of Association of the company, Mr. Arun Prasad, Mr. R. K. Pandey and Mr. K. D. Gupta being Directors of the Company, retire by rotation and being eligible, offer themselves for reappointment. The necessary resolution has been proposed for approval by the shareholders in the forthcoming 50th Annual General Meeting. Shri Satish Agarwal, Shri Sachin Agarwal, Shri Alok Agarwal & Shri P R Agarwal are proposed to be re-appointed as Chairman, Managing Director, Director (Quality & Technical) & Director (Marketing) respectively at ensuing Annual General Meeting. Mr. A K Agarwal (earlier, Director, Commercial) has resigned with effect from March, 31, 2013.

Relatives of Directors - Mrs. Smita Agarwal, Mrs. Reena Agarwal & Mrs. Anshoo Agarwal are proposed to be re-appointed at place of profit under section 314 of the Companies Act, 1956, as the Chief Information Officer, Manager (HRD), & Manager (Technical) respectively.

INDUSTRIAL RELATIONS

Industrial relations continued to remain cordial throughout the year. Your Directors wish to place on record their deep appreciation of the contribution made by the employees of the company. The Company is indebted to its employees for their support & co-operation and their invaluable contribution in the growth of the Company.

AUDITORS

The statutory auditors of the Company, M/s R. M. Lall & Co. retire at the ensuing Annual General Meeting and have furnished certificates of their eligibility for reappointment as required under the Companies Act, 1956. The Audit Committee and the Board of Directors recommend the re-appointment of M/s R. M. Lall & Co. as the statutory auditors of the Company for the shareholders approval. The members are requested to authorise the Board of Directors to fix their remuneration. The notes referred to by the auditors in their reports are self-explanatory and hence do not require any explanation.

COST AUDIT:

The Central Government has mandated industry wise Cost Audit for specific companies falling under specific chapters as per HSN code. In line with the above, since PTCIL clears its finished goods, being excisable product under Chapter 7325 of the HSN code, cost audit is applicable to the Company with effect from FY 2011-12 onwards. Mr. Arun Kumar Srivastava, Cost Accountant, M/s. Arun & Co. (Firm Registration Number 100090) had been appointed as the Cost Auditors for the FY 2012-13. Necessary declarations have been received from the above Cost Auditors certifying their independence and arm''s length relation with the Company and compliance of Section 233B read with Section 224 (3), 224 (l-B) and 226 of the Companies Act, 1956. The Audit Committee of the Board has recommended their appointment for the financial year 2012-13. Cost audit report for the year ended at 31st March, 2012 was submitted with the Ministry of Corporate Affairs on February 28, 2013.

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.

PARTICULARS OF EMPLOYEES

The information required under the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, in respect of the employees of the Company has not been given, as none of the employees qualify for such disclosure.

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 Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed to the Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 217 (2AA) of the Companies Act, 1956, as amended by Companies (Amendment) Act 2000, your Directors confirm that:

(a) in preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

(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 31st March, 2013 and of the profit of the Company for that period;

(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, 1956, 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.

ACKNOWLEDGMENTS

The Board of Directors thank the bankers of the Company - State Bank of India, Punjab National Bank, IFCI Factors Limited 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 improve 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

	Sd/-	Sd/-
Place: Lucknow	**SACHIN AGARWAL**	**ALOK AGARWAL**
Date: June 11, 2013	MANAGING DIRECTOR	DIRECTOR - QUALITY & TECHNICAL

Particulars regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo for the year ended 31st March,2013.

A. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken

- Energy efficient lighting system installed at work places.
- Several IGBT welding machines have been installed based on inverter to reduce energy consumption.
- Mercury Vapor Lamps 250W and Metal Halide 150W being replaced by more energy saving LED Lights in shop floor.
- Heat Treatment Furnace has been converted in electrical to reduce fuel cost.
- Magma Software has been installed for casting simulation to give us actual melting temperature this will consume less energy.
- Air Compressor 150cfm has been installed inbuilt refrigerant Air Dryer in place of existing compressor in Plant-2 to save energy.
- Pre - Densifier has been installed to compact and make bails of loose scrap for re-melting.
- Energy saving and over all power quality improving P2 Power Active Filter installed at work place.
- Automated Passivation & Pickling Plant has been installed to reduce energy consumption.
- Portable Sand Blasting machine has been installed to reduce energy consumption of Large Sand Blasting machine.
- OCB replaced by VCB to technically upgrade the system.
- Vibration Meter procured for observation of wear & tear in bearing to reduce and save time.
- Fluorescent Tube Lights have been replaced with more energy efficient LED tube lights in offices.

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

- Solar Plant to be installed for more saving cost of energy.
- More Mercury Vapor 250W & MH 150W Lamp to be replaced by more energy saving LED light in energy consumption.
- Fluorescent Tube Lights to be replaced with more energy efficient LED tube lights in office.
- 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 Combilift to be purchased for more efficient material handling and save on fuel.

- Sand Plant to be automatic with sensors to minimize its working this will consume less energy.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact of cost of production of goods.

- The above measures have helped in saving energy usage which results into reduced cost of production.

B. TECHNOLOGY ABSORPTION

FORM `A'

Not Applicable

FORM `B'

Form for disclosure of particulars with respect to Absorption

(Rule 2)

I. RESEARCH & DEVELOPMENT (R&D)

(a) Specific areas in which R&D carried out by the Company

- Company R&D has taken up an innovative project for development of new casting Technology overcoming limitations of existing casting technology for large sized castings required for critical applications like Power, Oil & Gas & Refining Sectors. The Company has successfully developed 1500 kg single pc casting by Rapidcast Technology.
- Development of Castings of those by Replicast process which are hitherto not possible to produce in other moulding processes of Castings
- New refractory coating material has been developed indigenously to improve surface finish of the castings & will also reduce the production cost.

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

- Conservation of scarce resources and better environment.
- Faster production with zero defect quality.
- Cost reduction and be competitive.
- At par with international technology and standards.

(c) Future plan of action

- Earning more foreign exchange for the country.
- Development of large size Castings weighing upto 5 Ton a piece by Replicast/Rapidcast process.
- Conversion of large parts currently being made by combinations of fabrication, forging and into single pc casting.
- Increase the yield of castings to molten metal to avoid wastage of energy and other inputs.
- Development of new range of assembled parts for power equipments.

(d) Expenditure on R & D

		(in Lakh Rs.) 2012-2013	(in Lakh Rs) 2011-2012
i)	Capital	11.73	32.24
ii)	Revenue	84.89	121.90
iii)	Total	96.62	154.14
iv)	Total Turnover	1%	1%

II. TECHNOLOGY ABSORPTION, ADAPTATION 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. However, the limitation of the process is the maximum size which can be produced.
- The Company has undertaken R&D Project to develop a process (Rapidcast) to be able to make large size castings without manufacturing any tooling.So far Company has successfully produced 1500 kg single pc casting.
- In order to overcome hurdles & challenges and to design and standardize the process for developing the Rapidcast process, a number of innovations have been undertaken such as:
- Handling mechanism of large shells
- Materials to be used
- Power of Vaccum
- Virtual Tooling
- Engineered Equipments
- Benefits derived as a result of product improvement, cost reduction product development, import substitution etc. Certain Complex castings can be produced by this process only.
- Flawless quality and better finish.
- Finish product will take less time to be produced.
- As there are very few foundries in the world who are having all the moulding processes including Replicast process and machining facilities with a single entity, the Company will be having vast range of products for more buyers particularly overseas buyers.
- Increased exports of better quality products at competitive price.
- Development of Rapidcast Process will break the Barrier limitation of size of Castings from 1 Ton to 5 Tons per piece.

c) In case of imported technology (imported during the last five years), reckoned from the beginning of the financial year.

d) Technology imported and Year of Import: - An agreement has been signed for an exclusive use of technology to produce castings from REPLICAST process from M/s Castings Technology International, U. K. during the financial year 2007-2008.

e) Has technology been fully absorbed? - Yes, commercial production is going on of Replicast Casting.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to exports, initiatives taken, increase exports, development of new export market for products and services and export plans - Export Sales (FOB Value) has registered an increase of approximately 55% at Rs. 81,22.27 lakhs as against Rs. 52,31.37 lakhs during previous year.

However, the continuous efforts of the Company's management have led to increased export turnover, reduction in internal costs and improvements in operating efficiencies. The Company is under process of increasing its capabilities in terms of castings and production capacity to have better business opportunities and competitive edge. The Company's continuous efforts to develop new overseas buyers have started giving results. During the year, various new samples have been developed for new overseas buyersand the commercial production is to be taken up during the current year as the clearances from the overseas buyers are in different stages.

The last 3 years FOB value of export of the Company is as under.

2009-2010	Rs. 25,32.21 lakh
2010-2011	Rs. 40,00.30 lakh
2011-2012	Rs. 52,31.37 lakh

2. Total Foreign Exchange used and earned.

	(in lakhs Rs.)	(in lakhs Rs.)
	2012-2013	**2011-2012**
Used	5,14.93	12,32.02
Earned	81,49.27	52,82.62

On behalf of the Board of Directors

	Sd/-	Sd/-
Place: Lucknow	**SACHIN AGARWAL**	**ALOK AGARWAL**
Date: June 11, 2013	MANAGING DIRECTOR	DIRECTOR - QUALITY & TECHNICAL

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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 presents herewith the Industry Structure & Developments, Opportunities and Threats, Outlook, Risks and Concerns, Internal Control Systems and their adequacy, Segment-wise performance, Financial Performance with respect to operational performance and Material Developments in Human Resources. 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.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Global Economy in F.Y 2012-2013 improved slightly and did not recover to the extent as anticipated at the beginning of the year. Several European Economies experienced recession, The U.S. Economy improved marginally whereas Amongst the Asian Economies, China experienced considerably slower rate of growth. Deceleration in industrial output and exports weakened India's Economic Growth significantly. PTC Industries Limited demonstrated its ability to perform in such a challenging environment and increase its profits by 82% at Rs. 12.14 Crores (before exceptional items) in this Financial year ended 31.03.2013.

The Indian Foundry Industry is experiencing slow growth due to poor domestic demand, but its is expected to recover in view of improving US Economy. India is the second largest producer of Casting Components, and has doubled casting capacity to 7 Million MT. The Industry is fragmented with more than 5,000 players in the Industry employing more than 500,000 people from all over the world and generating 1.5 million indirect employments. The global demand for construction machinery is projected to expand @ 6.5% per annum by 2015. Thus, steel foundries are likely to have better opportunities. The Steel Foundry Industry has enough potential to grow at a much accelerated pace in the coming years due to continuity of the development projects around the world.

With its global capacities and customer base firmly in place, PTC Industries Limited is developing a business model that is predictable and better insulated from the vagaries of the external environment. The Company has invested in creating capacities and global manufacturing footprint to maximize growth opportunities across sectors and geographies. The Company's performance in Financial year 2012-13 has been a step forward along this path. PTC Industries has occupied a position in domestic & global competitive market through production & supply of heavy & high grade of castings fulfilling all requirements and standards of domestic & foreign customers. One of the inherent strengths of PTC is its ability to adapt to new technologies quickly. This is derived from its work culture and the emphasis that the management has continuously placed in this area. PTC's commitment to technology has led to the development of high quality products which are being supplied to customers across the world.

OPPORTUNITIES AND THREATS

The Indian Economy is growing at 7-8% year on year. The foundries CAGR has been 7-8%. This CAGR is a pointer towards the growth opportunities staring at the Foundry Industry of India. There is tremendous opportunity for sustainable growth and thereby contribute to the overall national growth. With many Indian foundries establishing their footprints in Europe, USA and countries like Japan, Middle East in Asia, it has firmed its position as a destination for sourcing high quality castings.

It can be said that Indian foundry industry has a bright future and the country has a potential to become leader in the steel sector in the global market. India is one of the leading producers of ferrous and non-ferrous castings. The recent surge in the internal castings market has contributed to a steady growth of the foundry sector in India However, in order to maintain the brisk pace of growth; the industry needs to improve their competitiveness. Hence, cost reduction and quality improvement are two key priorities for Indian foundry units today.

The axis of growth is gradually shifting from the developed economies to developing economies in Asia. Growing concern regarding the quality and quantity of castings will drive the establishment of larger casting facilities in India over the next few years. Due to growing demand from the automobile and engineering sectors coupled with India's rapidly growing economy, the foundry market is expected to grow strongly in the near future. However, India faces some hurdles or threats.

Along with a lack of sufficient infrastructure, consumable costs are higher in India than in developed economies. The key challenges identified are market constraints, rising input costs and low capacity utilization. Restriction to local markets and infrastructure constraints deters the growth of this market. Fluctuating input costs and supply and low capacity utilization also acts as a major bottleneck.

PTC Industries Limited is continuously integrating its resources and investing in new technologies to achieve greater performance and long term growth. Keeping in view the macro-economic scenario and the consequent market opportunity available, the Company has invested in improving the infrastructure for the plants, thereby increasing productivity. This dedication to technology and innovation help the Company in delivering three ideals of “Quality, Value & Speed” to its customers.

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 :

Business Segment:

	Year ended on 31st March, 2013					
	Lucknow Plant-1	Bhiwadi Plant	Lucknow Plant-2	Mehsana Plant	Wind Mill	Consolidated Total
Total Revenue Sales to External Customers	92,53,20,143	14,93,23,603	11,66,26,482	18,13,63,796	-	1,37,26,34,024
Income from Power Generation	-	-	-	-	59,68,225	59,68,225
Total Income from Operations	92,53,20,143	14,93,23,603	11,66,26,482	18,13,63,796	59,68,225	1,37,86,02,249
Inter segment sales	26,54,380	43,46,735	5,80,665	1,89,34,490	-	2,65,16,270
Other Income	(70,09,985)	31,77,486	2,60,286	(1,42,096)	-	(37,14,309)
Total	92,09,64,538	15,68,47,824	11,74,67,433	20,01,56,190	59,68,225	1,40,14,04,210
Dividend, Interest Income	1,125	-	-	-	-	1,125
Total Revenue	92,09,65,663	15,68,47,824	11,74,67,433	20,01,56,190	59,68,225	1,40,14,05,335
Segment Results						
Segment results - Profit/(Loss) before Finance Cost, Depreciation, Prior Year Adjustment Expenses and Tax	17,68,55,433	1,40,00,793	76,04,303	2,93,21,327	49,32,570	23,27,14,426
Less : Prior Year Adjustment Expenses	56,671	-	4,82,176	2,91,979	-	8,30,826
Segment results - Profit/(Loss) after Prior Year Adjustment and before Finance Cost, Depreciation and Tax	17,67,98,762	1,40,00,793	71,22,127	2,90,29,348	49,32,570	23,18,83,600
Less: Finance Cost & Depreciation	7,66,95,702	42,70,887	1,10,12,974	1,66,10,134	18,81,157	11,04,70,854
Profit before exceptional item & tax	10,01,03,060	97,29,906	(38,90,847)	1,24,19,214	30,51,413	12,14,12,746
Exceptional Item	-	-	-	-	-	3,11,82,552
Profit before tax	10,01,03,060	97,29,906	(38,90,847)	1,24,19,214	30,51,413	9,02,30,194
Provision for Taxation:						
For earlier years (reverted back						-
Current Tax		31,28,236				1,81,41,124
Deferred Tax		57,28,846				(4,20,697)
Add: MAT Credit entitlement						41,48,643
Profit after Tax	10,01,03,060	8,72,824	(38,90,847)	1,24,19,214	30,51,413	7,66,58,410

GEOGRAPHIC SEGMENT

		FOR THE YEAR ENDED 31 MARCH, 2013		FOR THE YEAR ENDED 31 MARCH, 2012
United State of America	16,73,23,331		17,02,80,981	
India	53,29,87,949		63,49,25,153	
Finland	20,77,67,164		19,27,80,429	
United Kingdom	-		6,54,558	
Spain	-		35,47,311	
Germany	10,25,725		16,67,469	
France	2,08,44,680		6,45,825	
Netherland	5,47,06,918		54,05,850	
Norway	22,94,94,349		4,39,67,146	
Denmark	17,81,617		45,74,856	
China	10,09,37,597		9,18,97,620	
Malaysia	1,09,82,836		13,21,658	
Brazil	74,73,153		9,96,634	
Sweden	87,36,457		53,97,353	
Hungry	11,53,900		-	
	1,34,52,15,676		1,15,80,62,843	
Export Incentive		3,33,86,575		2,74,21,866
Total		**1,37,86,02,251**		**1,18,54,84,709**

OUTLOOK

The foundry industry is the backbone for other industries and growth of industrialisation and industrial prosperity can be measured by the growth of this industry. Foundry Industry has been identified as one of the major thrust area with substantial export potential. The Indian Foundry Industry has good prospects even in International competition.

The Company is making continuous efforts towards increasing its share in export markets while putting efforts to maintain its current share in the domestic market. In these competitive times, adoption of new technologies is the key to becoming a leader in the manufacturing sector. The Company has continued its impetus in this area and promises to continue delivery of products of outstanding quality. The medium and long-term outlook for the sectors to which the Company caters appears to be positive. The Company has a well laid out growth plan and several expansion projects have been commenced for sustaining and enhancing growth.

RISKS AND CONCERNS

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: uncertain economic scenario; financial instability due to volatility in foreign market; and declining demand in sectors like power. The risk mitigation plans are reviewed regularly by the Audit Committee of your Company. The Company's contingent liabilities, are disclosed in Note 2.30 Contingent Liabilities of Notes to Accounts.

Your Company continuously monitors and revisits the risks associated with its business. It has institutionalized the procedure for identifying, minimizing and mitigating risks and the same are reviewed periodically. The Company's structured Risk Management process attempts to provide confidence to the stakeholders that the Company's risks are known and well managed.

The Company is able to manage the market risks with a focus on technology, wide product range, reduced development lead times, an efficient team of marketing personnel, good relations with dealers, and excellent labour relations. The Company is exposed to a variety of risks caused by steep rise in interest rates, volatile metal prices, exchange rate fluctuations, changes in product designs, pricing pressure, global competition etc. The fluctuation in exchange rates and the impact of increased interest cost had an adverse effect on the profitability of the Company. However, with its drive to control overheads and increase operating efficiency, the Company has been able to mitigate these effects to some extent.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an internal control system commensurate with its size and nature of business which provides an accurate record and safeguards the custody of assets. Internal control processes which consist of adopting appropriate management systems and implementing them are followed. Compliance with applicable statutes, policies, procedures, listing requirements, ensures that transactions are being accurately recorded, cross verified and promptly reported. Internal checks and controls are exercised by strictly adhering to the various procedures laid at the time of Delegation of Authorities and Other Procedures.

These are aimed at giving the Audit Committee a reasonable assurance on the reliability of financial reporting and statutory & regulatory compliance, effectiveness and efficiency of your Company's operations. The Internal Control Systems are reviewed periodically and revised to keep in tune with the changing business environment.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial Year 2012-2013 was a yet another year of growth and improved performance, Company's revenues from operations (net) rose by 16% at Rs. 137.86 crores as compared to Rs. 118.55 crores in the previous year. The corresponding growth in Profit before Tax (before exceptional items) was over 82%. Net Domestic Sales in 2012-13 declined to Rs. 59.69 crores, approximately 14% from Rs. 69.38 crores made during 2011-12. This is largely due to a focus on international markets. Consequently Export Sales increased by a staggering 55% to Rs. 81.23 crores as against Rs. 52.35 crores during the previous year. This year, the Bhiwadi Unit was sold on a slump sale basis as going concern. This has led to an exceptional loss of Rs. 3.12 crores. Hence, although Profit before tax (without the slump sale loss) has risen by Rs. 902.30 lakhs to Rs. 1,214.13 lakhs from Rs. 665.64 lakhs in the previous year, the increase in Profit after tax is Rs. 62.65 lakhs at Rs. 766.59 lakhs from Rs. 703.94 lakhs in the earlier year.

The projected turnover for the FY 2013-14 is expected to be Rs. 150 Crores with the existing capacities.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company considers the quality of its human resources to be its most important asset and focuses on attracting, motivating and retaining the best talent.

The Company continues 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. 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.

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, in tune with the requirements of the Company. The Company has excellent co-operation and support from the entire hierarchy of well-trained and experienced personnel. The Company continues to focus on employee training and development and had organized several technical and other soft skills training programs across different levels. It also instituted schemes which reward 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. Consequently, employees' earnings have significantly increased over last financial year.

An effective HR policy has been established keeping in view the improvement in the economy, to take advantage of the market turn around and to increase the capacity utilization. The Company recruited additional personnel at key middle & senior level positions during the year. Industrial relations during the year have been cordial and are expected to continue in the future. The total strength of employees at the end of the year was 690 (excluding Bhiwadi plant).

COMPANY

Fairness, accountability, disclosures and transparency form the four pillars of our Company's philosophy of Corporate Governance. Our Company strongly believes that for attaining sustainable growth in this competitive corporate world, Corporate Governance is a pre-requisite. The governance practices followed by our Company have played a vital role in its journey of continued success. Our endeavor over the years has been to strengthen the governance processes and systems attributing to constant improvisations, sustainability, growth thus creating long term value for its stakeholders.

The procedures, policies and practices followed by our Company are based on sound governance principles. Comprehensive disclosures, structured accountability in exercise of powers, adhering to international standards and commitment in compliance with regulations and statutes in letters as well as spirit have enabled our Company to enhance Shareholders value. 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:

Composition:

The Board of Directors of your Company consists of nine(09) Directors out of which five (5) are Non-Executive Directors and four (4) are Executive Directors. During 2012-2013, one of our Executive Directors, Shri A.K Agarwal , resigned from the Board w.e.f 31st March, 2013. The Board is further exploring the possibilities to induct qualified and competent professionals for their induction as non executive and/or independent Directors.

BOARD MEETINGS:

During the financial year ended 31st March, 2013, six (6) meetings of the Board of Directors were held and the maximum time gap between two Board meetings did not exceed the prescribed time. The details of Board Meetings are as follows:

Date(s) on which meeting(s) were held

i) 14th May, 2012
ii) 04th August, 2012
iii) 3rd September, 2012
iv) 15th November, 2012
v) 15th February, 2013
vi) 30th March, 2013

The following table gives details of Directors, attendance of Directors at the Board meetings and the last Annual General Meeting:

Name of Director	Category	Attendance		Other committee membership/Chairmanship		
		Board Meetings	Last AGM	Directorship in other Companies	Committee Membership	Committee Chairmanship
Shri S.C Agarwal	Executive & non independent	4	A#	3	2	1
Shri. Sachin Agarwal	Executive & non independent	6	P*	5	2	-
Shri A.K Agarwal	Executive & non independent	1	A	2	-	-
Shri P.R Agarwal	Executive & non independent	2	A	1	1	-
Shri Alok Agarwal	Executive & non independent	6	P	-	2	-
Shri Arun Prasad	Non Executive & non independent	-	A	1	1	-
Shri R.K Pandey	Non Executive & independent	2	A	16	2	-
Shri Ajay Kashyap	Non Executive & independent	-	A	5	1	-
Shri R.C Katiyar	Non Executive & independent	5	A	-	1	2
Shri K.D Gupta	Non Executive & independent	5	A	3	1	1

*P-Present
#A-Absent

COMMITTEES OF THE BOARD:

There are four Committees of the Board, viz: Audit Committee, Remuneration Committee, Share Transfer/ Investors Grievance Committee and Project Monitoring and Environment Committee. The proceedings of the meetings of the Committees are placed before the Board for information. 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 and terms of reference

The Audit committee was set-up on 19.04.2007 and comprises of four Members. The members of the Audit Committee are:

1	Mr. R.C Katiyar	Chairman
2	Mr. Alok Agarwal	Member
3	Mr. R.K Pandey	Member
4	Mr. K.D Gupta.*	Member(w.e.f 09.03.2012)

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 292A of the Companies Act, 1956.

The detail of the meetings held and attendance of the members of the Audit Committee during the financial year ended 31st March, 2013 is as follows:

Names of Members	Meeting and Attendance Details			
	14.05.2012	03.09.2012	15.11.2012	15.02.2013
Shri R.C Katiyar	P	P	P	P
Shri Alok Agarwal	P	P	P	P
Shri R.K Pandey	A	P	P	A
Shri K.D Gupta	P	P	P	P

REMUNERATION COMMITTEE:

Composition and terms of reference:

The Remuneration Committee comprises of four members. The members of the Remuneration Committee are:

1	Mr. K.D Gupta	Chairman
2	Mr. S.C Agarwal	Member
3	Mr. R.K Pandey	Member
4	Mr. R.C Katiyar	Member

The Remuneration Committee was constituted as sub-committee by the Board in its meeting held on 19 April 2007 to review the performance of the Whole-time Directors and to recommend to the Board, the remuneration including salary, perquisites and commission to be paid to the Company's Whole-time Directors

The details of the meetings held and attendance of the members of the Remuneration Committee during the financial year ended 31st March, 2013 is as follows:

Names of Members	Meeting and Attendance Details		
	03.09.2012	15.11.2012	30.03.2013
Shri K.D Gupta	P	P	P
Shri S.C Agarwal	P	A	A
Shri R.C Katiyar	P	P	P
Shri R.K Pandey	P	P	A

Remuneration of Directors for the Financial Year 2012-2013 (Rs. In Lacs)

Name	Salary	Contribution TO FUNDS	Sitting fees	Perquisite/Commission	Total
Mr. S. C. Agarwal	19.25	-	-	13.93	**33.18**
Mr. Sachin Agarwal	16.34	1.79	-	6.32	**24.45**
Mr. A. K. Agarwal	13.66	0.57	-	0.02	**14.25**
Mr. P. R. Agarwal	13.66	1.09	-	2.68	**17.43**
Mr. Alok Agarwal	12.71	1.77	-	5.39	**19.87**
Mr. Arun Prasad	-	-	-	-	**-**
Mr. R. K. Pandey	-	-	0.14	-	**0.14**
Mr. K.D. Gupta	-	-	0.33	-	**0.33**
Mr. Ajay Kashyap	-	-	-	-	**-**
Dr. R C Katiyar	-	-	0.38	-	**0.38**
TOTAL	**75.62**	**5.22**	**0.85**	**28.34**	**110.03**

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE 50TH ANNUAL GENERAL MEETING TO BE HELD ON 16/07/2013

Name	Age	Qualification	Experience
Mr. Arun Prasad	56	M.A (Sc.), B.Tech(I.I.T Kanpur)	30 Yrs
Mr. R.K Pandey	74	M.Com, LL.B, FCS, PGDBA	44 Yrs
Mr. K.D Gupta	71	M.Com, LL.B, M.Phil., Masters Diploma in Public Administration.	35 Yrs

SHARE TRANSFER/INVESTOR GRIEVANCE COMMITTEE:

Composition and terms of reference:

A Share Transfer / Investor Grievance Committee has been constituted by the Board on 14.10.2000 and subsequently reconstituted on 19.04.2007 and 14.05.2012 to look into matters related to transfer of Shares/redressal of grievances of Investors related to dividends, Issue of duplicate Share Certificates and other related matters.

The Share Transfer/Investor Grievance Committee comprises of four members

1	Mr. R.C Katiyar	Chairman
2	Mr. S.C Agarwal	Member
3	Mr. Sachin Agarwal	Member
4	Mr. Arun Prasad	Member

The details of the meetings held and attendance of the members of the Share Transfer/Investor Grievance Committee during the financial year ended 31st March, 2013 is as follows:

Names of Members	Meeting Details	
	15.02.2013	30.03.2013
Shri R.C Katiyar	P	P
Shri S.C Agarwal	P	A
Shri Sachin Agarwal	P	P
Shri Arun Prasad	A	A

Compliance Officer: Mr. A.K. Gupta, G.M.(Finance) & Company Secretary

Details pertaining to the number of complaints received and responded and the status thereof during the financial year ended 31st March, 2013 are given as follows:

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

SHARE TRANSFERS, (FROM 01.04.2012 TO 31.03.2013)

No. of shares transferred / transmitted	:	9,02,530
No. of shares pending for transfer	:	Nil
Pending due to Exchange of Counter Receipts (CR) to share certificates	:	N.A

There are 69,000 equity shares against which shareholders have not claimed share certificates in lieu of the counter Receipts (CR) aggregating to 1.65% of the Paid-up Equity Share capital of the Company.

PROJECT MONITORING AND ENVIRONMENT COMMITTEE

The project monitoring and Environment Committee of the Company comprises of the following members:

1	Mr. S.C Agarwal	Chairman
2	Mr. Sachin Agarwal	Member
3	Mr. Alok Agarwal	Member
4	Mr. P.R Agarwal.	Member
5.	Mr. Ajay Kashyap	Member

During the year, no meeting was held.

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
49th	29 September 2012	03.00 P.M	Registered Office
48th	27 September 2011	03.00 P.M	Registered Office
47th	25 September 2010	03.00 P.M	Registered Office

DISCLOSURES:

1. Your Company has not entered into any transaction of a material nature except transactions with related parties which have been furnished under Notes to the Financial Statements as stipulated under Accounting Standard 18 (AS-18), with the Promoters, Directors or the 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 non-compliance during the last three years by the Company on any matter under SEBI or any statutory Authorities related to capital market. However, the Company received a letter from OTC Exchange of India alleging certain non-compliances, which had already been done by the Company. The OTC Exchange has been informed again accordingly.
3. Bhiwadi Unit of the Company at B-480, Ricco Industrial Area, Bhiwadi has been disposed off during the year as per resolution passed by the Shareholders to this effect.

SECRETARIAL AUDIT

A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and the total issued and listed capital. The 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.

MEANS OF COMMUNICATION

The Quarterly and annual results along with the Segmental Report are submitted to the Stock Exchange.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion & Analysis Report forms a part of the Directors' Report. All matters pertaining to industry structure and developments, opportunities and threats, segment wise performance, outlook, risks and concerns, internal control and systems, etc. have been discussed in the said 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: 16th July, 2013, Time: 2:00 P.M. Venue: Registered Office at Malviya Nagar, Aishbagh, Lucknow-226004
Financial calendar (Tentative)	:	1st April 2013 to 31st March 2014 Unaudited results for the quarter ending 30th June 2013: By end of July 2013 Unaudited results for the quarter ending 30th September 2013: By end of October 2013 Unaudited results for the quarter ending 31st December 2013: By end of January 2014
Book Closure	:	08th July, 2013 to 16th July, 2013 (both days inclusive)
Listing on Stock Exchange	:	Over the Counter Exchange of India (OTCEI)
Stock Exchange Code	:	B-1
Market Price Data	:	No trading of the equity shares of the Company took place during the last financial year at OTC. Therefore, details of high/ low price of shares of each month of the Last financial year are not given.
Registrar and Transfer Agent	:	M/s Link Intime India Pvt.Ltd. C-13 Panna Lal Silk Mills Compound, L.B.S.Marg, Bhandup(w), Mumbai-400078 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 prescribed period under the law and the listing agreement. Share transfer is approved by a committee of Directors which meets periodically.

DEMATERIALIZATION OF SHARES:

The Company has signed a tri-partite agreement with National Securities Depository Limited (NSDL) and M/s Link Intime India Pvt. Ltd. on 15th July 2002 to facilitate dematerialization of Shares. The Company's Equity shares have been admitted to DEMAT w.e.f. 20th July, 2002 and the ISIN is INE596F01018.The detail of shares in physical and demat form is as under:

Description of Shares	Number of Shares	Percentage
No. of Shares in Physical Mode	12,79,230	30.52%
No. of Shares in Electronic Mode	29,12,020	69.48%
Total	**41,91,250**	**100.00%**

DISTRIBUTION OF SHAREHOLDING (AS ON 31.03.2013)

No. of Shares	No. of shareholders	No. of shares	% total no. of shares
From - To			
1-500	481	91,710	2.19
501-1000	49	39,980	0.95
1001-2000	11	16,800	0.40
2001-3000	4	11,300	0.27
3001 -4000	1	4,000	0.10
4001 -5000	4	19,400	0.46
5001-10000	8	68,400	1.63
10001>	46	39,39,660	94.00
Total	**604**	**41,91,250**	**100.00**

Shareholding Pattern	No. Of Shares	% of Capital
Promoters/Directors (their Relatives)	31,35,930	74.82
Corporate Bodies (other than promoters Co.)	03,29,960	07.87
Indian Public	6,98,460	16.67
NRI's	19,800	00.47
Market makers	7,100	00.17
Total	**41,91,250**	**100.00**

PLANT LOCATIONS:

Lucknow Plant -1	Malviya Nagar, Aishbagh, Lucknow-226004(U.P.)
Lucknow Plant-2	C-5, Sarojini Nagar Industrial Estate, Lucknow-226008(U.P.)
Mehsana Plant	Village & Post Rajpur, Taluka Kadi, Ahmedabad-MehsanaHighway# 41, Distt. Mehsana-382740, Gujarat
Wind Mill Power Division	Surajbari Division, Shikarpur Village, Distt.-Kutch (Gujarat)

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING

Name of the Director	Shri Arun Prasad	Shri R.K Pandey	Shri K.D Gupta
Date of Birth	22/11/1957	20/01/1940	07/10/1942
Date of Joining	30/07/1997	17/03/2003	31/07/2008
No. of shares held	2000	-	-
Qualification	M.A (Sc.), B. Tech (I.I.T Kanpur)	M. Com, LL.B, FCS,PGDBA	M.Com, LL.B, M.Phil., Masters Diploma in Public Administration.
Expertise in Specific Functional Area	Company Software Programming	Company Law Matters	Finance, Taxation and Administration, Retired IRS.
List of Companies in which Outside Directorship held as on 31/03/2013	1. E-Soft Technologies Ltd	1. Precise Laboratories Pvt Ltd 2. British Health products(India) Limited 3. Hanung Toys and Textiles Ltd 4. Shree Rajasthan Syntex Ltd 5. Welcare Drugs and Pharmaceuticals Ltd. 6. Jindal Poly Films Ltd 7. Ricoh India Ltd 8. Kamdhenu Ispat Ltd 9. Morgan Ventures Ltd 10. Sanghi Industries Ltd 11. Uninet Infra Technologies Pvt. Ltd. 12. Jaypee Uttar Bharat Vikas Pvt Ltd. 13. Kanpur Fertilizers & Cement Ltd 14. Andhra Cements Ltd. 15. Steren Impex Pvt. Ltd 16. Jaypee Dev. Corp. Ltd.	1. U.P Stock Exchange Limited 2. EMA India Limited 3. Shri Lakshmi Cotsyn Limited
Chairmanship/Membership of Committee in which he is a Director as on 31/03/2013	**Member of Share Transfer/Investor Grievance Committee** - PTC Industries Limited.	**Member of Audit Committee** - PTC Industries Limited. **Member of Remuneration Committee** - PTC Industries Limited	**Chairman of Remuneration Committee** - PTC Industries Limited **Member of Audit Committee** - PTC Industries Limited

CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
PTC INDUSTRIES LIMITED, LUCKNOW

1. We have examined the compliance of conditions of Corporate Governance by PTC Industries Limited, for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said company Executed with stock exchange(OTC).

2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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, subject to the following:

   (a) In case of the Board of Directors, less than 50% of the Directors are independent Directors, Chairman of the Board being an executive Director at least half of the Board should comprise of Independent Directors.

4. We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

5. We state that no Investor Grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company.

6. 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

SD/-

PLACE: LUCKNOW
DATE: JUNE 11,2013

(C.P SHUKLA)
CP NO. 5138

TO THE MEMBERS OF PTC INDUSTRIES LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of PTC Industries Limited ('the Company') which comprises the Balance Sheet as at March 31st, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the 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:

(i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;

(ii) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and

(iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by the section 227(3) of the Act, we report that:

a) we have 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 appears from our examination of those books;

c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and

e) on the basis of written representations received from the directors as on 31st March,2013, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March,2013, from being appointed as a Director in terms of clause (g) of the sub-section (1) of Section 274 of the Companies Act, 1956.

FOR R. M. LALL & CO.
CHARTERED ACCOUNTANTS
(REGISTRATION NO. 000932C)

Sd/-

(SUJAYA KAPOOR)
PARTNER
MEMBERSHIP NO. 400464

PLACE: LUCKNOW
DATE: JUNE 11, 2013

TO THE MEMBERS OF PTC INDUSTRIES LIMITED

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

(b) The company has a program of physically verifying its fixed assets in a phased manner designed to cover all the items over a period of three years. During the year, the management physically verified the fixed assets in accordance with the program. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed by the management on such verification.

(c) The fixed assets disposed off during the year were not substantial and therefore do not affect the going concern assumption.

(ii) (a) The inventory, except goods in transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification of inventory is reasonable except goods in transit and stocks lying with third parties.

(b) In our opinion the procedures of physical verification of inventory except goods in transit and stocks lying with third parties 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. The discrepancies noticed on physical verification of inventory between the physical stocks and the book records were not material.

(iii) (a) The Company has not granted any unsecured loan (Previous year Rs. 3.99 Lac) to a Company under the same management, covered under the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 22.02 Lac and the balance of loan at the year end was NIL.

(b) The company has taken an unsecured loan from a Company under the same management, covered under the register maintained under the section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 177.98 Lac (Previous year Rs. 153.40) and the balance of loan as at year end was Rs. 51.01 Lac (Previous year Rs. 153.40 lac).

(c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from company in the register maintained under section 301 of the Companies Act, 1956, are not prima facie, prejudicial to the interests of the Company.

(d) The company has been regular in the payment of the principal amount and interest on the above loans wherever stipulated.

(iv) In our opinion and according to the information and explanation given to us, and having regard to the explanation that purchases of certain items of inventories and fixed assets are for the Company's specialized requirement and similarly certain goods sold are for the specialized requirements of the buyers and suitable alternative source are not available to comparable quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.

(v) (a) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.

(b) In our opinion, in case of above transactions exceeding Rs. 5.00 lac in respect of any party during the year these have been made at prices that are reasonable having regard to the prevalent market prices at the relevant time.

(vi) The company has not accepted deposits from the public.

(vii) Internal Audit is conducted by the staff of the company. In our opinion, the internal audit system is commensurate with the size and the nature of its business. In view of the growing size of the company, the internal audit system should be strengthened.

(viii) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and our of the opinion that prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(ix) (a) According to the records examined by us, the company was generally regular in depositing with appropriate authorities undisputed dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to the company. There were no undisputed amounts outstanding as at the last day of the financial year concerned for a period of more than six months from the date they are payable. There were no dues on account of Cess under section 441A of the Companies Act, 1956 since the date from which the aforesaid section comes into force has not yet been notified by the Central Government.

(b) Following are the details of the disputed Income Tax, Wealth Tax, Excise Duty, Customs Duty and Sales Tax that have not been paid to the concerned authorities. The statutory dues that have not been deposited on account of any dispute pending before the appropriate authorities are as under:

Nature of Statute	Nature of Dues	Financial year to which the matter pertains	Forum where dispute is pending	Amount due (Rs.)
Income Tax Act, 1961	Interest	2003-04	Assistant Commissioner	4,69,264
Central Excise Act, 1944	MODVAT Credit	2005-06	CESTAT	4,23,92,845
		2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13	Assistant Commissioner	37,12,144

(x) The company has no accumulated losses as at March 31st, 2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

(xi) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.

(xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, and according to the information and explanation given to us, the company is not a chit fund or a nidhi/mutual benefit fund/society.

(xiv) According to the information and explanation given to us, the company is not dealing or trading in shares, securities , debentures and other investments.

(xv) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) In our opinion, and according to the information and explanation given to us, the term loans availed by the company were applied by the company during the year for the purposes for which the loans were obtained.

(xvii) According to the information and explanation given to us, and on an overall examination of the Balance Sheet of the company, funds raised on short term basis have prima facie not been used during the year for long term investment.

(xviii) The company has not made preferential allotment of shares to companies/firms/parties covered under register maintained under section 301 of the Companies Act, 1956.

(xix) The company did not issue any debentures during the year.

(xx) The company has not raised any money by way of public issue during the year.

(xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the management.

For R. M. Lall & Co.
Chartered Accountants
(Registration No. 000932C)

Sd/-

(SUJAYA KAPOOR)
PARTNER
Membership No. 400464

Place: Lucknow
Date: June 11, 2013

BALANCE SHEET

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

	NOTE	AS AT 31 MARCH 2013	AS AT 31 MARCH 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	4,19,12,500	4,19,12,500
Reserves and surplus	2.2	54,85,31,084	47,18,72,674
TDDP-DSIR grant	2.3	3,00,00,000	2,00,00,000
		62,04,43,584	53,37,85,174
Non current liabilities			
Long term borrowings	2.4	11,34,89,148	14,07,08,204
Deferred tax liabilities, net	2.5	5,09,45,030	5,70,94,573
Other long term liabilities	2.5	13,500	13,500
Long term provisions	2.6	1,07,95,845	74,67,081
		17,52,43,523	20,52,83,358
Current liabilities			
Short term borrowings	2.4	49,90,98,972	42,69,11,481
Trade payables	2.7	13,08,50,496	22,96,29,421
Other current liabilities	2.5	11,10,78,108	7,53,24,708
Short term provisions	2.6	51,17,882	57,26,733
		74,61,45,458	73,75,92,343
Total		**1,54,18,32,565**	**1,47,66,60,875**
ASSETS			
Non current assets			
Fixed assets	2.8		-
Tangible assets		49,27,39,158	51,85,01,763
Intangible assets		35,45,343	31,16,107
Capital work in progress	2.37	9,13,27,327	6,32,48,873
Non current investments	2.9	86,100	86,100
Long term loans and advances	2.10	6,91,70,211	4,02,59,035
		65,68,68,139	62,52,11,878
Current assets			
Inventories	2.11	35,14,76,502	48,65,80,204
Trade receivables	2.12	41,64,06,703	26,63,63,295
Cash and cash equivalents	2.13	3,01,09,730	1,57,28,934
Short term loans and advances	2.14	3,50,60,894	4,82,19,155
Other current assets	2.15	5,19,10,597	3,45,57,409
		88,49,64,426	85,14,48,997
Total		**1,54,18,32,565**	**1,47,66,60,875**

Significant accounting policies 1
Notes to accounts 2
The accompanying notes are an integral part of the financial statements

As per our report even date attached
for R. M. LALL & CO.
Chartered Accountants
(Registration No. 000932C)

Sd/-
(SUJAYA KAPOOR)
Partner
Membership No. 400464

Place: Lucknow
Date: June 11, 2013

for PTC INDUSTRIES LIMITED

Sd/-
(SACHIN AGARWAL)
Managing Director

Sd/-
(ALOK AGARWAL)
Director (Quality & Technical)

Sd/-
(A. K. GUPTA)
G. M. (Finance) & Company Secretary

STATEMENT OF PROFIT AND LOSS

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

		NOTE	FOR THE YEAR ENDED 31 MARCH 2013	FOR THE YEAR ENDED 31 MARCH 2012
I	**INCOME**			
	Revenue from operations		1,44,85,41,041	1,24,95,72,800
	Less: excise duty		6,99,38,790	6,40,88,091
	Revenue from operations (net)	2.16	1,37,86,02,251	1,18,54,84,709
II	Other income	2.17	(37,13,186)	18,86,890
III	**Total revenue (I + II)**		**1,37,48,89,065**	**1,18,73,71,599**
IV	**EXPENSES :**			
	Cost of materials consumed	2.18	48,19,80,076	44,40,74,911
	Changes in inventories of finished goods, work-in-progress and traded goods	2.19	1,93,86,634	(5,65,30,941)
	Employee benefit expenses	2.20	16,49,08,555	14,12,96,722
	Research & development expenses	2.23	84,89,226	1,21,89,853
	Other expenses	2.21		
	Manufacturing expenses		36,98,19,614	36,43,19,053
	Administration & selling expenses		9,75,90,534	9,96,89,853
	Prior year adjustment expenses		8,30,826	71,128
V	**Total**		**1,14,30,05,465**	**1,00,51,10,579**
VI	Profit before finance cost, depreciation, exceptional items and tax		23,18,83,600	18,22,61,020
	Finance cost	2.24	6,78,23,582	7,67,11,047
	Depreciation	2.8	4,26,47,272	3,89,85,577
VII	Profit before exceptional items & tax		**12,14,12,746**	**6,65,64,396**
VIII	Exceptional items		3,11,82,552	-
IX	Profit before tax (VII-VIII)		9,02,30,194	6,65,64,396
X	Profit before tax from continuing operations (IX-XIII)		8,05,00,288	7,55,53,677
XI	Tax expenses of continuing operations			
	Provision for tax		1,50,12,888	1,34,65,795
	Deferred tax (net)		(61,49,543)	23,35,022
XII	Profit after tax from continuing operations (X-XI)		7,16,36,943	5,97,52,860
XIII	Profit/(Loss) before tax from discontinuing operations	2.48	97,29,906	(89,89,281)
XIV	Tax expenses of discontinuing operations			
	Provision for tax		31,28,236	-
	Deferred tax (net)		57,28,846	29,12,681
XV	Profit/(Loss) from discontinuing operations after tax (XIII-XIV)	2.48	8,72,824	(1,19,01,962)
XVI	Add: MAT credit entitlement		41,48,643	2,25,42,795
XVII	Profit after tax (XII + XV + XVI)		**7,66,58,410**	**7,03,93,693**
	Basic & diluted earnings per equity share on profit after taxation before exceptional items (of Rs. 10/- each)		25.94	16.81
	Basic & diluted earnings per equity share after exceptional items (of Rs. 10/- each)		18.29	16.80

Significant accounting policies 1

Notes to accounts 2

The accompanying notes are an integral part of the financial statements

As per our report even date attached

for PTC INDUSTRIES LIMITED

for R. M. LALL & CO.
Chartered Accountants
(Registration No. 000932C)

Sd/-
(SACHIN AGARWAL)
Managing Director

Sd/-
(ALOK AGARWAL)
Director (Quality & Technical)

Sd/-
(SUJAYA KAPOOR)
Partner
Membership No. 400464

Sd/-
(A. K. GUPTA)
G. M. (Finance) & Company Secretary

Place: Lucknow
Date : June 11, 2013

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of Financial Statements

The financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rule 2006 issued by the Central Government in exercise of the power conferred under sub-section (II) (a) of Section 642 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

2. Change in accounting policy

Presentation and disclosure of financial statements

From the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

3. Measurement of EBITDA

As permitted by the Guidance note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measure EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the Company does not include depreciation and amortisation expenses, finance costs and tax expense.

4. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expense during the reporting period. Example of such estimates includes estimated provision for doubtful debts. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

5. Fixed Assets

(a) Tangible Assets

Fixed Assets are carried at cost of acquisition or construction less accumulated Depreciation. Cost is inclusive of inward freight, duties and taxes net of CENVAT/UP-VAT, technical fee for their drawing/design and development, borrowing costs and other directly attributable costs to bring the assets to their working condition for intended use. However assets acquired upto 2nd April, 1993 are stated at their net replacement value, less accumulated depreciation.

(b) Intangible Assets

Intangible assets are stated at the cost of acquisition.

6. Depreciation

(a) Tangible Assets

(I) Depreciation on fixed assets is provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956.

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

(III) Additional depreciation consequent to revaluation is charged to Profit and Loss Account and the corresponding amount is recouped from the Revaluation Reserve.

(b) Intangible Assets

(I) Computer software is amortized on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956.

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

NAME OF ASSETS	METHOD OF DEPRECIATION	RATE
TANGIBLE		
Free Hold Land	Straight Line	N.A.
Lease Hold Land	Straight Line	Lease Period
Factory Building	Straight Line	3.34%
Plant & Machinery	Straight Line	7.42% (Plant-1)
		4.75%(Other Plants)
Plant & Machinery	Straight Line	7.42%
Computer	Straight Line	16.21%
Mould, Boxes	Straight Line	11.31%
Vehicles	Straight Line	9.50%
Furniture & Fixtures	Straight Line	6.33%
Office Equipments	Straight Line	4.75%
Misc. Fixed Assets	Straight Line	4.75%
INTANGIBLE		
Software	Straight Line	16.21%
Licences	Straight Line	5 years

5. Investments

Long Term Investments are carried at cost. Provision for diminution, other than temporary, in the value of long-term investments is recognized. Current Investments are carried at lower of cost or fair value.

6. Inventories

Inventories are valued at lower of cost or net realizable value. Cost comprises of cost of purchase or conversion and other costs incurred in bringing the inventories to their present location and condition. Finished goods are stated net of excise duty. Raw Material, Indirect Material, Stores and Spares etc. are valued on FIFO basis net of CENVAT/UP-VAT benefits availed or to be availed.

7. Employee Benefits

(a) Defined Benefit Plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plan is determined based on an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gains and losses are recognised immediately in the Profit and Loss Account.

(b) Defined contribution Plans

The Company deposits the contributions for provident fund and Pension Fund to the appropriate government authorities of India and these contribution are recognised in the Profit and Loss Account in the financial year to which they relate. The Company makes monthly contribution and has no further obligation under the plan beyond its contributions.

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 Profit and Loss Account.

(c) Other long term employee benefits

Other long term employee benefits comprise of leave encashment which is provided for based on the actuarial valuation in accordance with revised AS 15 as at the end of the year. Actuarial gains and losses are recognised immediately in the Profit and Loss Account.

(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.

8. Research & Development Costs

Revenue expenditure is charged to Profit & Loss Account 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.

9. Impairment

The carrying amounts of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

10. Foreign currency transactions

Foreign exchange transactions are recorded at the rates prevailing at the date of transaction. Realised gains and losses on foreign exchange transactions during the year are recognised in the Profit and Loss Account. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Profit and Loss Account of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates of forward covers and in other cases at the exchange rate as at the Balance Sheet date.

The Company generally uses foreign exchange forward contracts and options to hedge its exposure for movement in foreign exchange rates. The use of these foreign exchange forward contracts and options 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 is recognised in the Profit and Loss Account 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 foreign currency loans of the Company is accounted by addition or deduction to the cost so far it relates to depreciable capital assets.

11. Taxation

Income tax liability is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.

The differences that result between the profit offered for income taxes and the profit as per the financial statements are identified and thereafter a deferred tax asset or a deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Where there are unabsorbed depreciation and carry forward losses under tax laws, deferred tax assets are recognised only if there is virtual certainly supported by convincing evidence that such deferred tax assets can be realised in future. Such assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

12. Revenue Recognition

(a) Revenue from sales is recognised on transfer of all significant risks and rewards of ownership which is generally as and when goods are cleared from factory premises.

(b) Domestic sales (net) are stated net of returns, sales tax and excise duty. Export sales are stated net of returns at F.O.B. value and include export incentives.

(c) 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.

13. Export benefits/incentives

Export entitlements under the Duty Entitlement Pass Book (DEPB), focus claim and Duty Draw Back schemes are recognized in the profit and loss account on accrual basis when Export Sales are recognised in Books of Accounts

14. Leases

Lease rental in respect of assets taken on operating lease are charged to the Profit and Loss account on a straight line basis over the lease term.

15. Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event and it is probable that it would involve an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value, and are determined based on the management's estimation of the obligation required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflected current management estimates.

A disclosure for a contingent liability is made where it is more likely than not that a present obligation or possible obligation would result in or involve an outflow of resources. When no present obligation or possibility exists and the possibility of an outflow of resources is remote, no disclosure or provision is made.

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

NOTE 2 : NOTES TO ACCOUNTS

	AS AT 31 MARCH 2013	AS AT 31 MARCH 2012
2.1 SHARE CAPITAL		
Authorised		
89,75,000 (previous year 89,75,000) equity shares of Rs.10/- each	8,97,50,000	8,97,50,000
20,25,000 (previous year 20,25,000) redeemable cumulative preference shares of Rs. 10/- each	2,02,50,000	2,02,50,000
	11,00,00,000	11,00,00,000
Issued, subscribed & fully paid-up		
41,91,250 (previous year 41,91,250) equity shares of Rs. 10/- each	**4,19,12,500**	**4,19,12,500**

(a) Reconciliation of the number of equity shares outstanding :

EQUITY SHARES WITH VOTING RIGHTS

	AS AT 31 MARCH, 2013		AS AT 31 MARCH, 2012	
	Number of equity shares	Amount	Number of equity shares	Amount
Opening balance	41,91,250	4,19,12,500	41,91,250	4,19,12,500
Fresh issue	-	-	-	-
Other changes (give details)	-	-	-	-
Closing balance	**41,91,250**	**4,19,12,500**	**41,91,250**	**4,19,12,500**

(b) Terms / rights attached to equity shares

- The Company has only one class of equity shares having par value of Rs. 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 Board Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of Shareholders holding more than 5 percent shares in the company:

	AS AT 31 MARCH, 2013		AS AT 31 MARCH, 2012	
Particulars shares held	Number of class of shares	% holding in that shares held	Number of class of shares	% holding in that
Equity shares with voting rights				
Mapple Commerce Private Limited	6,23,750	14.88%	6,23,750	14.88%
Satish Chandra Agarwal	5,38,900	12.86%	5,38,900	12.86%
Saroj Agarwal	5,29,700	12.64%	5,29,700	12.64%
Arvind Agarwal	89,290	2.13%	4,10,200	9.79%
Priya Ranjan Agarwal	3,86,000	9.21%	3,86,000	9.21%
Nirala Merchants Private Limited	3,20,910	7.66%	-	-

(d) Share capital includes 27,60,000 equity shares of Rs.10/- each allotted as fully paid bonus shares by capitalisation of general reserve and revaluation reserve.

		AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
2.2	**RESERVES AND SURPLUS**		
	Capital reserve		
	Balance at the beginning of the year	1,75,200	1,75,200
	Additions / (deductions) during the year	-	-
		1,75,200	**1,75,200**
	Share premium		
	Balance at the beginning of the year	2,25,50,000	2,25,50,000
	Additions / (deductions) during the year	-	-
		2,25,50,000	**2,25,50,000**
	General reserve		
	Balance at the beginning of the year	40,24,16,726	35,24,16,726
	Additions / (deductions) during the year	6,00,00,000	5,00,00,000
		46,24,16,726	**40,24,16,726**
	Profit & loss statement		
	Balance as per last financial statement	4,67,30,748	2,63,37,055
	Additions during the year	7,66,58,410	7,03,93,693
	Available for appropriations	12,33,89,158	9,67,30,748
	Less: Appropriations		
	Transfer to general reserve	6,00,00,000	5,00,00,000
	Balance carried to balance sheet	6,33,89,158	4,67,30,748
	Total	**54,85,31,084**	**47,18,72,674**
2.3	**TDDP-DSIR GRANT**		
	Balance as per last financial statement	2,00,00,000	-
	Add: additions during the year	1,00,00,000	2,00,00,000
	Less: utilisations during the year	-	-
		3,00,00,000	**2,00,00,000**

The company has submitted a project proposal amounting to Rs.1800 lakhs to the Department of Scientific & Industrial Research, Ministry of Science & Technology New Delhi, for development and commercialization of Rapid Cast Technology of single piece Stainless Steel Casting of upto 5000 Kgs. The department has committed partial support as a grant of Rs.500 lakhs out of total cost of Rs.1800 lakhs 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 20th September, 2011. The company has received the second installment of Rs.100 lakhs (Total of Rs 300 lakhs including first installment of Rs 200 lakhs received during the previous year) during the year and incurred the expense of Rs. 416.43 lakhs during the year towards the project.

2.4 BORROWINGS

	AS AT 31 MARCH 2013	AS AT 31 MARCH 2012
(A) Long-term borrowings SECURED :		
Term loans from banks		
State Bank of India	7,27,76,640	8,15,17,761
Punjab National Bank	3,12,52,144	3,83,83,349
Vehicle loans		
Tata Capital Limited	22,99,594	24,92,449
	10,63,28,378	**12,23,93,569**
UNSECURED :		
Loans and advances from related parties	51,01,704	1,53,39,764
Loans and advances from others	20,59,066	29,74,881
	71,60,770	1,83,14,645
Total	**11,34,89,148**	**14,07,08,204**

Notes to Financial Statements ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

SECURITIES

(a) Term loans from State Bank of India & Punjab National Bank are secured by way of:
-First charge ranking pari-passu on the whole of the present and future fixed assets of the Company.
-Personal guarantee of five directors, pari-passu charge on the whole of the present and future current assets of the Company.
-Secured by the additional security of residential house at Lucknow owned by a director (mortgaged with SBI).
-Vehicle loans from Tata Capital Limited are secured by way of absolute charge on specific assets purchased under the scheme and repayable within a period of 36 months as per the repayment schedule.

(b) Term of repayments (State Bank of India & Punjab National Bank)

	AS AT 31 MARCH, 2013			AS AT 31 MARCH, 2012		
Bank Name	Loan Amount	Pending Installments	Periodicity Repayments	Loan Amount	Pending Installments	Periodicity Repayments
State Bank of India	4.66 Cr.	12	Quarterly	5.53 Cr.	16	Quarterly
	5.10 Cr.	16	Quarterly	5.16 Cr.	20	Quarterly
Punjab National Bank	-	-	Monthly	0.83 Cr.	10	Monthly
	1.50 Cr.	4	Quarterly	2.40 Cr.	8	Quarterly
	4.13 Cr.	16	Quarterly	3.04 Cr.	20	Quarterly

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
(B) Short-term borrowings		
SECURED :		
State Bank of India	38,68,46,057	27,71,91,451
Punjab National Bank	10,19,57,116	12,17,80,868
Others	1,02,95,799	2,79,39,162
	49,90,98,792	**42,69,11,481**

Working capital loans (fund/non-fund based) from State Bank of India & Punjab National Bank are secured by way of:
-First charge ranking pari-passu on the whole of the present and future current assets of the Company.
-Personal guarantee of five directors pari-passu charge on the entire fixed assets of the Company.
-Secured by the additional security of residential house at Lucknow owned by a director (mortgaged with SBI).

2.5 OTHER LIABILITIES

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
(A) Deferred tax liabilities/(assets) net		
(a) Deferred tax liability on account of: Depreciation	5,22,84,345	5,84,33,888
(b) Deferred tax assets on account of :		
(i) Provision for employees benefit - add/(less)	-	-
(ii) Transitional obligation as per AS-15 (revised 2005)	(13,39,315)	(13,39,315)
Deferred tax liability/(assets) net	5,09,45,030	5,70,94,573
(B) Other long-term liabilities		
Security deposit receipt	13,500	13,500
	13,500	13,500
(C) Other current liabilities		
Current maturities of long-term borrowing		
State Bank of India	2,48,00,000	2,54,03,000
Punjab National Bank	2,50,01,396	2,42,74,000
Interest accrued and due on borrowing		
State Bank of India	23,84,394	19,96,351
Punjab National Bank	15,53,739	7,96,179
Current maturities of vehicle loans		
Tata Capital Limited	27,20,345	20,31,468
ICICI Bank Limited	-	3,03,311
Others		
Loans and advances from others	1,56,28,960	24,79,085
Advance from customers	1,94,95,714	73,20,983
Creditors for capital goods	64,80,645	1,05,99,416
Statutory dues payable (others)	3,95,980	1,20,915
Others payable	1,26,16,935	-
	11,10,78,108	**7,53,24,708**

Notes to Financial Statements ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
2.6 PROVISIONS		
(A) Long-term provisions		
Provision for employees benefits	1,07,95,845	74,67,081
	1,07,95,845	**74,67,081**
(B) Short-term provisions		
Provision for wealth tax	64,541	56,481
Provision for tax for current year (Net of advance tax Rs. 1,30,86,100 as at 31 March, 2012)	-	3,79,695
Provision for employee benefits	50,53,341	52,90,557
	51,17,882	**57,26,733**

2.7 TRADE PAYABLES

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
Payables to micro, small and medium enterprises	-	-
Payable to other entities	13,08,50,496	22,96,29,421
	13,08,50,496	**22,96,29,421**

The Company has no amounts payable to micro, small and medium enterprises as defined in section 7(1) of the Micro, Small and Medium Enterprises Development Act, 2006 to the extent such parties have been identified from the available information.

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

2.8 FIXED ASSETS

PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 01.04.2012	Additions	Deductions	Adjustment on Slump Sale	As at 31.03.2013	Up to 31.03.2012	On Cost	Deductions	Adjustment on Slump Sale	Up to 31.03.2013	As at 31.03.2013	As at 31.03.2012
TANGIBLE												
FREE HOLD LAND	3,58,65,466	29,33,127	-	-	3,87,98,593	-	-	-	-	-	3,87,98,593	3,58,65,466
LEASE HOLD LAND	2,84,38,250	1,25,000	-	73,13,701	2,12,49,549	70,66,266	4,07,705	-	12,99,073	61,74,898	1,50,74,651	2,13,71,984
FACTORY BUILDING	8,69,50,198	93,99,888	-	1,49,72,699	8,13,77,387	2,37,29,628	29,82,985	-	47,06,508	2,20,06,105	5,93,71,282	6,32,20,570
PLANT & MACHINERY	47,51,52,900	2,63,38,793	34,06,926	4,01,42,400	45,79,42,367	17,47,17,093	2,23,26,490	13,41,185	1,82,16,202	17,74,86,196	28,04,56,171	30,04,35,715
PLANT & MACHINERY (R&D)	2,46,23,680	2,21,737	-	-	2,48,45,417	33,92,069	17,92,154	-	-	51,84,223	1,96,61,194	2,12,31,702
COMPUTER	1,42,79,701	9,73,567	-	9,97,868	1,42,55,400	1,06,22,787	12,01,860	-	9,95,453	1,08,29,194	34,26,206	36,56,881
COMPUTER (R&D)	1,11,804	-	-	-	1,11,804	34,150	17,799	-	-	51,949	59,855	77,686
MOULDBOXES	7,97,77,202	1,32,91,969	5,79,360	56,31,911	8,68,57,900	3,59,78,761	82,01,441	1,03,872	31,47,437	4,09,28,893	4,59,29,007	4,37,98,442
MOULDBOXES (R&D)	1,02,45,716	9,31,160	-	-	1,11,76,876	45,20,979	11,85,047	-	-	57,06,026	54,70,850	57,24,737
VEHICLES	2,15,88,769	41,77,815	7,25,023	37,76,441	2,12,65,120	77,96,134	21,76,787	5,98,822	19,03,181	74,70,918	1,37,94,202	1,37,92,636
VEHICLES (R&D)	2,48,603	-	-	-	2,48,603	41,343	23,617	-	-	64,960	1,83,643	2,07,260
FURNITURE & FIXTURES	97,62,778	18,48,072	-	7,27,563	1,08,83,287	46,30,376	5,20,859	-	4,21,621	47,29,614	61,53,673	51,32,402
OFFICE EQUIPMENTS	56,15,945	7,95,237	-	6,39,336	57,71,846	22,64,953	2,82,252	-	2,55,413	22,91,792	34,80,054	33,50,992
MISC. FIXED ASSETS	20,08,733	4,10,988	-	1,42,863	22,76,858	13,73,443	50,551	-	26,913	13,97,081	8,79,777	6,35,290
SUB TOTAL (A)	**79,46,69,745**	**6,14,47,353**	**47,11,309**	**7,43,44,782**	**77,70,61,007**	**27,61,67,982**	**4,11,69,547**	**20,43,879**	**3,09,71,801**	**28,43,21,849**	**49,27,39,158**	**51,85,01,763**
INTANGIBLE												
SOFTWARE	67,66,223	18,95,950	-	12,075	86,50,098	47,54,666	6,11,725	-	2,890	53,63,501	32,86,597	20,11,555
SOFTWARE (R&D)	4,43,700	20,193	-	-	4,63,893	1,33,206	71,941	-	-	2,05,147	2,58,746	3,10,493
LICENCES	39,70,296	-	-	-	39,70,296	31,76,237	7,94,059	-	-	39,70,296	-	7,94,059
SUB TOTAL (B)	**1,11,80,219**	**19,16,143**	**-**	**12,075**	**1,30,84,287**	**80,64,109**	**14,77,725**	**-**	**2,890**	**95,38,944**	**35,45,343**	**31,16,107**
TOTAL(A)+(B)	**80,58,49,964**	**6,33,63,496**	**47,11,309**	**7,43,56,857**	**79,01,45,294**	**28,42,32,091**	**4,26,47,272**	**20,43,879**	**3,09,74,691**	**29,38,60,793**	**49,62,84,501**	**52,16,17,870**
PREVIOUS YEAR	71,70,81,913	9,22,40,638	34,72,588	-	80,58,49,963	24,67,68,959	3,89,85,577	15,22,443	-	2,84,23,094	52,16,17,870	47,03,12,953

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
2.9 NON CURRENT INVESTMENTS		
Long term investment (non-trade)		
Quoted		
(i) 5000 UTI equity fund (previously Mastergain 1992 of-Unit Trust of India) (face value of Rs. 10/- each fully paid-up)	50,000	50,000
(ii) 1600 equity shares in Kailash Structures Limited (face value of Rs. 10/- each fully paid-up)	16,000	16,000
(iii) 1125 equity shares in Valecha Engineering Limited (face value of Rs. 10/- each fully paid-up)	20,100	20,100
	86,100	**86,100**

Note:- Aggregate market value of quoted investments as at the end of the year was Rs. 3,48,289 (previous year Rs. 3,43,705).

2.10 LONG-TERM LOANS AND ADVANCES

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
Unsecured considered good :		
Capital advances	1,78,80,450	54,52,989
Security deposits (SD&EM)	2,22,21,863	1,05,68,649
Loan to employees	12,57,217	11,50,567
Accured interest	6,46,808	3,75,517
Advance tax for current year (Net of provision for tax Rs 1,81,41,124)	3,19,367	-
Advance tax for earlier years	1,53,068	1,68,518
MAT credit entitlement	2,66,91,438	2,25,42,795
	6,91,70,211	**4,02,59,035**

2.11 INVENTORIES

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
(As taken, valued & certified by the management)		
Direct raw materials	12,58,66,341	19,01,26,659
Indirect raw materials, stores & spares etc.	3,02,88,715	5,22,78,123
Work in progress	19,04,45,173	22,68,14,700
Finished goods	39,535	1,13,09,295
Loose tools	46,77,219	58,75,658
Miscellaneous Items	1,59,519	1,75,769
	35,14,76,502	**48,65,80,204**
Goods in transit included in above inventories is as under:		
Direct raw materials	5,52,620	5,43,210
Work in progress	30,02,914	-

2.12 TRADE RECEIVABLES

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
(Unsecured, considered good)		
Outstanding for a period exceeding six months from due date	2,77,36,307	1,76,61,287
Others	38,86,70,396	24,87,02,008
	41,64,06,703	**26,63,63,295**

2.13 CASH AND BANK BALANCES

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
Cash and cash equivalents:		
Balances with banks in current accounts (book overdraft)	(34,344)	99,26,107
Cash in hand	14,87,860	9,82,556
Other Bank Balances		
Fixed deposits with banks	2,86,56,214	48,20,271
	3,01,09,730	**1,57,28,934**

Note: Fixed deposits with banks are "under bankers lien" as margin money for non-fund based facilities.

2.14 SHORT-TERM LOANS AND ADVANCES

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
(Unsecured, considered good)		
Pre-paid expenses	25,37,084	25,49,144
Accrued interest	16,17,040	6,13,164
Advances to DSIR	2,060	-
Loans to employees	12,14,596	18,28,864
Balances with government authorities		
Cenvat credit receivable	56,27,469	1,46,34,515
VAT credit receivable	1,36,98,302	1,19,73,133
Service tax credit receivable	44,47,036	58,35,071
Other loans & advances	59,17,307	1,07,85,264
	3,50,60,894	**4,82,19,155**

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012

2.15 OTHER CURRENT ASSETS

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
(Considered good)		
Export incentives receivable	3,38,37,969	2,41,58,319
Claims receivable	1,80,72,628	1,03,99,090
	5,19,10,597	**3,45,57,409**

2.16 REVENUE FROM OPERATIONS

		FOR THE YEAR ENDED 31 MARCH, 2013		FOR THE YEAR ENDED 31 MARCH, 2012
Sale of products (refer note (I) below)		1,40,91,86,241		1,21,73,40,546
Other operating revenues (refer note (II) below		3,93,54,800		3,22,32,254
Gross Revenue from Operations		1,44,85,41,041		1,24,95,72,800
Less: Excise Duty		6,99,38,790		6,40,88,091
Net Revenue from Operations		**1,37,86,02,251**		**1,18,54,84,709**
(I) Sales of products comprises :				
Manufactured goods				
Castings (Stainless Steel)		85,07,24,544		66,92,49,077
Castings (Alloy and Non-Alloy Steel)		26,28,78,646		33,82,14,629
Structures / Forgings		14,21,13,763		7,29,37,244
Assembly Items		13,09,03,889		12,98,09,240
Others		2,25,65,399		71,30,356
Total - Sale of manufactured goods		1,40,91,86,241		1,21,73,40,546
(II) Other operating revenues				
Export Incentives		3,33,86,575		2,74,21,866
Income from Power Generation		59,68,225		48,10,388
Total - Other operating revenues		3,93,54,800		3,22,32,254
(III) Domestic and export sales				
Gross domestic sales		63,52,14,818		80,04,13,038
Less: Sales tax		1,18,11,434		1,53,03,528
		62,34,03,384		78,51,09,510
Less: Inter plant transfer		2,65,16,270		9,12,88,404
Net domestic sales (a)		59,68,87,114		69,38,21,106
Gross export sales		81,49,27,035		52,82,62,275
Less:				
Freight	26,26,946		50,60,175	
Insurance	72,362	26,99,308	64,410	51,24,585
		81,22,27,727		52,31,37,690
Add: Deemed export sales		71,400		3,81,750
Total Net export sales (b)		81,22,99,127		52,35,19,440
Total Net Sales (a+b)		1,40,91,86,241		1,21,73,40,546

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

	FOR THE YEAR ENDED 31 MARCH, 2013	FOR THE YEAR ENDED 31 MARCH, 2012
2.17 OTHER INCOME		
Dividend income	1,125	1,800
Net gain/(loss) on foreign currency translations and transaction	(87,94,766)	8,49,216
Provisions made no longer required written-back	49,80,794	5,20,684
Discount received	3,101	-
Profit on sales of assets	(6,16,273)	3,75,511
Other receipts	41,400	1,39,679
Insurance claims received	6,71,433	-
	(37,13,186)	**18,86,890**
2.18 COST OF MATERIALS CONSUMED		
Opening stock	**19,01,26,659**	**15,61,22,062**
Add: purchases	42,34,53,112	48,43,57,772
Less: closing stock (including discontinued operations)	**12,75,19,630**	**19,01,26,659**
	48,60,60,141	45,03,53,175
Less: consumed for research & development	40,80,065	62,78,264
	48,19,80,076	**44,40,74,911**
Cost of materials consumed:		
Scraps and Metals		
Stainless steel scrap	16,30,32,382	15,90,96,469
Iron & steel scrap	11,27,13,554	8,18,54,584
Ferrous & non-ferrous alloys	6,14,78,559	9,73,05,106
Structures/fabrication	8,34,32,501	66,14,619
Raw castings (including assembly)	6,54,03,145	10,54,82,397
	48,60,60,141	45,03,53,175
Less: raw material consumed for research & development	40,80,065	62,78,264
	48,19,80,076	**44,40,74,911**
2.19 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND TRADED GOODS		
Inventories as at 31st March, 2012 (opening)		
Work-in-Progress	22,68,14,700	18,07,29,014
Finished Goods	1,13,09,295	8,64,040
Total	23,81,23,995	18,15,93,054
Inventories as at 31st March, 2013 (closing) (including discontinued operations)		
Work-in-Progress (a)	21,76,86,315	22,68,14,700
Finished Goods	10,51,046	1,13,09,295
Total	**21,87,37,361**	**23,81,23,995**
Change in Inventories, net (increase)	1,93,86,634	(5,65,30,941)
Note: (a) Work in Progress		
Stainless steel castings	14,87,21,688	15,61,03,185
Alloy and non-alloy steel	4,93,25,669	3,31,78,618
Fabrication	1,46,72,821	2,75,97,218
Assembly	19,63,223	99,35,679
Stock in transit	30,02,914	-
Total	**21,76,86,315**	**22,68,14,700**
2.20 EMPLOYEE BENEFITS EXPENSES		
Salaries, wages and bonus	14,57,83,738	12,41,03,495
Contribution to provident and other funds	1,48,31,068	1,32,57,889
Employee welfare expenses	42,93,749	39,35,338
	16,49,08,555	**14,12,96,722**

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

		FOR THE YEAR ENDED 31 MARCH, 2013	FOR THE YEAR ENDED 31 MARCH, 2012
2.21	**OTHER EXPENSES**		
(i)	Manufacturing expenses		
	Foundry/Machineshop Consumables & Expenses	16,81,32,322	19,41,94,166
	Power & fuel	9,11,94,563	8,62,45,188
	Repairs and maintenance		
	Mechanical	1,64,09,384	1,38,58,668
	Electrical	42,85,857	34,25,537
	Factory Building	17,60,933	19,68,230
	Packing and general consumables	2,11,15,797	1,39,87,730
	Processing and work charges	6,65,16,231	5,02,57,330
	Expenses on inter-plant transfers	4,04,527	3,82,204
		36,98,19,614	**36,43,19,053**
(ii)	Administrative and Selling Expenses		
	Rent and taxes	84,30,690	88,97,895
	Insurance & securities	62,88,298	53,16,421
	Legal and professional	1,14,90,656	92,30,671
	Travelling and conveyance	87,56,734	79,76,443
	Directors sitting fees	85,500	48,000
	Vehicle running and maintenance	39,77,837	38,57,053
	Communication	30,08,627	28,71,899
	Printing & stationery	24,14,209	21,52,618
	Conference, training and recruitment	14,47,277	6,06,574
	Freight and clearing	1,44,49,203	1,40,35,850
	Sales commission	1,49,79,096	2,51,99,289
	Rebate & discount expenses	26,166	28,575
	Deduction from bills	1,09,08,352	1,25,72,272
	Advertisement & promotion	19,97,013	21,19,307
	Payment to auditors	3,44,285	2,72,989
	Wealth tax	64,541	56,481
	Donation & charity	16,17,672	13,56,902
	Loss on sale of assets	39,733	-
	Bad debts written-off (net of provisions)	37,39,899	7,65,798
	Provision for doubtful debts, loans & advances	14,80,610	-
	Product development expenses written-off	-	12,442
	Miscellaneous	18,78,841	23,12,374
	Bhiwadi plant balance written off	1,65,295	-
		9,75,90,534	**9,96,89,853**
(iii)	Prior year adjustment expenses	8,30,826	71,128
2.22	**AUDITORS REMUNERATION**		
	Statutory Auditors:		
	Audit fees	1,75,000	1,40,000
	Tax audit fees	48,000	30,000
	Limited review	48,000	30,000
	Outlays	73,285	72,989
		3,44,285	**2,72,989**
2.23	**RESEARCH & DEVELOPMENT EXPENSES**		
	Raw materials consumed	40,80,065	62,78,264
	Indirect materials consumed	15,14,773	28,05,866
	Conversion cost	17,33,500	10,68,150
	Testing & radiography	1,44,242	28,695
	Salary & wages	9,62,146	18,49,378
	Consultancy charges	54,500	1,59,500
		84,89,226	**1,21,89,853**

Notes to Financial Statements ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

		FOR THE YEAR ENDED 31 MARCH, 2013	FOR THE YEAR ENDED 31 MARCH, 2012
2.24	**FINANCE COST**		
	on working capital loans	4,13,02,930	4,95,12,327
	on term loans	1,66,04,608	1,64,08,641
	on others	49,22,194	30,07,820
	Total	**6,28,29,732**	**6,89,28,788**
	Less: interest received		
	from bankers	22,63,848	3,74,085
	from others	1,82,243	2,30,056
	Total	24,46,091	6,04,141
	Bank Charges	74,39,941	83,86,400
		6,78,23,582	**7,67,11,047**

Borrowing costs capitalized during the year are Rs. 24,80,753 (Previous year Rs. 11,73,561) in compliance with AS-16.

		AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
2.25	**Tax deducted at source on receipt of :**		
	Interest	2,16,942	86,100
	Others	48,326	-
		2,65,268	**86,100**

2.26 Scientific Research & Development capital expenditure pertaining to the Company's Research & Development Division aggregated to Rs. 11,73,089 as Capital expenditure and Rs. 84,89,226 as revenue expenditure (previous year Rs. 32,24,104 as Capital Expenditure and Rs. 1,21,89,853 as revenue expenditure charged in respective heads)

2.27 The amount of excise duty on finished goods not cleared from the factory as at 31 March, 2013, estimated on the basis of sales price of goods / excise rates prevailing on the said date was Rs. 4,886 (previous year Rs. 13,97,829). This has not been provided for in the accounts and hence not included in the valuation of such goods. Non-provision of this liability has no affect on the profit for the year.

2.28 The Company has been permitted by the Central Excise Department to clear Export Shipments as following:

		AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
(a)	Without payment of Excise Duty, bond in favour of the department	13,15,03,923	2,78,90,056
(b)	Without payment of Excise Duty for Deemed Exports to EOU against Form C.T. 1/3 Certificate	71,400	Nil
(c)	Export Shipments cleared with payment of Excise Duty	3,45,75,039	1,37,33,563
(d)	The amounts the Company has received against refund claims during the year	1,74,60,872	1,38,49,446

		FOR THE YEAR ENDED 31 MARCH, 2013	FOR THE YEAR ENDED 31 MARCH, 2012
2.29	**(a) Directors' Remuneration**		
	Salary	75,61,950	62,27,400
	Contribution to Provident Fund & other Schemes	5,22,667	5,61,625
	Commission	7,47,328	5,60,316
	Sitting Fees	85,500	48,000
	Perquisites	20,85,631	7,71,100
		1,10,03,076	**81,68,441**

(b) Computation of Net Profit in accordance with section 198 of the Companies Act, 1956 and commission paid.

	FOR THE YEAR ENDED 31 MARCH, 2013	FOR THE YEAR ENDED 31 MARCH, 2012
Profit before tax as per Profit and Loss Account for the year ended 31.03.2012	6,65,64,396	4,87,30,398
Add: Directors' Remuneration (including commission charged in accounts)	81,68,441	73,01,192
NET PROFIT	**7,47,32,837**	**5,60,31,590**
Commission paid to Chairman during the year (being 1% of net profit, restricted to 50% of the Annual Salary)	7,47,328	5,60,316

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

		AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
2.30	**Contingent Liabilities (to the extent not provided for)**		
(i)	Session Court, Faridabad has given a decision against the Company on a case filed by a supplier amounting to Rs.1,07,680 (previous year Rs.1,07,680). Against this, the complainant has claimed Rs. 1,50,000 (previous year 1,50,000) alongwith the interest @12% p.a. from the date of the suit i.e. 09.01.1997. This Case pertained to the Bhiwadi Unit of the Company which has been sold under Slump Sale w.e.f. 31.3.2013 hence no further provision for interest has been made :	-	1,97,084
(ii)	In respect of non fund-based working capital facilities from State Bank of India:		-
	Counter guarantees furnished by the Company against various guarantees given by the bank	84,20,000	29,32,000 .
	Letter of credit (Inland/Foreign) opened by the bank	1,85,22,342	29,40,382
(iii)	Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advance (as certified by a Director).	2,93,99,645	94,44,182
(iv)	Contingent Liability in respect of factoring of receivables with IFCI Factors Limited.	1,02,95,799	4,87,84,795
(v)	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		
	Against Cenvat credit	4,60,95,098	4,24,67,915
	Against Service Tax	14,158	14,158
	The Company has given replies to all the show-cause notice/demands to the department and the appeals are pending with Appellate authorities.		.
(vi)	Show Cause Notice/Demands have been raised by the Central Excise Department against Cenvat credits claimed by the Bhiwadi Plant on inputs and capital goods upto 31 March, 2012. The Company has given its replies to all Show Cause Notices the Department and the same are under consideration.	-	58,921

(vii) Income Tax Case Status:-

Assessment Year	Status as at 31.03.2013
2011-12	The Income Tax Department has issued scrutiny notice u/s 143(2), Case is pending with ACIT
2008-09	ITAT Appeal has been filled on dt 24.01.2013 against the order passed by CIT(A)
2007-08	The Order of CIT (A) has been received and application on dt 30.08.2011 for CIT(A) order effect is pending
2005-06	The Order of ITAT has been received and application on dt 19.04.2011 for ITAT order effect is pending
2004-05	The Income Tax department had ordered Special Audit u/s 142(2A) of the Income Tax Act, 1961. Pursuant to the Audit, the department has issued demand notice for Rs. 14,60,700. Against the said order, the Company has deposited Rs. 10,00,000 and balance amount has been adjusted from the refund of the AY 2006-07, however an appeal with CIT (A) has been decided but the effect of appeal is still pending at income tax department. The Income Tax assessments of erstwhile Ashman Tool Engineers Private Limited (ATEPL) and Sunika Alloys Private Limited (SAPL) has been completed up to the pre-amalgamation period i.e. A.Y. 1997-98. Further an order under section 154 of the Income Tax Act, 1961 was passed on 25-06-

2004 for the assessment year 1997-98 in case of erstwhile M/s Ashman Tool Engineers Private Limited subsequently merged with the Company. A demand of Rs. 23,592 towards the charge of interest was raised against the Company. The Company has deposited Rs. 15,028 in compliance to notice of demand.

(viii) Sales Tax Case Status

Assement Year	Status as at 31.03.2013
2009-10	The Sales Tax assessment of Lucknow Plant-1 & 2 has been completed*.
2008-09	The Sales Tax assessment of Mehsana Plant has been completed.
2010-11	The Sales Tax assessment of Bhiwadi Plant has been completed.

Note: *Appeals are pending with appelate authorities on different issues filed by us, The Company has given all replies of Notices issued by the department on time to time, security money has also been deposited by the company against the appeal.

(ix) Department of Scientific & Industrial Research, Ministry of Science & Technology New Delhi, has accepted the project proposal of the company for development and commercialization of Rapid Cast Technology of single piece Stainless Steel Casting of upto 5000 Kgs. The department has committed partial support in the form of a grant of Rs. 500 Lakhs out of total cost of Rs. 1800 Lakhs. In lieu of this grant, the company shall be obliged to pay to DSIR annual royalties on the monies actually disbursed by DSIR to the project amounting to 1.3 times the grant. This will be for a period of 5 years from the start of the production of the product for captive use or commercial sale (whichever is earlier) from the pilot/commercial or new producing plant installed on the basis of the result of the TDDP project.

2.31 The Wealth Tax return of the Company has been filed upto the assessment year 2012-2013.

2.32 The Company's recognition as an EXPORT HOUSE is valid upto 31.03.2014.

2.33 The Company has taken residential accommodation for its employees on operating lease, with the option of renewal at the end of the lease. Minimum lease payments charged during the year to the Profit and Loss Account aggregate to Rs. 23,40,166 (previous year Rs. 25,59,967).

2.34 The Company has been permitted by the Gujarat Energy Development Agency (GEDA) to set up a Wind Farm of 0.75 M.W. in district Kutch Gujarat in accordance with the provisions of the Wind Power Generation Policy, 2002 issued under the Resolution No. vide G.R. EDA-10-2001-3054-BC Part-(II) of the Government of Gujarat dated 20 June, 2002. The Company has opted to wheel the energy generated at the Wind Farm to its own other manufacturing unit at Mehsana, North Gujarat. An agreement has been executed between the Company, GEDA and Gujarat Energy Transmission Corporation Limited (GETCO) whereby a tripartite Wheeling and Banking agreement has been made. During the year, income of Rs. 59,68,225 (previous Rs. 48,10,388) accrued through electricity generation at the Wind Farm which will be adjusted in terms of the aforesaid tripartite agreement.

2.35 Employee Benefit Obligations

Defined Contribution Plan

An amount of Rs. 54,92,837 for the year ended 31 March, 2013 has been recognized as an expense in respect of contribution for Provident fund and Employees State Insurance Fund deposited with the Government Authorities.

Defined Benefit Plans

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the company on retirement, separation, death or permanent disablement, in terms of the provisions of The Payment of Gratuity Act,1972.

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

Description	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
Present value of the obligation at the beginning of the period	2,92,39,165	2,57,93,633
Current service cost	24,74,619	21,05,117
Interest cost	24,12,231	22,56,943
Benefits paid (if any)	(28,75,965)	(20,67,495)

Notes to Financial Statements ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

Actuarial (gain)/loss on obligation	4,73,410	11,50,967
Present value of the obligation at the end of the period	3,17,23,460	2,92,39,165
Change in plan assets:		
Fair value of plan assets at the beginning of the period	2,73,27,603	2,43,93,467
Decrease due to Mehsana Plant	-	-
Expected return on plan assets	24,24,102	21,73,999
Contributions	17,39,999	28,27,672
Benefits paid	(28,75,965)	(20,67,495)
Actuarial gain/(loss) on plan assets		
Fair value of plan assets at the end of the period	2,86,15,739	2,73,27,643
Amount of the obligation recognised in the Balance Sheet		
Present value of the obligation at the end of the period	3,17,23,460	2,92,39,165
Fair value of plan assets at the end of period	2,86,15,739	2,73,27,643
Net liability/(asset) recognised in Balance Sheet	31,07,721	19,11,522
Amount of gratuity expenses recognised in the Profit & Loss A/c		
Current service cost	24,74,619	21,05,117
Interest cost	24,12,231	22,56,943
Expected return on plan asset	(24,24,102)	(21,73,999)
Net actuarial (gain)/loss recognised in the period	4,73,410	11,50,967
Total	**29,36,158**	**33,39,028**
Assumptions:		
Economic Assumptions		
Discount rate	8.25%	8.75%
Salary escalation rate	6.50%	6.50%

Discount Rate:

The discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

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 Plan Assets are maintained with Life Insurance Corporation-Group Gratuity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the company and have not been disclosed.

2.36 During the year 2012-2013 company has captively consumed 1.004 M.T. (previous year 2.238 M.T.) of casting for assembly production.

2.37 Capital work in progress for :

	AS AT 31 MARCH, 2013				AS AT 31 MARCH, 2012			
	Land & Building	Plant & Machinery	Others	Total	Land & Building	Plant & Machinery	Others	Total
Lucknow Plant-1	56,60,255	8,56,52,039	15,033	9,13,27,327	12,47,441	3,90,92,002	55,64,719	4,59,04,162
Lucknow Plant-2					-	5,93,100	-	5,93,100
Bhiwadi Plant					-	17,28,587	-	17,28,587
Mehsana Plant					53,59,725	94,93,626	1,69,673	1,50,53,024
Total	**56,60,255**	**8,56,52,039**	**15,033**	**9,13,27,327**	**66,07,166**	**5,09,07,316**	**57,34,392**	**6,32,48,873**

Notes to Financial Statements ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

2.38 Indirect raw materials, stores, spares and other consumables are included in the following heads of account.

	FOR THE YEAR ENDED 31 MARCH, 2013	FOR THE YEAR ENDED 31 MARCH, 2012
Foundry/machine-shop consumables & expenses	15,75,75,383	18,35,44,881
Power & fuel	2,22,14,024	2,39,43,244
Repair & maintenance:		
Mechanical	1,64,09,384	1,38,58,668
Electrical	42,85,857	34,25,537
Packing and general consumables	2,11,15,797	1,39,87,730
	22,16,00,445	**23,87,60,060**

2.39 Foreign exchange fluctuation loss was of Rs. 87,94,766 (previous year gain Rs. 8,49,216) on account of recognition of exchange difference on foreign currency transaction.

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

	FOR THE YEAR ENDED 31 MARCH, 2013		FOR THE YEAR ENDED 31 MARCH, 2012	
Description	Imported/ Highseas	Indigenous	Imported/ Highseas	Indigenous
Direct raw materials				
Value (in Rs.)	75,73,999	47,44,06,077	4,82,29,085	39,58,45,826
Percentage	1.57%	98.43%	10.86%	89.14%
Indirect raw materials, stores, spares & other consumables				
Value (in Rs.)	1,46,46,947	20,69,53,498	2,54,89,255	21,32,70,805
Percentage	6.61%	93.39%	10.68%	89.32%

2.41 C.I.F. value of imports (including R & D)

	FOR THE YEAR ENDED 31 MARCH, 2013	FOR THE YEAR ENDED 31 MARCH, 2012
Description	Direct Imports	Direct Imports
Direct raw materials	75,21,305	4,65,91,579
Indirect materials	1,18,04,256	2,73,97,272
Capital goods	2,58,34,122	4,05,25,011
	4,51,59,683	**11,45,13,862**

2.42 Expenditure in foreign currency during the year

Traveling	7,86,296	8,45,154
Testing, radiography & rectification charges	4,90,653	1,09,634
Legal & professional charges	4,51,181	26,12,574
Rent, freight & export warehousing charges	44,08,633	40,52,765
R & D expenses	-	10,68,150
Computer expenses	90,508	-
Commission on Sale	1,06,682	-
	63,33,953	**86,88,277**

2.43 Earning in foreign currency

From export of castings & forgings/structures	81,22,27,727	52,31,37,690

2.44 Calculation of E.P.S.

	AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
Profit before taxation before exceptional items	12,22,43,572	6,66,35,524
Tax (including tax effect on exceptional items)	1,35,71,784	(38,29,297)
Profit after taxation (before exceptional items)	10,86,71,788	7,04,64,821
Exceptional items (net of tax saving)	3,20,13,378	71,128
Profit after taxation	7,66,58,410	7,03,93,693

Notes to Financial Statements ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

Weighted average number of ordinary share outstanding	41,91,250	41,91,250
Earning per share on profit after taxation before exceptional items (face value Rs. 10/- per share)	25.94	16.81
Earning per share on profit after taxation and after exceptional items (face value Rs. 10/- per share)	18.29	16.80

2.45 The plantwise installed capacity is recognised on the basis of melting capacity of Induction Melting furnaces at single shift basis. Being of a technical nature has been relied upon by the Auditors.

Lucknow Plant-1	1850.000 MTPA
Bhiwadi Plant	1800.000 MTPA
Mehsana Plant	1500.000 MTPA

During the year Lucknow Plant-1 has operated at double shift basis whereas other plants have operated at single shift basis.

	FOR THE YEAR ENDED 31 MARCH, 2013 Quantity (in M.T.)	FOR THE YEAR ENDED 31 MARCH, 2012 Quantity (in M.T.)
PRODUCTION		
Lucknow Plant-1		
Castings (stainless steel)	879.733	616.396
Castings (alloy and non-alloy steel)	75.406	159.277
Structures/ forgings	344.352	197.711
Assembly	-	52.374
Total	1299.491	1025.758
Bhiwadi Plant		
Castings (alloy and non-alloy steel)	1445.856	1791.350
Mehsana Plant		
Castings (stainless steel)	175.671	257.321
Castings (alloy and non-alloy steel)	99.624	87.257
Assembly	-	2.303
Total	275.295	346.891
Lucknow Plant-2		
Assembly	386.980	385.735
Wind Mill	1120045	857810

Bhiwadi Plant has exported castings Nil M.T. (Previous year 11.604 M.T.) on behalf of Lucknow Plant-1.

2.46 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 and Steel Structures as its primary segment while the Company has presented secondary segment reporting on the basis of geographical location of customers.

Notes to Financial Statements ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

Business Segment :

Performance of Business Segment is as follows (including discontinued operations) :

	Year ended on 31st March, 2013					
	Lucknow Plant-1	Bhiwadi Plant	Lucknow Plant-2	Mehsana Plant	Wind Mill	Consolidated Total
Total Revenue						
Sales to External Customers	92,53,20,143	14,93,23,603	11,66,26,482	18,13,63,796	-	1,37,26,34,024
	(69,22,22,770)	(16,14,82,786)	(10,49,48,442)	(22,20,20,322)	(-)	(1,18,06,74,320)
Income from Power Generation	-	-	-	-	59,68,225	59,68,225
	(-)	(-)	(-)	(-)	(48,10,388)	(48,10,388)
Total Income from Operations	92,53,20,143	14,93,23,603	11,66,26,482	18,13,63,796	59,68,225	1,37,86,02,249
	(69,22,22,770)	(16,14,82,786)	(10,49,48,442)	(22,20,20,322)	(48,10,388)	(1,18,54,84,708)
Inter segment sales	26,54,380	43,46,735	5,80,665	1,89,34,490	-	2,65,16,270
	(3,06,51,438)	(2,76,27,227)	(20,91,124)	(3,09,18,615)	(-)	(9,12,88,404)
Other Income	(70,09,985)	31,77,486	2,60,286	(1,42,096)	-	(37,14,309)
	(4,93,262)	(5,497)	-	(20,23,696)	(-6,37,364)	(18,85,091)
Total	92,09,64,538	15,68,47,824	11,74,67,433	20,01,56,190	59,68,225	1,40,14,04,210
	(72,33,67,470)	(18,91,15,510)	(10,70,39,566)	(25,49,62,633)	(41,73,024)	(1,27,86,58,203)
Dividend, Interest Income	1,125	-	-	-	-	1,125
	(1,800)	(-)	(-)	(-)	(-)	(1,800)
Total Revenue	92,09,65,663	15,68,47,824	11,74,67,433	20,01,56,190	59,68,225	1,40,14,05,335
	(72,33,69,270)	(18,91,15,510)	(10,70,39,566)	(25,49,62,633)	(41,73,024)	(1,27,86,60,003)
Segment Results						
Segment results - Profit/(Loss) before Finance Cost, Depreciation, Prior Year Adjustment Expenses and Tax	17,68,55,433	1,40,00,793	76,04,303	2,93,21,327	49,32,570	23,27,14,426
	(11,54,88,324)	(-29,83,985)	(81,74,079)	(5,82,30,122)	(34,23,608)	(18,23,32,148)
Less : Prior Year Adjustment Expenses	56,671	-	4,82,176	2,91,979	-	8,30,826
	(71,128)	(-)	(-)	(-)	(-)	(71,128)
Segment results - Profit/(Loss) after Prior Year Adjustment and before Finance Cost, Depreciation and Tax	17,67,98,762	1,40,00,793	71,22,127	2,90,29,348	49,32,570	23,18,83,600
	(11,54,17,196)	(-29,83,985)	(81,74,079)	(5,82,30,122)	(34,23,608)	(18,22,61,020)
Less: Finance Cost & Depreciation	7,66,95,702	42,70,887	1,10,12,974	1,66,10,134	18,81,157	11,04,70,854
	(8,91,32,188)	(60,05,295)	(68,32,558)	(1,14,65,639)	(22,60,944)	(11,56,96,624)
Profit before exceptional item & tax	10,01,03,060	97,29,906	(38,90,847)	1,24,19,214	30,51,413	12,14,12,746
	(2,62,85,008)	(-89,89,280)	(13,41,521)	(4,67,64,483)	(11,62,664)	(6,65,64,396)
Exceptional Item	-	-	-	-	-	3,11,82,552
						(-)
Profit before tax	10,01,03,060	97,29,906	(38,90,847)	1,24,19,214	30,51,413	9,02,30,194
	(2,62,85,008)	(-89,89,280)	(13,41,521)	(4,67,64,483)	(11,62,664)	(6,65,64,396)
Provision for Taxation:						
For earlier years (reverted back						-
						(-)
Current Tax		31,28,236				1,81,41,124
		(-)				(-90,77,000)
Deferred Tax		57,28,846				(4,20,697)
		(-)				(52,47,703)
Add: MAT Credit entitlement						41,48,643
						(-)
Profit after Tax	10,01,03,060	8,72,824	(38,90,847)	1,24,19,214	30,51,413	7,66,58,410
	(2,62,85,008)	(-89,89,280)	(13,41,521)	(4,67,64,483)	(11,62,664)	(7,03,93,693)
Segment Assets & Liabilities						
Segment Assets	1,74,42,72,397	11,98,11,278	15,01,70,517	24,35,47,534	2,49,33,627	2,28,27,35,353
	(1,17,83,91,346)	(13,31,28,145)	(13,31,03,928)	(26,06,22,040)	(2,68,23,424)	(1,73,20,68,883)
Less : Inter Segment Assets	64,32,32,620	-	-	-	-	64,32,32,620
	(26,06,68,806)	(1,73,68,096)	(-)	(-)	(-)	(27,80,36,902)
Total Segment Assets	1,10,10,39,777	11,98,11,278	15,01,70,517	24,35,47,534	2,49,33,627	1,63,95,02,733
	(91,77,22,540)	(11,57,60,049)	(13,31,03,928)	(26,06,22,040)	(2,68,23,424)	(1,45,40,31,981)
Investment	78,100	-	8,000	-	-	86,100
	(78,100)	(-)	(8,000)	(-)	(-)	(86,100)
Add:Unallocable Assets						2,66,91,438
						(90,77,000)
Net Segment Assets	1,10,11,17,877	11,98,11,278	15,01,78,517	24,35,47,534	2,49,33,627	1,66,62,80,271
	(91,78,00,640)	(11,57,60,049)	(13,31,11,928)	(26,06,22,040)	(2,68,23,424)	(1,46,31,95,081)
Segment Liabilities	51,93,27,731	6,53,17,193	13,98,14,878	13,25,17,930	1,90,29,947	87,60,07,679
	(16,99,82,656)	(8,42,33,969)	(12,69,61,056)	(16,41,18,108)	(2,39,71,157)	(56,92,66,946)
Add : Loans (including Current maturities)	67,87,41,358	97,79,677	74,12,329	(14,76,734)	-	69,44,56,630
	(58,86,90,736)	(50,34,010)	(-6,91,285)	(11,37,928)	(-)	(59,41,71,389)
Less : Inter Segment Liabilities	40,29,26,958	1,83,09,131	10,29,54,733	10,00,25,681	1,90,16,116	64,32,32,619
	(66,70,978)	(2,22,67,723)	(10,16,75,907)	(12,37,22,277)	(2,37,00,016)	(27,80,36,901)
Total Segment Liabilities	79,51,42,131	5,67,87,739	4,42,72,474	3,10,15,515	13,831	92,72,31,690
	(75,20,02,414)	(6,70,00,256)	(2,45,93,864)	(4,15,33,759)	(2,71,141)	(88,54,01,434)
Add : Unallocable Liabilities						5,32,47,532
						(5,74,74,268)
Net Segment Liabilities	79,51,42,131	5,67,87,739	4,42,72,474	3,10,15,515	13,831	98,04,79,222
	(75,20,02,414)	(6,70,00,256)	(2,45,93,864)	(4,15,33,759)	(2,71,141)	(94,28,75,702)
Capital Expenditure incurred	2,74,21,514	10,89,656	76,96,093	2,71,56,230	-	6,33,63,493
	(2,91,04,455)	(50,28,823)	(4,59,51,140)	(1,21,56,220)	(-)	(9,22,40,638)
Depreciation and Amortisation	2,52,19,536	32,09,212	37,49,662	85,87,704	18,81,158	4,26,47,272
	(2,50,78,738)	(30,60,642)	(15,53,363)	(74,24,118)	(18,81,158)	(3,89,98,019)
Non Cash Expenses included in Segment Expenses	29,35,684	-	82,430	22,02,395	-	52,20,509
	(5,74,636)	(-)	(-)	(1,91,162)	(-)	(7,65,798)

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

Geographic Segment :

The revenues attributable to countries based on location of customers are as follows :

	FOR THE YEAR ENDED 31 MARCH, 2013		FOR THE YEAR ENDED 31 MARCH, 2012	
United State of America	16,73,23,331		17,02,80,981	
India	53,29,87,949		63,49,25,153	
Finland	20,77,67,164		19,27,80,429	
United Kingdom	-		6,54,558	
Spain	-		35,47,311	
Germany	10,25,725		16,67,469	
France	2,08,44,680		6,45,825	
Netherland	5,47,06,918		54,05,850	
Norway	22,94,94,349		4,39,67,146	
Denmark	17,81,617		45,74,856	
China	10,09,37,597		9,18,97,620	
Malaysia	1,09,82,836		13,21,658	
Brazil	74,73,153		9,96,634	
Sweden	87,36,457		53,97,353	
Hungry	11,53,900		-	
	1,34,52,15,676		1,15,80,62,843	
Export Incentive		3,33,86,575		2,74,21,866
Total		**1,37,86,02,251**		**1,18,54,84,709**

2.47 Related Party Disclosure :

As per Accounting Standard (AS-18) on related party disclosure issued by the Institute of Chartered Accountants of India, the disclosure of transactions with the related party as defined in the Accounting Standard are given below:

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

Enterprises controlled by directors/relatives

1. Mapple Commerce Pvt. Ltd.
2. Precision Overseas Pvt. Ltd.
3. Homelike Motels & Resorts Pvt. Ltd.
4. e-Soft Technologies Ltd.
5. PTC Energas Flow Pvt. Ltd.
6. Nirala Merchants Pvt. Ltd.

Key Management Personnel of the Company

1. Mr. S.C. Agarwal
2. Mr. Sachin Agarwal
3. Mr. A. K. Agarwal
4. Mr. P. R. Agarwal
5. Mr. Alok Agarwal
6. Mr. Arun Prasad
7. Mr. R. K. Pandey
8. Mr. Ajay Kashyap
9. Dr. R. C. Katiyar
10. Mr. K. D. Gupta

Relatives of Key Management Personnel

1. Mrs. Saroj Agarwal
2. Mrs. Kiran Prasad
3. Ms. Kanchan Agarwal
4. Mr. Nawal Kishore Agarwal
5. Mrs. Pratima Agarwal
6. Mrs. Vidya Agarwal
7. Mrs. Suman Agarwal
8. Mrs. Gyan Devi
9. Mrs. Smita Agarwal
10. Mrs. Anshoo Agarwal
11. Mrs. Reena Agarwal
12. Mrs. Anita Agarwal
13. Mr. Manu Agarwal

Notes to Financial Statements ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

The following transactions were carried out with the related parties :

		Enterprises Controlled by directors/relatives	Key Management Personnel (KMP)	Relatives of KMP's
1.	Interest paid in Inter-corporate loans	19,93,129	-	-
2.	Service charges	5,39,328	-	-
3.	Managerial remuneration	-	1,10,03,076	-
4.	Salary & Allowances	-	-	39,62,239
5.	Rent Paid	-	-	3,30,000
6.	Loan re-paid to Mapple Commerce Pvt. Ltd.	30,75,000	-	-
7.	Loan re-paid to Nirala Merchants Pvt. Ltd.	95,00,000	-	-
8.	Loan written off-M/s PTC Energas Flow Pvt. Ltd.	34,87,395	-	-

2.48 Discontinuing Operations

The shareholders of the Company have approved to sale of "Bhiwadi Unit" through Postal Ballot on 21st April, 2012. The Board of Directors of the Company, at their meeting held on 15th February, 2013 approved the sale of the Bhiwadi Unit, hereinafter referred to as the "Bhiwadi Unit" to Precon Technology Castings Limited (hereinafter referred to as "PreCon"). The Bhiwadi Unit with its respective assets and liabilities, was transferred to PreCon on a 'slump sale' basis as a going concern, for a cash consideration of Rs. 3,50,00,000/- to be adjusted for any net working capital changes as on closing date, ie. 31 March 2013.

In this connection, the company had signed the Slump Sale Agreement dated 25th March, 2013. The advance money of Rs. 1,00,00,000 against consideration towards Bhiwadi Unit was received from PreCon on 25th March, 2013. The balance consideration of Rs. 2,50,00,000 has been received on 6th June 2013. The Loss on account of the above transaction is disclosed as an exceptional item in the Profit and Loss Account.

Accordingly, the 'Bhiwadi Unit' is considered as a 'Discontinued Operation' w.e.f. 31.03.2013 in terms of Accounting Standard 24 on 'Discontinued Operations' (AS-24)

Particulars	**For the year ended 31st March 2013**			**For the year ended 31st March 2012**		
	Continuing Operation	**Discontinuing Operation**	**Total**	**Continuing Operation**	**Discontinuing Operation**	**Total**
Revenue from Operations (net)	1,22,49,31,913	15,36,70,338	1,37,86,02,251	99,63,74,695	18,91,10,013	1,18,54,84,708
Other Income	(68,90,672)	31,77,486	(37,13,186)	18,81,394	5,497	18,86,891
Increase/(Decrease) in stocks of finished goods, work-in-progress and traded goods	(2,98,24,617)	1,04,37,983	(1,93,86,634)	5,27,14,172	38,16,769	5,65,30,941
Total Income	1,18,82,16,624	16,72,85,807	1,35,55,02,431	1,05,09,70,261	19,29,32,279	1,24,39,02,540
Total Expenditure	1,07,65,33,785	15,75,55,900	1,23,40,89,685	97,54,16,584	20,19,21,560	1,17,73,38,144
Profit/(Loss) before tax and before exceptional items	11,16,82,839	97,29,907	12,14,12,746	7,55,53,677	(89,89,281)	6,65,64,396
Exceptional items	3,11,82,552	-	3,11,82,552	-	-	-
Profit/(Loss) before tax	8,05,00,287	97,29,907	9,02,30,194	7,55,53,677	(89,89,281)	6,65,64,396
Provision for taxation	88,63,345	88,57,082	1,77,20,427	1,58,00,817	29,12,681	1,87,13,498
Add: MAT Credit entitlement	41,48,643		41,48,643	2,25,42,795	-	2,25,42,795
Profit/(Loss) after tax	7,57,85,585	8,72,825	7,66,58,410	8,22,95,655	(1,19,01,962)	7,03,93,693
Assets	1,54,18,32,565	-	1,54,18,32,565	1,38,30,96,636	13,31,40,340	1,51,62,36,976
Liabilities	92,13,88,981	-	92,13,88,981	89,31,83,822	8,92,67,979	98,24,51,801

B. Cash flow from continuing and discontinuing operations:

Particulars	**For the year ended 31st March 2013**			**For the year ended 31st March 2012**		
	Continuing Operation	**Discontinuing Operation**	**Total**	**Continuing Operation**	**Discontinuing Operation**	**Total**
Net Cash flow operating activities	10,16,32,990	38,56,229	10,54,89,219	5,98,27,081	24,21,325	6,22,48,406
Net Cash (Used in)/from investing activities	(9,26,32,945)	(28,95,579)	(9,55,28,524)	(11,30,45,530)	(93,17,547)	(12,23,63,077)
Net Cash (Used in) Financing Activities	27,15,804	42,02,576	69,18,380	6,09,64,651	(3,54,732)	6,06,09,919

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

ALL AMOUNTS IN INDIAN RUPEES, EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

		AS AT 31 MARCH, 2013	AS AT 31 MARCH, 2012
I	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit Before Tax	**9,02,30,194**	**6,65,64,396**
	Adjustment for :		
	Depreciation	4,26,47,272	3,89,85,577
	Loss on Slump Sales	3,11,82,552	-
	Unrealised foreign exchange fluctuation	87,94,765	(8,49,216)
	Miscellaneous expenses written off	-	12,442
	Loss on sale of fixed assets	6,56,004	(3,75,511)
	Provision for doubtful debts/ loans and advances	52,20,509	7,65,798
	Dividend and other income	(1,125)	(1,800)
	Interest & financing charges	6,28,29,733	6,89,28,788
	Interest on deposit	(24,46,091)	(6,04,141)
	Operating Profit before Working Capital Changes	**23,91,13,813**	**17,34,26,333**
	(Increase)/Decrease in Trade Receivables	(16,33,65,941)	(2,35,29,037)
	(Increase)/Decrease in Inventories	10,38,07,778	(9,56,61,876)
	(Increase)/Decrease in Loans & Advances	(1,48,30,769)	(1,89,52,783)
	Increase/(Decrease) in Current Liability & Provisions	(3,60,09,658)	3,99,65,769
	Cash Generated from Operations	**12,87,15,223**	**7,52,48,406**
	Income Tax Paid	(1,82,26,000)	(1,30,00,000)
	Net Cash from operating activities(A)	**11,04,89,223**	**6,22,48,406**
II	**CASH FLOW FROM INVESTMENT ACTIVITIES**		
	Cash Flows from Investment Activities		
	Purchase of fixed assets	(9,85,32,220)	(12,51,16,831)
	Sale of fixed assets	20,11,426	23,25,656
	Interest on deposit	9,91,145	4,26,298
	Dividend received	1,125	1,800
	Net Cash from Investment Activities (B)	**(9,55,28,524)**	**(12,23,63,077)**
III	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Cash from financing Activities		
	Proceeds from long term borrowings (net of repayments)	(2,72,19,059)	5,50,44,762
	TDDP - DSIR Grant	1,00,00,000	2,00,00,000
	Proceeds from short term borrowings	8,19,67,169	5,44,93,944
	Interest & financing charges	(6,28,29,733)	(6,89,28,788)
	Net Cash used in financing activities (C)	**19,18,377**	**6,06,09,918**
	Net Increase in Cash and cash equivalents (A)+(B)+(C)	**1,68,79,076**	**4,95,247**
	Cash and Cash equivalents at beginning of period	**1,57,28,934**	**1,52,33,687**
	Cash and Cash equivalents at end of period	**3,26,08,010**	**1,57,28,934**

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statements as notified under Section 211(3C) of the Companies Act, 1956.
2. Previous year's figures have been regrouped and reclassified to conform to those of the current year (including discontinued operations).

As per our report even date attached
for R. M. LALL & CO.
Chartered Accountants
(Registration No. 000932C)

Sd/-
(SUJAYA KAPOOR)
Partner
Membership No. 400464

Place: Lucknow
Date : June 11, 2013

for PTC INDUSTRIES LIMITED

Sd/-
(SACHIN AGARWAL)
Managing Director

Sd/-
(ALOK AGARWAL)
Director (Quality & Technical)

Sd/-
(A. K. GUPTA)
G. M. (Finance) & Company Secretary

FIVE YEARS AT A GLANCE

ALL AMOUNTS IN INDIAN RUPEES (IN LAKHS), EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

PARTICULARS	2012-2013	2011-2012	2010-2011	2009-2010	2008-09
REVENUE FROM OPERATIONS(NET)	13,786.02	11,854.85	9,648.20	7,504.03	8,530.80
EXPORT (FOB VALUE)	8,122.28	5,231.38	4,000.30	2,532.21	4,543.10
DEEMED EXPORT	0.71	3.82	561.60	443.83	104.80
EXPORT INCENTIVE	333.87	274.22	282.77	136.61	260.29
INCOME FROM POWER GENERATION	59.68	48.10	46.06	48.38	49.92
DOMESTIC (NET OF TAXES/DUTIES)	5,269.48	6,297.33	4,757.47	4,343.00	3,572.69
EARNINGS BEFORE INTEREST PAID/ DEPRECIATION, EXCEPTIONAL ITEMS & TAXES	2,318.84	1,822.61	1,367.04	1,202.37	1,136.09
INTEREST PAID	678.24	767.11	539.85	482.89	475.67
DEPRECIATION	426.47	389.86	339.89	297.88	242.45
EXCEPTIONAL ITEMS	311.83	-	-	-	-
TAXES NET OF MAT CREDIT ENTITLEMENT (CONTINUING & DISCOUNTING OPERATION)	135.71	(38.29)	171.77	127.47	205.41
NET PROFIT	766.59	703.93	315.54	294.13	212.56
DIVIDEND (%)	-	-	-	-	-
SHARE CAPITAL	419.13	419.13	419.13	419.13	419.13
RESERVE & SURPLUS	5,785.31	4,918.73	4,014.79	3,699.25	3,405.13
NET WORTH	6,204.44	5,337.86	4,433.92	4,118.38	3,824.26
EARNINGS PER SHARE (RS.)	18.29	16.80	7.53	7.02	5.07
BOOK VALUE (RS.)	148.03	127.36	105.79	98.26	91.24
TOTAL OUTSIDE LIABILITIES/ TANGIBLE NET WORTH	1.49	1.87	1.81	1.49	1.73
CURRENT ASSETS/CURRENT LIABILITIES	1.25	1.15	1.08	1.21	1.20
OPERATING PROFIT MARGIN (D/A)	16.82%	15.37%	14.24%	16.43%	13.82%
NET PROFIT MARGIN	5.56%	5.94%	3.29%	4.02%	2.59%
RETURN ON NET WORTH	12.36%	13.19%	7.12%	7.14%	5.56%
AVERAGE REALISATION					
(i) U.S. DOLLOR = RUPEES	53.59	47.59	45.57	47.25	45.07
(ii) EURO = RUPEES	69.55	66.40	60.51	66.57	64.92

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REGD. OFFICE: MALVIYA NAGAR, AISHBAGH, LUCKNOW

ATTENDANCE SLIP

Mr./Mrs……………………………………………………………………..Regd.Folio……………………………… ………..I certify that I am registered shareholder/proxy for the registered shareholders of the Company. I hereby record my presence at the FIFTIETH ANNUAL GENERAL MEETING of the Company held on 16 July, 2013 at 2:00 P.M at the Registered Office of the Company at Malviya Nagar, Aishbagh, Lucknow 226004

Member's/Proxy's name in Block Letters:……………………………………………………..

Member's/Proxy's Signature:…………..…………………………………………………….

Note: Please fill in this attendance slip and hand it over at the Entrance.

…………………………………………………Tear Here…………......……………………………………………..

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REGD. OFFICE: MALVIYA NAGAR, AISHBAGH, LUCKNOW

ATTENDANCE SLIP

Mr./Mrs……………………………………………………………………..Regd.Folio……………………………… ……………….I/We……………………………………………………………of……………………………… ……………………………........................ being a member/members of the above named Company ,hereby appoint…………………………………………………………of……………………………………………… ……….........................…in the district of………………………………………………………………or failing him……………………………………………of……………………………………………………in the district of……………………………………………………………as my/our proxy to attend and vote for me/us and on my/our behalf at the Fiftieth Annual General Meeting of the Company to be held on 16 July, 2013 at 2:00 P.M at the Registered Office of the Company at Malviya Nagar, Aishbagh, Lucknow 226004 or at any adjournment thereof.

Signed this…………………………………day of………………………………………..2013.

Stamp
Re.1

Note: The proxy must be returned so as to reach the Registered Office of the Company at Malviya Nagar, Aishbagh, Lucknow-226004 not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.

Success brings its own rewards

PTC's commitment to its customers has not gone unnoticed. Over the years the company has received several awards and citations from institutions worldwide. Most importantly, many of these are in areas of direct concern to customers, like Complete Customer Satisfaction, Total Quality Control,Timely Deliveries.

ALWAYS REMEMBER,
THAT SOMEONE,
SOMEWHERE, IS
MAKING A PRODUCT
THAT WILL MAKE YOUR PRODUCT
OBSOLETE.
GEORGES DORIOT (1899 - 1987)

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