



THE YASH BIRLA GROUP

Birla Precision Technologies Limited

25th Annual Report

2011-12



**ISO 9001 : 2000 &
ISO 14001 : 2004
CERTIFIED**

**BIRLA PRECISION TECHNOLOGIES LIMITED****Registered Office**

B-15/4, M.I.D.C., Waluj, Aurangabad – 431 133 (M.S.), Tel. No.: (0240.255.4300, +91-022.661.58392

Visit us at: www.birlaprecision.in Email id: einward.ris@karvy.com

Corporate identity Number (CIN): L29220MH1986PLC041214

Scrip Code (BSE): 522105

BOARD OF DIRECTORS

- : Shri Yashovardhan Birla - Chairman
- : Shri M.S. Arora - Managing Director
- : Shri P.V.R. Murthy - Director
- : Shri Shailesh Sheth - Director
- : Shri M.S. Adige - Director
- : Shri Augustine Kurias - Director
- : Smt. Avanti Birla - Additional Director

COMPANY SECRETARY

- : Ms. Lovelina Cecil Faroz

AUDITORS

- : M/s. Chaturvedi & Shah
- Chartered Accountants
- 714-715, Tulsiani Chambers,
- 212, Nariman Point, Mumbai – 400 021

BANKERS

- : ICICI Bank Limited
- Bank of Maharashtra
- Bank of Baroda
- Oriental Bank of Commerce

REGISTERED OFFICE

- : B-15/4, M.I.D.C.,
- Waluj, Aurangabad – 431 133 (M.S.)

PLANT LOCATIONS

- : Tool Holder Division:
- B- 15/4, M.I.D.C., Waluj, Aurangabad – 431 133
- Tool Division:
- B-15/3/1, M.I.D.C., Waluj, Aurangabad – 431 133
- 62/63, M.I.D.C., Satpur, Nashik – 422 007
- Foundry Division:
- B-15/3/2, M.I.D.C., Waluj, Aurangabad – 431 133

**REGISTRAR & SHARE
TRANSFER AGENSTS**

- : M/s. Karvy Computershare Private Limited
- 17-24, Vittalrao Nagar, Madhapur,
- Hyderabad – 500 081 (A.P.)

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25th Annual General Meeting

at 3.30 p.m.

at Registered Office of the Company at

B-15/4, M.I.D.C., Waluj,

Aurangabad - 431 133 (M.S.)

NOTICE OF THE 25TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 25th ANNUAL GENERAL MEETING OF BIRLA PRECISION TECHNOLOGIES LIMITED will be held on Wednesday - September 26, 2012 at 3.30pm, at the Registered Office of the Company at B-15/4, M.I.D.C., Waluj, Aurangabad - 431 133 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2012 and the Statement of Profit and Loss for the year ended on that date together with the Report of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Shailesh Sheth, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri P.V.R. Murthy, who retires by rotation, and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Thakur, Vaidyanath Aiyer & Co., Chartered Accountants, (Registration no. 000038N) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company in place of M/s. Chaturvedi & Shah, Chartered Accountants, the retiring Auditors of the Company, who have expressed their unwillingness to be re-appointed as Statutory Auditors of the Company on their retirement at this Annual General Meeting.

RESOLVED FURTHER THAT the Statutory Auditors be paid such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors, plus reimbursement of out of pocket expenses."

SPECIAL BUSINESS:

5. TO APPOINT SMT. AVANTI BIRLA AS A DIRECTOR LIABLE TO RETIRE BY ROTATION:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Smt. Avanti Birla, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 154 (2) of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

6. REVISION IN THE TERMS OF APPOINTMENT OF SHRI M. S. ARORA, MANAGING DIRECTOR OF THE COMPANY:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:-

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, be and is hereby accorded to the payment of Commission over and above the remuneration paid to Shri M. S. Arora, Managing Director as per the terms and conditions as set out hereunder, with effect from August 13, 2012 till the expiry of his present term i.e. July 29, 2014, notwithstanding that such remuneration is in excess of the limits specified in Part II of Schedule XIII of the Companies Act, 1956:

COMMISSION

Shri M.S. Arora shall be entitled to commission, over and above the remuneration paid to him, at the rate not exceeding 5% (five percent) of the Net Profit of the Company calculated under Sections 349 and 350 of the Companies Act 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps and to do all other acts, deeds, matters and things as may be necessary, expedient or desirable to give effect to the above resolution."



7. CREATION OF CHARGE / MORTGAGE

To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in supersession to the earlier resolution passed in the Annual General Meeting held on September 30, 2011 the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose) under section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof for the time being in force) to mortgage and /or charge the whole or substantially the whole of the undertaking including the immovable or movable properties of the Company wherever situated, both present and future in such form and in such manner as the Board may think fit for securing the financial assistance of upto Rs. 100 Crores (Rupees Hundred Crores only) to be borrowed by the Company and / or a group/ associate Company in one or more tranches on such terms and conditions as the Board may deem fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to do and perform all such acts, matters deeds and things as may be necessary, without further referring the matter to the members of the Company, including financing the group/ associate Company on whose behalf the security will be created on the selected undertaking which in turn shall be secured and / or mortgaged, methods and modes in respect thereof, determining the exact effective date, and finalizing and executing necessary documents including agreements, deeds of assignment/conveyance and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company including the power to delegate, to give effect to this resolution.”

By Order of the Board of Directors

Place: Mumbai

Date: August 13, 2012

Lovelina Cecil Faroz

Company Secretary

NOTES

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under Item No. 4 to Item No. 7 set out above is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The Proxy Form as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS (48 hours) before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization.
3. Pursuant to Clause 49 of the Listing Agreement, the details of the Directors seeking re-appointment at the ensuing Annual General Meeting is provided in the Corporate Governance Report.
4. The Register of Members and Share Transfer Books of the Company will be closed from Tuesday – September 18, 2012 to Wednesday – September 26, 2012 (both days inclusive).
5. Pursuant to the provisions of the Companies Act, 1956 dividend declared at the Annual General Meeting of the Company held on July 25, 2006, September 27, 2007, September 18, 2008 and September 30, 2009 if not claimed within seven years of such declaration respectively will be transferred to Investor Education and Protection Fund (IEPF). Members who have not encashed their dividend warrants for the aforesaid years are advised to send requests for issuance of duplicate dividend warrants (in case they have not received the Dividend Warrants) and / or revalidation of unencashed Dividend Warrants still held by them, to the Registrars and Transfer Agents of the Company under the heading “Dividend Revalidation”. It may also be noted that once the unclaimed dividend is transferred to IEPF, as above, no claim shall lie in respect thereof.

6. Pursuant to the provisions of Section 205A (5) and 205C of the Companies Act, 1956, the details of the Dividend paid by the Company to the Investor Education and Protection Fund (IEPF), if they remain unclaimed by the shareholders is given below:

Date of Declaration of Dividend	Dividend for the year	Due Date of Transfer
September 20, 2005	2004-05	October 24, 2012

7. Members are requested to:-
- bring their copies of the Annual Report at the time of attending the Annual General Meeting;
 - complete the attendance slip and deliver the same at the entrance of the meeting hall;
 - send their questions atleast 10 days in advance before the Annual General Meeting about any further information on accounts or other related topics in the Annual Report so as to enable the Company to answer their question satisfactorily.
8. Members holding shares in physical form may be aware that trading of the Equity Shares of the Company has to be in demat form. In view of this and several other benefits of holding shares in demat mode, you are requested to have your shares dematerialized to avail the benefits of electronic form of trading.
9. Members are requested to promptly notify immediately any change in their addresses to the Company's Registrars and Share Transfer Agents for shares held in physical form and to their respective Depository Participants for shares held in electronic form. This will help the Company and its Registrars and Share Transfer Agents to provide efficient and better service to the Members.
10. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail address with M/s. Karvy Computershare Private Limited -Registrar and Transfer Agents of the Company.

By Order of the Board of Directors

Place: Mumbai
Date: August 13, 2012

Lovelina Cecil Faroz
Company Secretary

Registered Office:
B-15/4, M.I.D.C., Waluj,
Aurangabad – 431 133

ANNEXURE TO NOTICE

The following Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956 (the Act), sets out all material facts relating to the business mentioned at Item No. 4 to Item No. 7 of the accompanying Notice:

Item No. 4

Appointment of Statutory Auditors:

M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai, the present auditors who retire at this Annual General Meeting has informed the Company that they do not wish to seek re-appointment as Statutory Auditors of the Company at the forthcoming Annual General Meeting.

Based on the recommendation of the Audit Committee, the Board of Directors proposes the appointment of M/s. Thakur, Vaidyanath Aiyer & Co., Chartered Accountant, as the Statutory Auditors of the Company in place of M/s. Chaturvedi & Shah, Chartered Accountants, the retiring Auditors of the Company, from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

M/s. Thakur, Vaidyanath Aiyer & Co., Chartered Accountants, have expressed their willingness to act as Statutory Auditors of the Company, if appointed, and have further confirmed that the said appointment would be in conformity with the provisions of Section 224 (1B) of the Companies Act, 1956.

The member's approval is being sought for the appointment of M/s. Thakur, Vaidyanath Aiyer & Co., Chartered Accountants, as



the Statutory Auditors of the Company and to authorize the Board of Directors to determine the remuneration payable to the Statutory Auditors.

None of the Directors are concerned or interested in the said resolution.

The Board recommends the resolution as mentioned in Item no. 4 of the notice.

Item No. 5

Appointment of Smt. Avanti Birla as Director:

The Board of Directors of the Company (the 'Board'), at its meeting held on May 30, 2012 appointed Smt. Avanti Birla as an Additional Director effective from the same date pursuant to the provisions of Section 260 of the Companies Act, 1956 (the 'Act') read with Article 154(2) of the Articles of Association of the Company.

In terms of the provisions of Section 260 of the Act, Smt. Avanti Birla would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with deposit of Rs. 500/- for proposing the candidature of Smt. Avanti Birla for the office of Director of the Company under the provisions of Section 257 of the Act.

Smt. Avanti Birla is not disqualified from being appointed as Director in terms of Section 274 (1)(g) of the Act. The Company has received the requisite Form DD-A from Smt. Avanti Birla, in terms of the Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming her eligibility for such appointment.

Smt. Avanti Birla aged 45 years is a M.A. by qualification. She is involved in various businesses of the group and takes care of Business development and Corporate Communications activities. In order to avail the benefit of her enriched expertise and knowledge, it will be in the interest of the Company to appoint her as the Director of the Company.

None of the Directors except for Shri Yashovardhan Birla is interested in the said resolution.

The Board recommends the resolution as mentioned in Item no. 5 of the notice.

Item No. 6

Revision in the terms of appointment of Shri M. S. Arora, Managing Director of the Company:

The Remuneration Committee and the Board of Directors of the Company in their meeting held on August 13, 2012 had recommended paying commission over and above the remuneration paid to Shri M. S. Arora w.e.f. August 13, 2012 subject to the approval of the shareholders of the Company and other statutory authorities, if required.

Shri M. S. Arora, aged 50 years is a qualified BE (Mechanical) from REC, Bhopal. He has more than two decades of experience in the field of Operations, Marketing, Export and General Management. Prior to joining the Company, he was the Chief Operating Officer of Man Industries Limited. He has also held various senior level positions in Welspun Gujarat Stahl Rohren Limited, PSL Limited and Voltas Limited. The Company has benefited from his rich and varied experience and continues to do so.

The commission as mentioned in the notice may be treated as an abstract to the variation of the contract of appointment of Shri M. S. Arora, Managing Director under Section 302 of the Companies Act, 1956.

None of the Directors, except Shri M. S. Arora is concerned or interested in this resolution.

The Board recommends the resolution as mentioned in the item no. 6 of the notice.

Item No. 7

Creation of Charge / Mortgage :

The borrowing of the Company are in general required to be secured by suitable mortgage or charge on all or any of the movable or immovable properties of the Company in such form, manner and rankings as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s)

Under section 293 (1)(a) of the Companies Act, 1956, the Board of Directors, except with the consent of the shareholders in a General Meeting, cannot create mortgage and/or charge the whole or substantially the whole of the undertaking including the immovable or movable properties of the Company to secure the borrowings made by the Company and its group/ associate Companies made in accordance with the provisions of Section 293(1)(d) of the Companies Act, 1956 in favour of lender(s).

The Board recommends the resolution set out at Item No. 7 of the Notice for approval of the members.

None of the Directors is concerned and interested in the proposed resolution.

INFORMATION PURSUANT TO SCHEDULE XIII OF THE COMPANIES ACT, 1956

I. GENERAL INFORMATION

1. Nature of Industry:

- The Company is a Manufacturer of a comprehensive range of high precision CNC Tooling systems, which form an essential component of the CNC machinery that is used in various manufacturing sectors such as, automobiles, general and heavy engineering and consumer durables. (Defense, Railways and Electrical industry)

2. Date or expected date of commencement of commercial production:

The Company was incorporated on October 13, 1986 and the date of commencement of business is December 16, 1986

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4. Financial Performance based on given indicators:

(Rs. in Lakh)

Financial Year ended	2011-12	2010-11	2009-10
Net Sales	19342.86	11135.56	7913.42
Total Income	20213.59	11356.93	8036.27
Total Expenditure	18247.86	9834.96	7885.61
Profit before Tax	1965.73	1521.97	150.66
Profit after Tax	1205.31	659.18	95.66

5. Export performance and net foreign exchange collaborations, if any:

(Rs. in Lakh)

Financial Year ended	2011-12	2010-11	2009-10
Foreign Exchange Earnings (FOB value of Export)	2236.49	2224.18	1449.84

6. Foreign Investments or collaborators, if any:

Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:

1. Background details:

Shri M. S. Arora, aged 50 years is a qualified BE (Mechanical) from REC, Bhopal. He has more than two decades of experience in the field of Operations, Marketing, Export and General Management. Prior to joining the Company, he was the Chief Operating Officer of Man Industries Ltd. He has also held various senior level positions in Welspun Gujarat Stahl Rohren Ltd., PSL Limited and Voltas Limited.

He was appointed as the Executive Director of the Company and Managing Director w.e.f. July 30, 2009.

2. Past Remuneration:

For the year 2011-12	(Rs. In Lakh)
Salary & Allowances	47.98
Total	47.98

3. Recognition or awards:

In the Partner's Meet, 2011 Birla Precision Technologies Limited received acknowledgement in pursuit of delivering quality products ontime competitively from Godrej Toolings. This was possible due to the leadership of Shri M.S. Arora.

4. Job Profile and his suitability:

The Managing Director is entrusted with substantial powers of management in respect of the whole of the affairs of the Company subject to the superintendence, control and direction of the Board of Directors. He will also perform such



duties and exercise such powers as have been or may be entrusted to or conferred upon him by the Board from time to time.

5. Remuneration Proposed:

As per the details contained in the Notice of the 25th Annual General Meeting.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The executive remuneration in the industry has increased manifold in the past few years. Having regard to the type of industry, trends in industry, size of the Company, the responsibilities, academic background and capabilities of Shri M. S. Arora, the proposed remuneration is well within the remuneration payable to Directorial personnel holding similar stature/position in the industry.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Shri M. S. Arora has no pecuniary relationship with the Company, other than his remuneration as Managing Director of the Company. There are no managerial personnel related to Shri M. S. Arora.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profit:

The Company has adequate profits for the financial year ending March 31, 2012; however the global slowdown and the rise in price of the raw material may impact the profit margins of the Company in future.

2. Steps Taken or proposed to be taken for improvement

Through better productivity and optimum utilization of capacity.

3. Expected increase in productivity and profits in measurable terms

In the competitive environment, it is difficult to estimate increase in revenue/profit. The management is confident of further increase in revenues and profits in coming years through increase in its productivity and optimum utilization of capacity.

IV. DISCLOSURES

1. Shri M.S. Arora does not hold any interest in the capital of the Company, directly or indirectly or through any other statutory structures. Further, Shri M.S. Arora does not have any direct or indirect interest nor is he related to any other directors or promoters of the Company at any time during last two years before or on the date of appointment.
2. Shri M.S. Arora is also Managing Director of Zenith Birla (India) Limited and he draws remuneration of Rs. 130.78 Lakh per annum from there.

By Order of the Board of Directors

Place: Mumbai

Date: August 13, 2012

Registered Office:

B-15/4, M.I.D.C., Waluj,
Aurangabad – 431 133

**Lovelina Cecil Faroz
Company Secretary**

DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2012

To the Members,

Your Directors are pleased to present the Twenty Fifth Annual Report on the business and operations of the Company together with the Audited Statements of Accounts for the year ended March 31, 2012.

FINANCIAL RESULTS:

(Rs. in Lakh)

Particulars	2011-12	2010-11
Net sales including other Income	20213.59	11356.93
Profit before Interest, Depreciation and Tax	3630.52	2410.90
Less: Interest & Financial Charges	785.15	314.88
Less: Depreciation & Amortisation	879.64	574.05
Profit before taxation	1965.73	1521.97
Less: Provision for taxation	760.42	862.79
Profit for the year	1205.31	659.18

PERFORMANCE REVIEW

The Sales and Other Income of the Company for the financial year 2011-12 stood at Rs. 20213.59 Lakh as against last year's Rs. 11356.93 Lakh. The Profit before tax is increased to Rs. 1965.73 Lakh as against Rs. 1521.97 Lakh of last year. Profit after tax stood at Rs. 1205.31 Lakh as against Rs. 659.18 Lakh of last year.

DIVIDEND

Your Directors have not recommended dividend for the year ended March 31, 2012 considering the fund requirement for future business expansion.

SCHEME OF AMALGAMATION

The Scheme of Amalgamation between Birla AccuCast Limited (BAL) and Birla Machining & Toolings Limited (BMTL) with the Company and their respective shareholders has been sanctioned by the Hon'ble High Court of Bombay on March 30, 2012. The Scheme has been made effective from May 28, 2012.

The Amalgamation Committee of the Board of Directors has allotted 2,06,23,760 Equity Shares of Rs. 2/- each on July 20, 2012 to the members of BAL and BMTL in the following ratios:

BAL, 7 (Seven) Equity shares of the face value of Rs. 2/- each credited as fully paid up of the Company for every 16 (Sixteen) Equity shares of the face value of Rs. 10/- each credited as fully paid up held in BAL.

BMTL, 2 (Two) Equity shares of the face value of Rs. 2/- each credited as fully paid up of the Company for every 3 (Three) Equity shares of the face value of Rs. 10/- each credited as fully paid up held in BMTL.

SUBSIDIARY COMPANY

Your Company does not have any Subsidiary Company.

PUBLIC DEPOSIT

Your Company has not accepted any fixed deposit from the public. As such, no amount of principal or interest is outstanding as on the Balance Sheet date.

DIRECTORS

Shri Shailesh Sheth, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri P.V.R. Murthy, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.



Smt. Avanti Birla was appointed as an Additional Director of the Company with effect from May 29, 2012 and holds office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956 from the member signifying his intentions to propose the appointment of Smt. Avanti Birla as a Director of the Company. Your Directors recommend her appointment.

The Remuneration Committee and the Board of Directors of the Company in their meeting held on August 13, 2012 have recommended paying commission over and above the remuneration paid to Shri M.S. Arora- Managing Director as mentioned in the notice of the Annual General Meeting subject to the approval of the shareholders of the Company and other statutory authorities.

DIRECTORS RESPONSIBILITY STATEMENT

The Company is in compliance with various accounting and financial reporting requirements in respect of the financial statement for the period under review. Pursuant to Section 217(2AA) of the Companies Act, 1956, and in respect of the annual accounts for the period under review, the Directors hereby confirm that:

- I) In the preparation of the annual accounts, the applicable accounting standards have been followed except for Accounting Standard -2, which has been explained in the para - "Auditors & Auditors' Report";
- II) Appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- III) Proper and sufficient care for 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 have been taken to the best of their knowledge and ability;
- IV) The annual accounts have been prepared on a "going concern basis".

AUDITORS & AUDITORS' REPORT

M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai the Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting. The Company has received a letter from M/s. Chaturvedi & Shah, Chartered Accountants, expressing their unwillingness to be re-appointed as Auditors.

Based on the recommendation of the Audit Committee, the Board of Directors proposes the appointment of M/s. Thakur, Vaidyanath Aiyer & Co., Chartered Accountants, as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

M/s. Thakur, Vaidyanath Aiyer & Co., Chartered Accountants, have expressed their willingness to act as Statutory Auditors of the Company, if appointed, and have further confirmed that the said appointment would be in conformity with the provisions of Section 224 (1B) of the Companies Act, 1956.

The Directors recommend the appointment of M/s. Thakur, Vaidyanath Aiyer & Co., to the members at the forthcoming Annual General Meeting.

The Board of Directors explanation to the Auditors adverse remark is as follows:

Auditors Adverse Remark	Directors Explanation
Cost of finished goods and goods under process of Tool Division of the Company is determined by using retail method whereby the cost is computed by reducing from the sale value of the inventory, the global gross margin which is not as per Accounting Standard AS-2 on "valuation of Inventories" referred to in sub-section (3C) of Section 211 of the Act. The impact of this on the profit for the year has not been quantified.	The Tool Division of the Company has been valuing finished goods and goods under process, since inception at lower of estimated cost and net realizable value. Estimated cost is arrived at using retail method which is arrived at by adjusting the selling price by estimated gross margin, globally for all types of products. Since valuation of finished goods and goods under process is done on the same basis followed in the past, there is no effect on the profit and loss account for the year. The company is in the process of complying with Accounting Standard AS – 2 and hopes to do the same in F.Y. 2012-13.

Auditors Adverse Remark	Directors Explanation
Fixed Assets Register as per the Companies Act, 1956 is not maintained by the Casting Division of the Company.	The Company has maintained records showing the details of fixed assets, a comprehensive Fixed Assets Register as per the Companies Act, 1956 pertaining to casting division is in the process of being compiled.

COST AUDITORS

The Ministry of Corporate Affairs (MCA) has introduced The Companies (Cost Audit Report) Rules, 2011 vide its notification no. GSR 430(E) dated June 3, 2011. These rules make it mandatory for industries to appoint a Cost Auditor within 90 days of the commencement of the financial year. The Cost Audit Order No. 52/26/CAB/2010 dated January 24, 2012 covers Tractors & Other Motor Vehicles (including Automotive Components) due to which some of the Company's manufacturing operations will get covered w.e.f. April 1, 2012.

Based on the Audit Committee recommendations at its meeting held on May 30, 2012, the Board has approved the appointment of Mr. Jayant Galande as the Cost Auditor of the Company for the financial year 2012-13, subject to the approval of the Central Government.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Company has taken effective steps at every stage to reduce energy consumption and conserve energy in all phases of operation. Your Company has been continuously upgrading facilities in order to minimize power consumption, maximizing on power factors at its manufacturing locations.

Information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed as Annexure 'A'.

PARTICULARS OF EMPLOYEES

During the year under review, there was no employee covered under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

MANAGEMENT DISCUSSION & ANALYSIS REPORT & CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion and Analysis Report, Corporate Governance Report and Practicing Company Secretary's Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

HUMAN RESOURCE & INDUSTRIAL RELATIONS

Industrial relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation to the co-operation extended by all employees in maintaining cordial relations.

INSURANCE

All properties and insurable interests of the Company including Building and Plant & Machinery have been adequately insured.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all Investors, Clients, Vendors, Banks, Regulatory and Government Authorities and Stock Exchange for their continued support. The Directors also wish to place on record their appreciation for the contribution made by business partners / associates at all levels.

For and on behalf of Board of Directors

M.S. Arora
Managing Director

P.V.R. Murthy
Director

Place: Mumbai

Date: August 13, 2012



MANAGEMENT DISCUSSION & ANALYSIS REPORT

GLOBAL ECONOMY

The global economic environment deteriorated in the second half of 2011 with concerns over fiscal sustainability in Europe, and increased risk aversion around the world. Hardening credit constraints and risk aversion have transferred financial sector difficulties to the real economy. For developing countries in general, the contagion has been broad-based, with higher funding costs and sharply weakened capital flows. Global economic conditions are fragile, and there remains great uncertainty as to how markets will evolve over the medium term.

INDIAN ECONOMY

In India, the slowdown in GDP growth witnessed over the last two quarters is likely to extend into the coming fiscal year because of the weakness in investment. In F.Y. 2011-12 and F.Y. 2012-13, GDP growth was forecast to reach around 7-7.5 percent and 6.5 percent respectively, significant slowdown from the 9-10 percent growth in the run-up to the global financial crisis. The slowdown is at least partly caused by structural problems (power projects facing delays due to the lack of coal and gas feedstock, mining and the telecom sectors hit by corruption scandals, unavailability of land and infrastructure). Tighter macroeconomic policies, slow growth in the core OECD (Organization for Economic Co-operation & Development) countries and worries about another global recession, and the base effect of high growth in F.Y. 2010-11 in agriculture also weigh down on growth.

INDUSTRY STRUCTURE & OPPORTUNITIES

Your Company is engaged in the business of manufacturing of wide range of precision cutting tools like Masonry Drills, TSTD, Taps, Reamers, AT3 Class tool holders, HSK tooling, Expanding Mandrels, Shell Molded Castings and Shells Molded Machined Casting besides advanced products like hydro grip and shrink fit CNC tooling. These products are mainly used by automobile and engineering sectors.

The future of Cutting Tools, Castings and Tool Holder industry largely depends on the growth of commercial automobile and general engineering sector. As India is emerging as one of the key auto and engineering centers in the world, the demand for Cutting Tools and Tool Holders will increase.

THREATS / RISKS & CONCERNS

The major risks and concerns attributed to the performance of the Company are:

1. Increase in raw material costs, change in tax structure, change in government policies, development and stability of Indian economy against the negative external and internal forces may also impact the overall performance of the Company.
2. Profitability may be affected on account of competition from existing manufacturers of the Company's products. Increase of competition in unorganized sector is also a cause of concern.
3. The Company is exposed to risks from market fluctuation of foreign exchange.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Your Company has identified three business segments in line with accounting segments on segment reporting. These are Tool Holder, Casting and Machining and Cutting Tools. The segment wise performance in detail is given in the notes to the accounts.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has placed considerable emphasis and efforts on internal control systems. The internal control system ensures optimum use of the resources and its protection. The Company has an internal audit system, which carries out independent periodic reviews. The prime objective of such audit is to evaluate the functioning and quality of internal controls and provide assurance of its adequacy and effectiveness. The scope of internal audit covers a wide variety of operational and financial matters and includes a follow-up review of corrective actions agreed for implementation.

The adequacy of the internal control system as well as the internal audit report is reviewed by the audit committee of the Board of Directors. The adequacy of the internal control system has also been reported by the statutory auditors of the Company in their report as required under the Manufacturing & Other Companies (Auditors Report) Order, 2003.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES

Your Company continues to lay emphasis on qualitative growth of its human resources by providing congenial and constructive work environment, in consonance with its strong belief that the real strength of its organization lies in its employees. In addition to this, formal training is also conducted from time to time in acquiring domain knowledge and imbibing the corporate quality culture.

None of the Senior Management Personnel have any material financial and commercial transaction where they have personal interest that may have potential conflict with the interest of the Company at large.

FINANCIAL HIGHLIGHTS

The Sales and Other Income of the Company for the financial year 2011-12 stood at Rs. 20213.59 Lakh as against Rs. 11356.93 Lakh of last year. Profit after tax stood at Rs. 1205.31 Lakh as against Rs. 659.18 Lakh of last year.

Cautionary Statement

Statements in this report on Management's Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. However actual results may differ materially from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.



CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company remains committed to good Corporate Governance by attainment of the highest levels of transparency, accountability and integrity to all its Shareholders, Customers, Employees, the Government and other Business Associates.

Its core values are based on integrity, emphasis on product quality and transparency in its dealings with all the stakeholders. Your Company's policies are targeted to ensure that high standard of ethical conduct is met throughout the Organization.

The Company complies with the requirements regarding Corporate Governance as stipulated under Clause 49 of the Listing Agreement of the Stock Exchange where its shares are listed.

II. BOARD OF DIRECTORS

- a) The Company's Board of Directors comprises of Seven (7) Directors, out of which One (1) is Executive Director, Three (3) are Non-Executive Non Independent, Three (3) are Independent Directors.

The Company is in compliance with Clause 49 of the Listing Agreement pertaining to the Composition of the Board.

The Board Composition is as under:

Name of Director	Category
Shri Yashovardhan Birla	Chairman (Non-Executive)
Shri M.S. Arora	Managing Director
Shri P.V.R. Murthy	Non-Executive, Non - Independent
Shri Shailesh Sheth	Non-Executive, Independent
Shri Mohan Das Shenoy Adige	Non-Executive, Independent
Shri Augustine Kurias	Non-Executive, Independent
*Smt. Avanti Birla	Non-Executive, Non -Independent

* Smt. Avanti Birla was appointed as Additional Director on May 30, 2012

None of the other Directors are related to each other, except Shri Yashovardhan Birla and Smt. Avanti Birla

- b) **Board procedure and Access to information**

The Board of Directors is responsible for the management of the business of the Company and meets regularly for discharging its role and functions.

The Board of Directors of the Company reviews all information provided periodically for discussion and consideration at its meetings in terms of Clause 49 of the Listing Agreement. Functional heads are usually invited to remain present during the meeting to apprise all the Directors about the developments in the Company.

The Board meets at least once in a quarter to review the quarterly results and other items on the agenda. Additional meetings are held as and when necessary. The meetings of the Board are generally scheduled to be held at the Company's Corporate office at Dalamal House, 1st Floor, Nariman Point, Mumbai – 400 021.

- c) Seven Board meetings were held during the period April 1, 2011 to March 31, 2012 on the dates mentioned below:

- | | | |
|-----------------------|------------------------|-----------------------|
| (1) April 29, 2011 | (2) May 13, 2011 | (3) August 11, 2011 |
| (4) September 8, 2011 | (5) September 30, 2011 | (6) November 11, 2011 |
| (7) February 14, 2012 | | |

- d) The following table gives attendance and composition of Board of Directors of the Company:

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which he is a Director. The necessary disclosures regarding the Committees have been made by the Directors.

Name of the Director	No. of Board Meetings Attended	Attendance at the last AGM	No. of Directorship in other Public Ltd. Companies \$	No. of Membership of other Board Committees *
Shri Yashovardhan Birla	6	No	13	1 (as Chairman)
Shri M.S. Arora	6	No	3	2
Shri P.V.R. Murthy	6	No	12	7
Shri Shailesh Sheth	4	No	3	2
Shri Mohandas Shenoy Adige	7	Yes	8	4(1 Chairman)
Shri Augustine Kurias	5	Yes	1	2(as Chairman)

* Includes only Audit Committee and Shareholder Grievance Committee of Public Limited Companies.

\$ Excludes Foreign Companies, Private Companies and Alternate Directorships.

As on March 31, 2012, Shri Yashovardhan Birla holds 35,197 shares of the Company and Shri M.S. Arora holds 5 shares of the Company.

Brief notes on the background and the functional expertise of the Director proposed for re-appointment and for regularization are furnished below, along with details of Companies in which they are Directors and the Board Committee of which they are member:

- Shri Shailesh Sheth** aged 66 years is a Management Graduate from Indian Institute of Management, Ahmedabad. He started his career with Guest Keen Tools (PMT) Group of Companies. He also led the core group, which took up identification & implementation of diversification into Ophthalmic Machinery business with significant down stream possibilities. He initiated PMT's export thrust to far eastern markets of Japan, South Korea, Taiwan, ASEAN, etc.

Details of his other directorship in Public Limited Companies and Committee Membership are as under:

Sr. No.	Name of the Company	Committee Memberships
1.	Birla Machining & Toolings Limited (Amalgamated)	Audit Committee Shareholder's Grievance Committee
2.	Jost's Engineering Co. Limited	--
3.	Bharat Fritz Wener Limited	--

- Shri P.V.R. Murthy** aged 61 years is a Chartered Accountant and MBA by academic qualification. He has almost 30 years of experience in the finance sector. He has worked as a part of the Top Management with various Companies over a span of 16 years in the capacity of Managing Director, Director, CEO and Advisor prior to joining the Yash Birla Group (YBG) of Companies.

Details of his other directorship in Public Companies and Committee Membership are as under:

Sr. No.	Name of the Company	Committee Memberships
1.	Zenith Birla (India) Limited	--
2.	Birla Power Solutions Limited	Audit Committee Shareholders Grievance Committee
3.	Birla Cotsyn (India) Limited	Audit Committee Shareholders Grievance Committee
4.	Birla Pacific Medspa Limited	Audit Committee
5.	Melstar Information Technologies Limited	Audit Committee Shareholders Grievance Committee
6.	Birla Surya Limited	--
7.	Birla Edutech Limited	--



8.	Birla Infrastructure Limited	--
9.	Birla Urja Limited	--
10.	Birla Energy Infra Limited	--
11.	Birla Research & Lifesciences Limited	--
12.	Birla Integrated Textile Park Limited	--

3. Smt. Avanti Birla aged 45 years is a M.A. by qualification. She is involved in various businesses of the group and takes care of Business development and Corporate Communications activities. In order to avail the benefit of her enriched expertise and knowledge, it will be in the interest of the Company to appoint her as the Director of the Company.

Details of her other directorship in Public Companies and Committee Membership are as under:

Sr. No.	Name of the Company	Committee Memberships
I.	Birla Viking Travels Limited	--

III BOARD COMMITTEES

Audit Committee

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the Stock Exchange, read with Section 292A of the Companies Act, 1956 and includes such other functions as may be assigned to it by the Board from time to time.

Shri Augustine Kurias, Chairman of the Committee was present at the 24th Annual General Meeting held on September 30, 2011

Composition of the Audit Committee:

- Shri Augustine Kurias - Chairman
- Shri P.V.R. Murthy - Member
- Shri Shailesh Sheth - Member
- Shri Mohandas Shenoy Adige - Member

The Company Secretary acts as the secretary to the Committee.

During the year under review, five meetings of the Audit Committee were held on the dates mentioned below:

- (1) May 13, 2011
- (2) August 11, 2011
- (3) September 8, 2011
- (4) November 11, 2011
- (5) February 14, 2012

The attendances of the members at the Audit Committee Meetings held during the year 2011-12 are as below:

Name of Director	Number of Meetings held	Number of Meetings Attended
Shri Augustine Kurias	5	4
Shri P.V.R. Murthy	5	5
Shri Shailesh Sheth	5	3
Shri Mohandas Shenoy Adige	5	5

Joint President, General Manager-F&A, Internal Auditor and the Statutory Auditors are invitees to the meeting.

Remuneration Committee

Composition of remuneration committee:

- Shri Mohandas Shenoy Adige - Chairman
- Shri Yashovardhan Birla - Member
- Shri P.V.R. Murthy - Member

The board terms of reference of Remuneration Committee are to determine and recommend to the Board, compensation payable to Directors and Managerial Personnel.

Non-Executive Directors were paid sitting fees @ Rs. 7000/- per meeting for attending the meetings of the Board of Directors and Rs. 3000/- for attending the Committee meetings.

No Remuneration Committee meeting was held during the year.

Details of sitting fees paid to Non-Executive Directors for attending the meetings of Board and its committees during the year under review are as under:

Name of member	Sitting Fees (in Rs.)
Shri Yashovardhan Birla	42,000
Shri P.V.R. Murthy	57,000
Shri Shailesh Sheth	37,000
Shri Mohandas Shenoy Adige	64,000
Shri Augustine Kurias	47,000

Managing Director:

Name	Salary & Allowances (Rs in Lakhs)	Perquisites	Commission
Shri M.S. Arora	47.98	Nil	Nil

Shareholders'/ Investors Grievance Committee:

Composition of Shareholders/Investors Grievance Committee:

Shri Augustine Kurias	- Chairman
Shri M. S. Arora	- Member
Shri P.V.R Murthy	- Member

The Company Secretary acts as the secretary to the Committee.

During the year under review, five meetings of the Shareholders'/Investor Grievance Committee were held on the dates mentioned below:

(1) May 13, 2011	(2) August 11, 2011	(3) September 8, 2011
(4) November 11, 2011	(5) February 14, 2012	

The Company received 127 complaints during the year 2011-12 and all the complaints were redressed. There were no outstanding complaints as on March 31, 2012.

IV. GENERAL BODY MEETINGS

The details of the last 3 Annual General Meetings held:

Date	Venue	Time
September 30, 2009	At registered Office : B-15/4, M.I.D.C. Waluj, Aurangabad- 431 133	3.30 p.m.
September 28 2010	At registered Office : B-15/4, M.I.D.C. Waluj, Aurangabad- 431 133	3.30 p.m.
September 30, 2011	At registered Office : B-15/4, M.I.D.C. Waluj, Aurangabad- 431 133	3.00 p.m

Details of Special resolutions passed in last three Annual General Meetings:

AGM dated September 30, 2011

1. Revision in the terms of Appointment of Shri M.S. Arora, Managing Director of the Company.
2. Raising of Funds through further issue of Securities.

No Special Resolutions were passed in the AGM held on September 30, 2009 and September, 28, 2010.

No Special Resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting.

**V. SUBSIDIARY COMPANY**

The Company does not have any subsidiary company.

VI. CODE OF CONDUCT

The Company has laid down a code of conduct for all board members and senior management personnel of the Company.

The code of conduct is available on the website of the Company i.e. www.birlaprecision.in. The declaration of Managing Director is given below:

To the Shareholders of Birla Precision Technologies Limited

Sub: Compliance with Code of Conduct

I hereby declare that all the board members and senior management personnel have affirmed with the Code of Conduct as adopted by the Board of Directors.

Mumbai, May 30, 2012

M.S. Arora
Managing Director

VII. The Board of Directors has received the certificate issued by the Managing Director and the General Manager-F&A, in their capacity as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) respectively of the Company as envisaged in Clause 49 (V) of the Listing Agreement.

VIII. DISCLOSURES**a. Related party Transactions:**

During the year, the Company has not entered into any transaction of material nature with the promoters, directors, their relatives or management, which is in conflict with the interests of the Company at large.

The transactions with the related parties of routine nature have been reported in the notes to the accounts in the financial statements in the annual report as per Accounting Standard 18 (AS 18) issued by the Institute of Chartered Accountants of India.

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

b. Compliances by the Company

The Company has complied with all the requirements of the Stock Exchange(s) or Securities and Exchange Board of India on matters related to capital markets, as applicable from time to time.

- c.** There are no penalties imposed or strictures passed against the Company by the Stock Exchanges or SEBI or any statutory authorities on any matter related to capital markets during last 3 years in this regard.
- d.** The Company has placed before the Audit Committee the statement of utilization of funds raised through public issues/preferential issue on quarterly/ annual basis.
- e.** The Company follows the Accounting Standards issued by the Institute of Chartered Accountants of India and Company (Accounting Standards) Rules, 2006. The Company has not adopted a treatment different from that prescribed in any Accounting Standard, in the preparation of financial statements.
- f.** The Managing Director and Chief Financial Officer of the Company have certified to the Board on financial and other matters in accordance with Clause 49(V) of the Listing Agreement for the financial year ended March 31, 2012.
- g.** Presently the Company does not have a Whistle Blower Policy. However all employees of the Company are free to approach any Management Member for any Grievance.
- h.** The Board of Directors of the Company evaluates and assesses the major risks and the risk minimization procedures and the implementation of the same.
- i.** The Company has complied with applicable mandatory requirements in terms of Clause 49 of the Listing Agreement. The non-mandatory requirement such as the constitution of Remuneration / Compensation Committee, have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

IX. MEANS OF COMMUNICATION

Financial Results	Quarterly and Annual Results are published in newspapers viz Lokmat Times (English) and Gavkari (Marathi) – Aurangabad Edition in the format prescribed by the BSE where the shares of the Company are listed. The results are also posted on the Company's Website: www.birlaprecision.in
Website	The Company's website viz. www.birlaprecision.in provides information about its business. The Section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience.
Annual Report	Annual Report is circulated to all the members in the required time frame.

X. GENERAL SHAREHOLDER INFORMATION

Date, time and venue of the Annual General Meeting:

Wednesday - September 26, 2012 at 3.30 PM at the Registered Office at B-15/4, M.I.D.C., Waluj, Aurangabad- 431133(M.S.)

Financial calendar (tentative)

First Quarter results	13 th August, 2012 (actual)
Second Quarter results	On or before 15 th November, 2012
Third Quarter results	On or before 15 th February, 2013
Fourth Quarter results	On or before 15 th May, 2013
Audited Results	On or before 31 st May, 2013

Dates of book closure

The register of members will be closed from Tuesday- September 18, 2012 to Wednesday- September 26, 2012 (both days inclusive)

Listing on Stock Exchange

The shares of the Company are listed on the Bombay Stock Exchange Limited. The Company has paid the Annual Listing fee to Bombay Stock Exchange Limited for the financial year 2012-13.

Stock code

Bombay Stock Exchange Limited – 522105

Plant Locations:

Tool Holder Division:

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

Tool Divisions:

1. B-15/3/1, M.I.D.C., Waluj, Aurangabad – 431133

2. 62/63, M.I.D.C., Satpur, Nashik – 422007

Foundry Division:

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

Registrar and Share Transfer Agents

Work related to both physical / demat Shares is handled by M/s. Karvy Computershare Private Limited at its address given below:-

M/s. Karvy Computershare Private Limited
Plot No. 17-24, Vittal Rao Nagar, Madhapur,
Hyderabad -500 081
Tel: 040-23420815 to 820
Fax No.: 040-23420814



E-mail : sreedharamurthy@karvy.com , ussingh@karvy.com

Contract Person: Shri K. Sreedhara Murthy / Shri U. S. Singh

Investor's correspondence may be addressed to above address.

Investors Grievance ID – einward.ris@karvy.com

Share transfer system

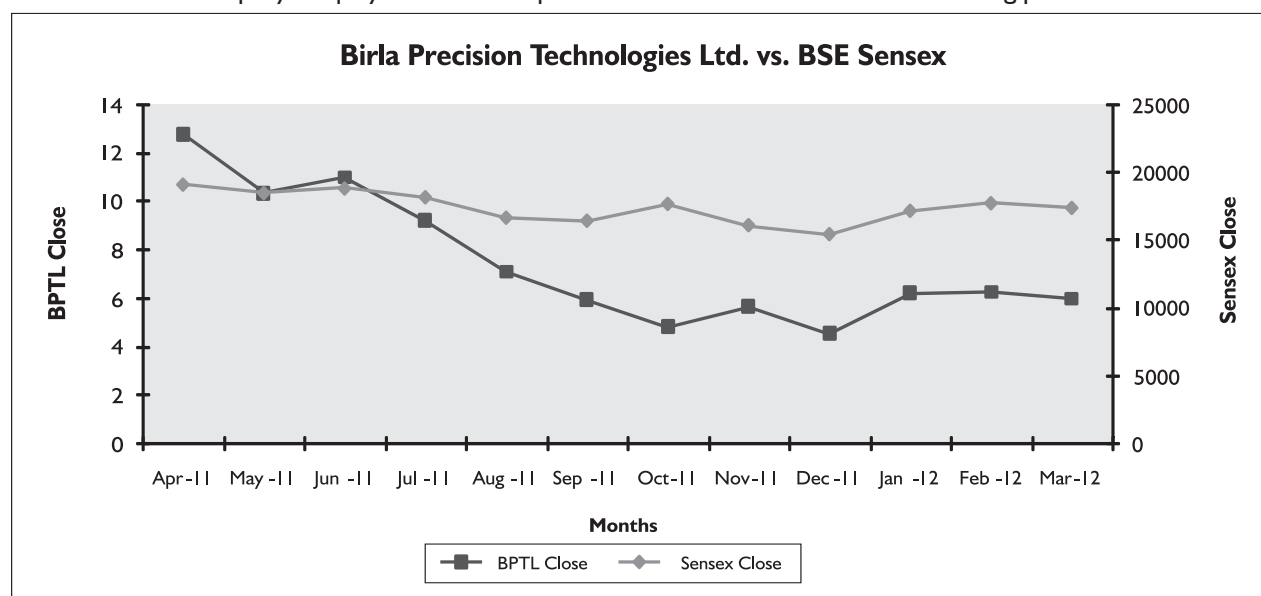
The Company's shares being in compulsory demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar and Share Transfer Agent and approved by the Share Holders'/ Investor Grievance Committee. Share Transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are complete in all respects.

Stock Market price data for the year 2011-12

Monthly high and low of market prices of the Company's equity shares traded at the Bombay Stock Exchange Limited during the financial year 2011-12 along with the BSE Sensex:

Month	Birla Precision Technologies Limited			BSE SENSEX		
	High	Low	Close	High	Low	Close
April, 2011	15.27	12.31	12.81	19811.14	18976.19	19135.96
May, 2011	14.69	10.03	10.38	19253.87	17786.13	18503.28
June, 2011	12.10	10.10	11.01	18873.39	17314.38	18845.87
July, 2011	11.90	8.89	9.22	19131.70	18131.86	18197.20
August, 2011	9.76	6.75	7.11	18440.07	15765.53	16676.75
September, 2011	8.00	5.70	5.95	17211.80	15801.01	16453.76
October, 2011	6.29	4.20	4.84	17908.13	15745.43	17705.01
November, 2011	6.60	4.10	5.67	17702.26	15478.69	16123.46
December, 2011	5.90	4.00	4.56	17003.71	15135.86	15454.92
January, 2012	6.74	4.25	6.23	17258.97	15358.02	17193.55
February, 2012	9.00	5.85	6.29	18523.78	17061.55	17752.68
March, 2012	6.99	5.60	6.00	18040.69	16920.61	17404.20

Performance of Company's Equity Shares in comparison to BSE Sensex on the basis of closing price:



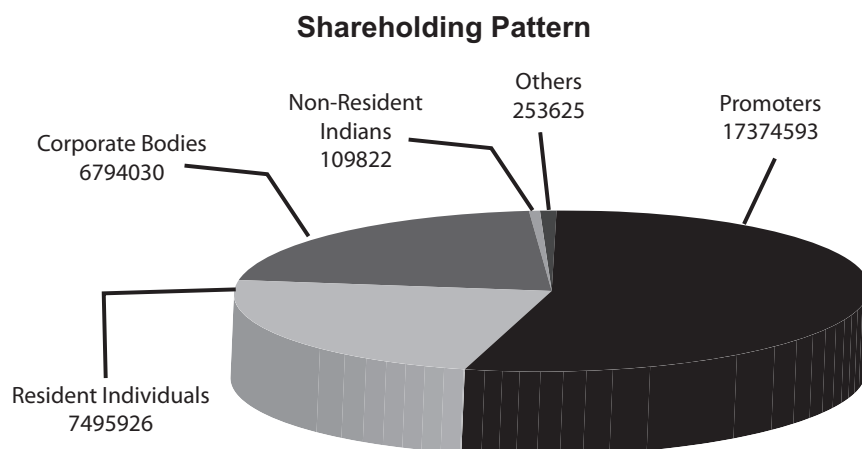
Distribution of shareholding

Class-wise distribution of Equity Shares as on March 31, 2012

No. of shares	No. of shareholders	Shareholders %	No. of shares held	Shareholding %
Up to 500	59729	97.83	2213682	6.91
501-1000	641	1.05	513580	1.60
1001-2000	301	0.49	464519	1.45
2001-3000	113	0.19	287606	0.90
3001-4000	46	0.08	169432	0.53
4001-5000	49	0.08	231986	0.72
5001-10000	74	0.12	551272	1.72
10001 and above	99	0.16	27595919	86.17
Total	61052	100	32027996	100

Shareholding pattern as on March 31, 2012

Sr. No.	Category	No. of Shares	Percentage
1.	Promoters	17374593	54.25
2.	Resident Individuals	7495926	23.40
3.	Corporate Bodies	6794030	21.21
4.	Non-Resident Indians	109822	0.35
5.	Others	253625	0.79
	Total	32027996	100



Dematerialization of shareholding

The Company's shares are admitted into both the depositories viz National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) and the ISIN allotted for the equity shares of the Company is INE 372E01025. As on March 31, 2012, total 3,12,18,038 shares representing 97.47% of the Company's shares are held in demat form in the depositories.



COMPLIANCE CERTIFICATE

Certificate by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) pursuant to Clause 49 of the Listing Agreement on the Audited Financial Statement for the year 2011-12

We, M.S. Arora – Managing Director and Suresh Karkare – General Manager (F&A), in our capacity as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) respectively of the Company hereby certify that:-

- a) We have reviewed the Financial Statements and Cash Flow Statement for the year ended on March 31, 2012 and that to the best of our knowledge and belief:
 - I. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - II. these statements together present a true & fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Statutory Auditors, Internal Auditors and Audit Committee:
 - I. significant changes in internal control over financial reporting during the year;
 - II. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - III. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For Birla Precision Technologies Limited

Place : Mumbai
Date : May 30, 2012

M. S. Arora
Managing Director

Suresh R. Karkare
General Manager (F&A)

Certificate on compliance of conditions of Corporate Governance as per Clause 49 of the Listing Agreement

To,
The Members of
Birla Precision Technologies Limited

I have examined the compliance of conditions of Corporate Governance by Birla Precision Technologies Limited for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. My examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the management, I certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For Preeti Khanna & Co.
Practicing Company Secretary

Preeti Khanna
Proprietor

Place: Mumbai
Date: July 27, 2012

Mem. No: ACS 22344
C.P. No.: 8468

AUDITOR'S REPORT

TO,
THE MEMBER'S OF BIRLA PRECISION TECHNOLOGIES LIMITED

1. We have audited the attached Balance Sheet of Birla Precision Technologies Limited as at March 31, 2012, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Without qualifying our opinion, we invite attention to the note no. "32" regarding delay in project implementation and capital expenditures (including project advances) amounting to Rs.523.20 lakh. No provision for impairment is considered necessary based on the representation given by the management.
4. As required by the Companies (Auditor's Report) Order, 2003, (as amended) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
5. Further to our comments in the Annexure referred to in paragraph 4 above, 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, the Statement of Profit and Loss and the 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 & Loss and Cash Flow Statement comply with the mandatory Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 except Accounting Standard – 2 (AS – 2), on "Valuation of Inventories" *Cost of finished goods and goods under process at Tools Division of the Company is determined using the retail method whereby the cost is computed by reducing from the sales value of the inventory, the global gross margin. This method is not in accordance with Accounting Standard 2 (AS 2) on "Valuation of Inventories" referred to in section 211 (3C) of the Act. The impact of this on the profit for year is not quantifiable.*
 - e) on the basis of written representations received from the directors of the Company as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the director of the Company is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) *Subject to the comments made in Para (d) above* in our opinion and to the best of our information and according to the explanation given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give 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 March 31, 2012;
 - 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 Cash Flow Statement, of the cash flows for the year ended on that date.

For CHATURVEDI & SHAH
Chartered Accountants
Registration No. 101720W

Place: Mumbai
Dated: May 30, 2012

Parag. D. Mehta
Partner
Membership No. 113904



ANNEXURE TO AUDITOR'S REPORT

Annexure referred to in paragraph 4 of Auditor's report of even date to the members of Birla Precision Technologies Limited on the accounts for the year ended March 31, 2012

- 1) a) The Company has maintained records showing details of fixed assets, *except comprehensive fixed assets register pertaining to casting division is in the process of being compiled.*
b) We have been informed that the fixed assets of the Company are physically verified by the Management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification. The management does not expect material discrepancies on compilation of fixed assets register of casting division.
c) In our opinion, the Company has not disposed off substantial part of its fixed assets during the year.
- 2) a) The inventory has been physically verified during the year by the Management except inventory lying with third parties. In our opinion, the frequency of verification is reasonable.
b) In our opinion and based on the information and explanation given to us, the procedures of physical verification followed by the management of stock lying with it were reasonable and adequate in relation to the size of the Company and nature of its business.
c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification. In respect of items lying with other entities we have relied on the confirmations obtained by the management from such entities.
- 3) a) The Company has granted unsecured loan to two companies covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year Rs 2,080.00 lakh and year end balance of the aforesaid loan is Rs. 1,530.00 lakh.
b) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of the loans given by the company are not prima facie prejudicial to the interest of the Company.
c) The principal amounts are repayable on demand and there is no repayment schedule. The interest is payable on demand.
d) In respect of the said loans, the same are repayable on demand and therefore the question of overdue amounts does not arise.
e) The Company has taken unsecured loan from three Companies covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year Rs 1035.72 lakh and year end balance was Rs.910.72 lakh.
f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of the loans taken by the company are not prima facie prejudicial to the interest of the Company.
g) The principal amounts are repayable on demand and there is no repayment schedule. The interest is payable on demand.
- 4) There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to the purchases of inventories, fixed assets and sale of goods and services and we have not observed any continuing failure to correct the major weaknesses in such internal controls.
- 5) 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 and according to the information and explanation given to us, the transactions of purchase of goods and material and sale of goods, material and services made pursuant of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at a prices which are reasonable having regard to the prevailing market price at the relevant time.
- 6) The Company has not accepted any deposits under the provisions of section 58A and 58AA of the Act or any other relevant provisions of the Act and the rules framed there under.

- 7) The Company has its own internal audit team. In our opinion, the company's internal audit system is commensurate with its size and nature of its business.
- 8) On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under section 209(1)(d) of the Act have been maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- 9) a) According to the records of the Company, undisputed statutory dues, including Provident Fund, Employees Statute Insurance Dues, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues have generally been regularly deposited, by the Company during the year with appropriate authorities in India. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2012 for a period of more than six months from the date of becoming payable, except for dues in respect of advance income-tax and employees provident fund as mentioned below:

Name of the Statute	Nature of dues	Amount (Rs.in lakh)	Period to which amount relates	Due Date	Date of payment
Income tax Act, 1961	Advance income tax interest thereon	151.46 11.76	Third Quarter of F.Y. 2010-11	15 th December, 2010	Not paid till date
Income tax Act, 1961	Advance income tax interest thereon	130.68 36.59	Fourth Quarter of F.Y. 2010-11	15 th March, 2011	Not paid till date
Income tax Act, 1961	Advance income tax interest thereon	82.88 2.49	First Quarter of F.Y. 2011-12	15 th June, 2011	Not paid till date
Income tax Act, 1961	Advance income tax interest thereon	165.77 7.46	Second Quarter of F.Y. 2011-12	15 th September, 2011	Not paid till date
Employees Provident Fund and Miscellaneous Provision Act, 1952	Employees Provident Fund Interest thereon	0.38 0.11	1977-78 to 2008-09	02 nd July, 2011	Not paid till date

- b) According to the information and explanations given to us, there are no dues of sales tax, Income Tax, Service Tax, Custom Duty, Wealth Tax, Excise duty and Cess which have not been deposit on account of any dispute other than the following:

Name of Statute	Nature of the dues	Amount (Rs. in Lakh)	Period to which amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Central Sales tax	1.28	2006-07	The West Bengal sales Tax Appellate & Revision Board
Central Sales Tax Act, 1956	Central Sales Tax	57.84	2004-05	Joint Commissioner of Sales Tax (Appeals)
Bombay Sales Tax Act, 1959	Sales Tax	17.82	Various years from 2004-05 to 2006-07	Joint Commissioner of Sales Tax (Appeals)
Central Excise Act, 1944	Excise Duty and Service Tax	13.37	Various year from 2005-06 to 2009-10	Commissioner (Appeals) of Central Excise
Income Tax Act, 1961	Income tax	6.77	1994-95	Deputy Commissioner of Income Tax

- 10) The Company has no accumulated losses as at March 31, 2012, and it has not incurred any cash loss during the current financial year and in the immediately preceding financial year.
- 11) In our opinion and according to information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank. There were no debentures issued during the year or outstanding at the beginning of the year.



- 12) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's report) Order, 2003 is not applicable to the Company.
- 14) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4(xiv) of the companies (Auditor's report) Order, 2003 is not applicable to the Company.
- 15) The Company has not given any guarantees for loans taken by others from bank or financial institutions.
- 16) In our opinion, the term loans have been applied for the purpose for which they were raised.
- 17) On the basis of review of utilization of funds which is based on overall examination of the balance sheet of the Company, related information as made available to us and as represented to us by the Management, we are of the opinion that no funds raised on short term basis have been used for long term investment during the year.
- 18) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- 19) According to the information and explanation given to us, during the period covered by our audit report, the Company has not issued any debentures and no debentures were outstanding at the end of the year. Therefore, the provisions of clause 4(xix) of companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 20) We have verified the end use of money raised through right – cum – public issue by the erstwhile Birla Machining & Toolings Limited and the same has been disclosed in the notes to the financial statements (Refer note no. 31).
- 21) As per the information with us and explanation given to us and on the basis of examination of records, no material fraud on or by the Company was noticed or reported during the year.

For CHATURVEDI & SHAH
Chartered Accountants
Registration No. 101720W

Parag. D. Mehta
Partner
Membership No. 113904

Place: Mumbai
Dated: May 30, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

(Rs. in Lakh)

	Note	As at 31st March, 2012	As at 31st March, 2011
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	640.56	640.56
Share Suspense (Refer Note No. 2 (2.4))		412.48	-
Reserves and Surplus	3	10,718.66	7,017.78
		<u>11,771.70</u>	<u>7,658.34</u>
Non-Current Liabilities			
Long Term Borrowings	4	1,030.69	848.08
Deferred Tax Liabilities (Net)	5	302.50	193.34
Long Term Provisions	6	135.45	94.18
		<u>1,468.64</u>	<u>1,135.60</u>
Current Liabilities			
Short Term Borrowings	7	3,600.80	1,584.95
Trade Payables	8	2,763.80	828.67
Other Current Liabilities	9	1,740.73	1,874.05
Short Term Provisions	10	1,500.76	982.49
		<u>9,606.09</u>	<u>5,270.16</u>
TOTAL		<u>22,846.43</u>	<u>14,064.10</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	5,226.67	3,723.08
Intangible Assets	11	21.01	59.75
Capital Work-in-Progress	11	365.51	49.74
Intangible Assets under Development	11	4.55	-
Long Term Loans and Advances	12	609.22	153.76
		<u>6,226.96</u>	<u>3,986.33</u>
Current Assets			
Inventories	13	3,996.60	3,587.85
Trade Receivables	14	4,580.85	3,465.81
Cash and Cash Equivalents	15	1,724.42	1,459.91
Short Term Loans and Advances	16	5,890.75	1,497.56
Other Current Assets	17	426.85	66.64
		<u>16,619.47</u>	<u>10,077.77</u>
TOTAL		<u>22,846.43</u>	<u>14,064.10</u>

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

I to 42

As per our attached report of even date

For CHATURVEDI & SHAH
Chartered Accountants
Firm's Registration No. 101720W

Parag D. Mehta
Partner
Membership No. 113904

Mumbai, 30th May, 2012

For and on behalf of Board of Directors

M. S. Arora
Managing Director

P. V. R. Murthy
Director
(Las Vegas, USA 30th May, 2012)*

Lovelina Cecil Faroz
Company Secretary

*** Participated through video conference**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012****(Rs. in Lakh)**

	Note	For the year ended 31st March, 2012	For the year ended 31st March, 2011
INCOME			
Revenue from Operations	18	19,342.86	11,135.56
Other Income	19	870.73	221.37
Total Revenue		20,213.59	11,356.93
EXPENDITURE			
Cost of Raw Materials and Components Consumed	20	7,373.39	3,300.76
Purchases of Stock-in-Trade	21	250.23	209.38
Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	22	(116.89)	78.27
Employee Benefits Expense	23	3,033.01	2,133.78
Finance Cost	24	785.15	314.88
Depreciation and Amortisation Expenses	25	879.64	574.05
Other Expenses	26	6,043.33	3,223.84
Total Expenses		18,247.86	9,834.96
Profit Before Tax		1,965.73	1,521.97
Tax Expense:			
Current Tax		650.00	603.50
Deferred Tax		109.16	163.99
Short provision of earlier period		1.26	95.30
		760.42	862.79
Profit for the year		1,205.31	659.18
Earnings per equity share of face value of Rs. 2 each			
Basic EPS (Rs.)		3.76	2.06
Diluted EPS (Rs.)	27	2.29	2.06

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

I to 42

As per our attached report of even date

For CHATURVEDI & SHAH
Chartered Accountants
Firm's Registration No. 101720W

Parag D. Mehta
Partner
Membership No. 113904

Mumbai, 30th May, 2012

For and on behalf of Board of Directors

M. S. Arora
Managing Director

P. V. R. Murthy
Director
(Las Vegas, USA 30th May, 2012)*

Lovelina Cecil Faroz
Company Secretary

* Participated through video conference

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

(Pursuant to Clause 32 of the Listing Agreement)

(Rs. in Lakh)

Sr. No.	Particulars	2011-12		2010-11	
A)	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>				
	Net profit before taxation and prior period adjustments		1,965.73		1,521.97
	Adjustments for :				
	Depreciation and Amortisation	879.64		574.05	
	Profit /(Loss) on sale of Fixed Assets	0.25		0.22	
	Provision for Gratuity and Leave Salary	128.98		60.01	
	Provision for doubtful debts	23.82		3.44	
	Exchange difference on translation (Net)	47.98		(14.94)	
	Export Incentive	(8.18)		(9.57)	
	Provision no longer required written back	(165.76)		3.24	
	Sundry balances written back	(56.82)		88.05	
	Interest Expenses Paid	472.65		314.88	
	Interest Income Received	(471.93)		(66.67)	
	Sub-total		<u>850.63</u>		<u>952.71</u>
	Operating Profit before Working Capital changes		2,816.36		2,474.68
	Adjustments for:				
	Trade and Other Receivables	(77.38)		(647.82)	
	Inventories	181.54		(758.83)	
	Trade Payable and Other Liabilities	(485.58)		(59.87)	
	Loans and Advances	(1,244.14)		(201.50)	
	Direct Taxes Paid (Net of Refund)	(236.12)		(90.00)	
	Sub-total		<u>(1,861.68)</u>		<u>(1,758.02)</u>
	Net Cash from Operating Activities(A)		954.68		716.66
B)	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>				
	Addition to Fixed Assets (including CWIP)	(1,119.85)		(159.39)	
	Sale of current Investment	0.01		-	
	Interest received	183.97		24.12	
	Sub-total		<u>(935.87)</u>		<u>(135.27)</u>
	Net Cash used for Investing Activities..... (B)		(935.87)		(135.27)



Sr. No.	Particulars	2011-12		2010-11	
C)	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>				
	Increase / (Decrease) in Short Term Loans (Net)	789.67		365.99	
	Proceeds form Long Term Borrowings	157.00		-	
	Repayment of Long Term Borrowings	(572.82)		(416.95)	
	Interest paid	(441.68)		(295.19)	
	Sub-total		(67.83)		(346.15)
	Net Cash used for Financing Activities..... (C)		(67.83)		(346.15)
	Net Increase in Cash and Cash Equivalents (A+B+C)		(49.02)		235.24
	Cash and Cash Equivalents as at 01.04.2011	693.04		820.68	
	Add: Decrease in Fixed Deposit accounts kept as margin money with banks	81.71		(362.88)	
	Add : On Amalgamation of BACL	187.50		-	
	Add : On Amalgamation of BMTL	46.13		-	
		1,008.38		457.80	
	Cash and Cash Equivalents as at 31.03.2012	<u>959.36</u>		<u>693.04</u>	
			959.36		693.04
	Reconciliation of Cash and Bank Balances given in Note No. 15				
	Balance sheet is as follows:				
	Cash and Bank Balances		1,724.42		1,459.91
	<u>Less:</u>				
	Balance in Fixed Deposit accounts with banks having a maturity period of more than Three months		121.06		80.32
	Balance in Fixed Deposit accounts kept as margin money with the banks		640.43		685.00
	Balance with Dividend accounts with banks		3.57		1.55
	Cash and Cash Equivalents as at 31.03.2012		<u>959.36</u>		<u>693.04</u>

As per our attached report of even date

For CHATURVEDI & SHAH
Chartered Accountants
Firm's Registration No. 101720W

Parag D. Mehta
Partner
Membership No. 113904

Mumbai, 30th May, 2012

For and on behalf of Board of Directors

M. S. Arora
Managing Director

P. V. R. Murthy
Director
(Las Vegas, USA 30th May, 2012)*

Lovelina Cecil Faroz
Company Secretary
*** Participated through video conference**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

I. Significant accounting policies

(A) Basis of preparation of financial statements:

The financial statements have been prepared on accrual basis under historical cost convention and in compliance in all material aspects with the applicable Accounting Principles in India, the applicable Accounting Standards notified under Section 211(3C) and the relevant provisions of the Companies Act, 1956.

Financial statements for the year ended 31 March, 2012 have been prepared based on revised Schedule VI of the Companies Act, 1956 as it has become mandatory for the Company. The adoption of revised Schedule VI does not impact recognition and measurement principles of individual items within this financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has accordingly reclassified the previous year figures to meet the requirements applicable for the current year.

(B) Use of estimates:

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

(C) Revenue recognition:

- Revenue from the sale of goods is recognized upon the passage of title to the customers, which generally coincides with delivery. Sales are inclusive of excise duty and net of adjustments for discounts and sales tax.
- Export sales are accounted based on the dates of Bill of Lading.
- Interest Income is accrued on time proportion basis over the period of loan / deposit / investment.

(D) Fixed Assets and Depreciation / Amortization:

- Fixed assets are stated at cost, net of modvat / cenvat / value added tax and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing cost till commencement of commercial production, net charges of foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.
- Leasehold Land is amortized over the period of lease.
- Computer Software and Technical Know-How are amortized over a period of 3 years from the date of acquisition.
- Depreciation

I. Tool holder Division:

- Depreciation on fixed assets acquired prior to 01.04.2003 is provided on 'Straight Line Method' at the rates prescribed in Schedule XIV to the Companies Act, 1956 proportionately for the period for which the assets were in use.
- Depreciation on additions to fixed assets on or after 01.04.2003 is provided on 'Straight Line Method' at the rates worked out on the basis of useful life estimated by the management which is as follows:

Particulars	Useful Life
Plant and Machinery (except Shop Tooling Fixtures and Second Hand Machines)	10 Years
Second Hand Plant and Machinery	3 Years
Shop Tooling Fixtures	2 Years
Vehicles	10 Years
Furniture, Fixture and Office Equipments	5 Years
Data Processing Equipments	5 Years
Others	Schedule XIV Useful Life Rate

- Depreciation on impaired assets is provided by adjusting the depreciation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

**II. Tool and Machining and Casting Division:**

The Company provides depreciation on all its assets on the Straight Line Method, at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

(E) Capital Work in Progress:

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

(F) Impairment of Fixed Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss, if any, is charged to statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(G) Valuation of Inventory:

- (a) Raw Materials and components, semi-finished goods, finished goods, stores and spares, goods for trade are valued at cost or net realizable value whichever is lower. Finished goods at factory premises and branches are valued inclusive of excise duty. Cost formula used is weighted average cost. Cost comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition.
- (b) In case of Tool Division, cost of manufactured finished goods and semi-finished goods is determined by using the "Retail Method" whereby the cost is computed by reducing from the sale value of inventories, the global gross margin.
- (c) Goods / Materials in Transit are valued at cost to date.
- (d) Scrap is valued at its estimated realizable value.
- (e) Adequate provisions are made for obsolete inventory based on technical estimates made by the Company.

(H) Foreign Currency Transactions:

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

(I) Employee Benefits:

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Post employment benefits:

- (i) Defined contribution plans: Company's contribution to the provident fund scheme is recognized during the year in which the related service is rendered.
- (ii) Defined benefit plans: The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains or losses on such valuation are recognized immediately in the statement of profit and loss. The fair value of the plan assets of the fund / trust administered by the Company, is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on a net basis.
- (iii) Long Term compensated absences are provided on the basis of an actuarial valuation.

(J) Research and Development Costs:

Revenue expenditure, including overheads on research and development, is charged as an expense through the natural heads of account in the year in which incurred. Expenditure, which results in the creation of capital assets, is capitalized and depreciation is provided on such assets as applicable.

(K) Investments:

Current investments are carried at lower of cost or quoted / fair value. Long term investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

(L) Borrowing Cost:

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(M) Taxation

Income tax expense comprises Current tax and Deferred tax charge or credit. Provision for Current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax.

Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The deferred tax asset and/or deferred tax liability is calculated by applying substantively enacted rate as at balance sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation is recognized if and only if there is virtual certainty backed by convincing evidence of its realization. At each balance sheet date, carrying amount of deferred tax assets is reviewed to reassure realization.

(N) Share Issue Expenses:

Issue expenses are adjusted against the Share Premium.

(O) Government Grants:

Capital grants for project capital subsidy are credited to capital reserves.

(P) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



(Rs. in Lakh)

2. SHARE CAPITAL

	As at 31st March, 2012	As at 31st March, 2011
Authorised Share Capital		
60,00,00,000 (Previous Year 25,00,00,000) Equity Shares of Rs. 2/- each	12,000.00	5,000.00
	12,000.00	5,000.00
Issued, Subscribed and Fully Paid-up:		
3,20,27,996 Equity Shares of Rs. 2/- each fully paid up	640.56	640.56
TOTAL	640.56	640.56

2.1 1,60,27,996 Equity Shares issued, subscribed and fully paid up share capital were allotted in the last five years pursuant to the scheme of merger without payment being (1,60,27,996) received in cash.

2.2 The reconciliation of the number of shares outstanding is set out below:

Equity Shares	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	(Rs. In Lakh)	No. of Shares	(Rs. In Lakh)
At the beginning of the year	32,027,996	640.56	32,027,996	640.56
Issued during the year	-	-	-	-
Outstanding at the end of the year	32,027,996	640.56	32,027,996	640.56

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

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

2.3 The details of Shareholders holding more than 5% shares:

	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	% held	No. of Shares	% held
Equity shares of Rs. 2/- each fully paid				
Shearson Investment and Trading Company Private Limited	8,742,586	27.30	8,742,586	27.30
Nirved Traders Private Limited	2,943,338	9.19	2,943,338	9.19
Birla International Private Limited	2,400,000	7.49	2,400,000	7.49

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

2.4 2,06,23,810 Equity Shares of Rs. 2/- each fully paid up pending allotment to the existing member of amalgamated company on the record date to be fixed by the Board of Directors of the Company in view of the scheme of amalgamation of Birla AccuCast Limited and Birla Machining and Toolings Limited with the Company (Refer Note No. 29)

3. RESERVES AND SURPLUS

(Rs. in Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Capital Reserve		
Capital Investment Subsidy	15.02	15.00
State Investment Subsidy	5.00	5.00
	20.02	20.00
Securities Premium Reserve		
As per Last Balance Sheet	210.00	210.00
Add: On account of amalgamation (Refer Note No. 29)	2,098.74	-
	2,308.74	210.00
General Reserve on merger of Tool Division		
As per last Balance Sheet	2,218.26	2,218.26
Less: On account of amalgamation (Refer Note No. 29)	1,325.11	-
	893.15	2,218.26
General Reserve		
As per last Balance Sheet	370.65	370.65
Add: On account of amalgamation (Refer Note No. 29)	1,699.51	-
	2,070.16	370.65
Surplus / (deficit) in the statement of profit and loss		
As per last Balance Sheet	4,198.87	3,539.69
Add: Profit for the year	1,205.31	659.18
Add: Net surplus for the year ended 31st March, 2011 transferred from BAL and BMTL on account of amalgamation (Refer Note No. 29)	22.41	-
	5,426.59	4,198.87
TOTAL	10,718.66	7,017.78

4. LONG TERM BORROWINGS

(Rs. in Lakh)

	As at 31st March, 2012		As at 31st March, 2011	
	Non Current	Current	Non Current	Current
Secured				
Rupee Term Loan from bank (Refer note (a) below)	316.75	158.11	474.86	158.11
Foreign Currency Term Loan from financial institution (Refer note (b) below)	65.33	261.33	285.20	228.16
Car Loan from banks (Refer note (c) and (d) below)	49.23	48.89	43.62	19.00
	431.31	468.33	803.68	405.27
Unsecured				
Sales Tax Deferred Payment Loan (Refer note (e) below)	599.38	10.55	44.40	10.56
	599.38	10.55	44.40	10.56
TOTAL	1,030.69	478.88	848.08	415.83

Security and Silent Terms:

- (a) Rupee Term Loan of Rs. 474.86 Lakh (Previous Year Rs. 632.97 Lakh) first charge by way of hypothecation of company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, ranking pari-passu with existing bankers. Exclusive First charge by way of hypothecation of all Plant and Machinery and other movable fixed assets of the company to be funded of the term loan from the bank.



Interest rate is linked to Banks' Prime Lending Rate / Base Rate plus margin is repayable in twenty quarterly installments starting from June 2010 and ending in March, 2015.

- (b) Foreign Currency Term Loan of Rs. 326.66 Lakh (Previous Year Rs. 513.36 Lakh) first charge created by mortgage of entire movable fixed assets both present and future and the immovable properties situated at Plot No. B - 15/4, MIDC, Waluj Industrial Area, within village limit of Kamapur, Taluka Gangapur District, Aurangabad, Maharashtra shall rank pari-passu charge.

Interest rate is linked to LIBOR plus margin and is repayable in sixteen quarterly installments starting from September 2009 and ending in June 2013.

- (c) The Car Loan of Rs. 43.69 Lakh (Previous Year Rs. 62.62 Lakh) is secured by hypothecation of the car.
Interest is payable @ 12.15% p.a. and is repayable in sixty monthly installments starting from March, 2009 and ending in February 2014.
- (d) The Car Loan of Rs. 54.43 Lakh (Previous Year Rs. Nil) is secured by hypothecation of the car.
Interest is payable @ 8.74% p.a. and is repayable in thirty six monthly installments starting from March, 2011 and ending in February 2014.
- (e) Sales Tax deferred payment loan of Rs. 19.48 Lakh (Previous Year Rs. 30.04 Lakh) is interest free and payable in thirteen yearly installments starting from May 2003 and ending in May 2015.
Sales Tax deferred payment loan of Rs. 590.45 Lakh (Previous Year Rs. 24.92 Lakh) is interest free and installments schedule is not yet received from the department.

5. DEFERRED TAX LIABILITIES (Net) (Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Deferred Tax Liability		
Related to fixed assets	584.78	390.49
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961	282.28	197.15
TOTAL	302.50	193.34

6. LONG TERM PROVISIONS (Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Provision for Employee Benefits		
Gratuity	28.68	-
Leave benefits	106.77	94.18
TOTAL	135.45	94.18

7. SHORT TERM BORROWINGS (Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Secured		
Working Capital Loans From Banks		
Foreign Currency Loan (Refer note (a) and (d) below)	1,537.30	-
Rupee Loan (Refer note (b),(c) and (d) below)	914.12	1,186.95
	2,451.42	1,186.95
Unsecured		
From Bodies Corporates	1,149.38	50.00
From Other	-	348.00
	1,149.38	398.00
TOTAL	3,600.80	1,584.95

Security and Silent Terms:

- (a) Foreign currency loan of Rs. 1537.30 Lakh (Previous Year Rs. Nil) first charge by way of hypothecation of company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, ranking pari-passu with existing bankers. Exclusive First charge by way of hypothecation of all Plant and Machinery and other movable fixed assets of the company to be funded of the term loan from the Bank.
- (b) Rupee loan of Rs. 75.94 Lakh (Previous Year Rs. 317.32 Lakh) first charge by way of hypothecation of company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, ranking pari-passu with existing bankers. Exclusive First charge by way of hypothecation of all Plant and Machinery and other movable fixed assets of the company to be funded from the term loan from the Bank.
- (c) Rupee loan of Rs. 838.18 Lakh (Previous Year Rs. 869.63 Lakh), bank facilities are in the process of being transferred in the name of the company. At present it is in the name of Zenith Birla (India) Limited, from which the Tool division got demerged. On transfer necessary security will be created .
- (d) The rates of interest for foreign currency loan ranges from 7.04% p.a. to 7.90% p.a. and 12% p.a. to 19% p.a. for rupee loans.

8. TRADE PAYABLES
(Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Micro, Small and Medium Enterprises	277.21	2.10
Others	2,486.59	826.57
TOTAL	2,763.80	828.67

Disclosures relating to amounts payable as at the year end together with interest paid/payable to Micro and Small Enterprises have been made in the accounts, as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status and the required disclosure are given below:

	As at 31st March, 2012	As at 31st March, 2011
Particulars		
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

9. OTHER CURRENT LIABILITIES
(Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Current maturities of long term debt (Refer Note No. 4)	478.88	415.83
Interest accrued but not due on borrowings	3.25	4.61
Interest accrued and due on borrowings	16.91	26.72
Unpaid Dividend #	3.57	1.55
Advances from Customers	147.44	36.99
Payable to employees	255.48	159.84
Statutory Liabilities	105.75	73.42
Security Deposit from dealers / others	26.93	31.62
Provision for expenses	702.52	1,123.47
TOTAL	1,740.73	1,874.05

This figure does not include any amounts due and outstanding, to be credited to Investor Education and Protection Fund.



10. SHORT TERM PROVISIONS

(Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Provision for employee benefits		
Gratuity (Refer Note No. 33)	394.43	373.69
Leave benefits	23.89	6.17
	418.32	379.86
Other provisions		
Income tax (Net of advance payment of tax)	1,082.09	602.51
Wealth tax (Net of advance payment of tax)	0.35	-
Fringe benefit tax (Net of advance payment of tax)	-	0.12
	1,082.44	602.63
TOTAL	1,500.76	982.49

11. FIXED ASSETS

(Rs. In Lakh)

Description	Gross Block					Depreciation / Amortisation					Net Block	
	As at 01-04-2011	Addition due to amalgamation	Additions	Deductions / Adjustments	As at 31-03-2012	Upto 31-03-2011	Addition due to amalgamation	For the year	Deductions / Adjustments	Upto 31-03-2012	As at 31-03-2012	As at 31-03-2011
TANGIBLE ASSETS :												
Leasehold Land	324.72	33.18	-	-	357.90	33.21	4.91	5.66	-	43.78	314.12	291.51
Buildings	726.44	473.38	0.62	-	1,200.44	175.13	166.65	38.15	-	379.93	820.51	551.32
Plant & Machinery	5,189.86	2,352.39	741.54	-	8,283.79	2,510.86	1,301.31	726.91	-	4,539.08	3,744.71	2,678.99
Furniture, Fixtures	93.01	17.73	3.35	-	114.09	58.07	4.00	12.27	-	74.34	39.75	34.95
Office Equipments	75.43	82.62	8.45	-	166.50	33.01	57.13	16.47	-	106.61	59.89	42.41
Vehicles	199.35	98.33	110.00	7.24	400.44	75.46	48.86	35.42	6.99	152.75	247.69	123.90
	6,608.81	3,057.63	863.96	7.24	10,523.16	2,885.74	1,582.86	834.88	6.99	5,296.49	5,226.67	3,723.08
INTANGIBLE ASSETS												
Technical Knowhow	50.39	-	-	-	50.39	33.60	-	16.79	-	50.39	-	16.80
Fee												
Software	84.61	8.03	-	-	92.64	41.66	2.00	27.97	-	71.63	21.01	42.95
	135.00	8.03	-	-	143.03	75.26	2.00	44.76	-	122.02	21.01	59.75
Total	6,743.81	3,065.66	863.96	7.24	10,666.19	2,961.00	1,584.86	879.64	6.99	5,418.51	5,247.68	3,782.83
Previous Year	6,683.62	-	60.61	0.41	6,743.82	2,387.07	-	574.05	0.13	2,960.99	3,782.83	-
Capital Work-in-Progress											365.51	49.74
Intangible Assets under Development											4.55	-

12. LONG TERM LOANS AND ADVANCES

(Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Unsecured and considered good unless otherwise stated		
Capital advances	564.09	86.81
Loans to employees	3.24	-
Loan to others	20.00	-
Advance income-tax and tax deducted at source (Net of provisions for tax)	19.56	49.98
Advance fringe benefit tax (Net of provisions for tax)	2.33	0.16
MAT Credit Entitlement	-	16.81
TOTAL	609.22	153.76

13. INVENTORIES

(Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Raw Materials and Components	1,830.05	2,062.74
Semi-Finished Goods	925.21	697.79
Finished Goods	727.27	616.16
Stock-in Trade	85.02	47.24
Stores, Cutting Tools and Packing Materials	336.04	163.92
Goods in Transit	93.01	-
TOTAL	3,996.60	3,587.85

14. TRADE RECEIVABLES

(Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	250.10	64.36
Considered doubtful	79.05	55.23
Less: Provision for doubtful debts	(79.05)	(55.23)
	250.10	64.36
Other considered good	4,330.75	3,401.45
TOTAL	4,580.85	3,465.81

15. CASH AND CASH EQUIVALENTS

(Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Cash and Cash Equivalents:		
Balances with Banks in:		
i. Current accounts	909.01	628.89
ii. Fixed Deposits	121.06	80.32
Cash on hand (Includes cheques on hand Rs. 42.63 Lakh (Previous Year Rs. 60.04 Lakh))	50.35	64.15
Other Bank Balances:		
Unpaid dividend	3.57	1.55
In Margin Money Accounts*	640.43	685.00
TOTAL	1,724.42	1,459.91

* Balance in Margin Money Accounts includes deposit of Rs. 563.13 Lakh (Previous Year Rs. 441.98 Lakh) with maturity of more than 12 months.

**16. SHORT TERM LOANS AND ADVANCES**

(Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Unsecured and considered good unless otherwise stated		
Security deposit	133.71	60.20
Loans and advances to related parties (Refer Note No.35)	3,143.77	600.90
Prepaid expenses	272.07	365.74
Balances with statutory/government authorities	193.78	107.38
Cenvat Credit and export incentive receivable	636.17	195.60
Less: Provision for doubtful receivable	(132.08)	-
	504.09	195.60
Maharashtra Value Added Tax Credit	566.15	51.54
Others #	1,133.10	116.20
Less: Provision for doubtful receivable	(55.92)	-
	1,077.18	116.20
TOTAL	5,890.75	1,497.56

Includes loan to employee, advance to suppliers, advance to others, etc.

17. OTHER CURRENT ASSETS

(Rs. In Lakh)

	As at 31st March, 2012	As at 31st March, 2011
Interest accrued on fixed deposits and others	426.85	66.64
TOTAL	426.85	66.64

18. REVENUE FROM OPERATIONS

(Rs. In Lakh)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Sale of Products	20,382.99	11,561.77
Sale of Services	14.95	114.68
Other operating revenue	338.64	309.66
Revenue from operations	20,736.58	11,986.11
Less: Excise duty	1,393.72	850.55
TOTAL	19,342.86	11,135.56
PARTICULARS OF SALE OF PRODUCTS		
Machine Tool Accessories	1,744.13	2,533.69
Precision Components	435.36	-
Cutting Tools	10,432.83	8,745.32
Castings	7,415.19	-
Others	355.48	282.76
TOTAL	20,382.99	11,561.77

19. OTHER INCOME

(Rs. In Lakh)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Interest:		
From Bank deposits	90.84	21.26
From Others	381.09	45.41
	471.93	66.67
Exchange rate difference (Net)	120.75	41.49
Sundry balances written back (Net)	56.82	88.05
Miscellaneous Income	55.47	21.92
Provision no longer required written back	165.76	3.24
	398.80	154.70
TOTAL	870.73	221.37

20. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

(Rs. In Lakh)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Inventory at the beginning of the year	2,062.74	1,249.22
Add : Transfer on account of amalgamation	200.75	-
Add : Purchases	6,939.95	4,114.28
	9,203.44	5,363.50
Less : Inventory at the end of the year	1,830.05	2,062.74
Cost of Raw Materials and Components Consumed	7,373.39	3,300.76
20.1 PARTICULARS OF RAW MATERIALS AND COMPONENTS CONSUMED		
Particulars		
Alloy Steels	487.94	693.98
Sub-Assembly Components	146.31	184.20
HSS Steels	2,744.83	2,422.58
Alloys / Ferro / ORM Scrap	3,994.31	-
TOTAL	7,373.39	3,300.76
20.2 INVENTORY OF RAW MATERIALS AND COMPONENTS	As at 31st March, 2012	As at 31st March, 2011
Particulars		
Alloy Steels	139.38	122.86
Sub-Assembly Components	63.34	57.40
HSS Steels	1,452.82	1,882.48
Alloys / Ferro / ORM Scrap	174.51	-
TOTAL	1,830.05	2,062.74

**21. PURCHASES OF STOCK-IN-TRADE**

(Rs. In Lakh)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Files	250.23	166.40
Coated Sand and Profile Scrap	-	42.98
TOTAL	250.23	209.38

22. CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE

(Rs. In Lakh)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Inventories at the end of the year		
Finished Goods	727.27	616.16
Semi-Finished Goods	925.21	697.79
Stock-in-Trade	85.02	47.24
	1,737.50	1,361.19
Inventories at the beginning of the year		
Finished Goods	616.16	728.04
Semi-Finished Goods	697.79	680.88
Stock-in-Trade	47.24	30.54
	1,361.19	1,439.46
Add: Transfer on account of amalgamation	259.42	-
	1,620.61	1,439.46
Change in Inventories		
Finished Goods	(111.11)	111.88
Semi-Finished Goods	32.00	(16.91)
Stock-in-Trade	(37.78)	(16.70)
TOTAL	(116.89)	78.27
PARTICULARS OF INVENTORIES	As at 31st March, 2012	As at 31st March, 2011
Finished Goods		
Machine Tool Accessories	52.27	58.70
Precision Components	3.65	0.60
Cutting Tools	671.35	556.86
TOTAL	727.27	616.16
Semi-Finished Goods		
Machine Tool Accessories	33.01	89.07
Precision Components	46.68	64.75
Cutting Tools	491.39	543.97
Castings	354.13	-
TOTAL	925.21	697.79
Stock-in-Trade		
Machine Tool Accessories	33.34	-
Files	51.68	47.24
TOTAL	85.02	47.24

23. EMPLOYEE BENEFITS EXPENSE

(Rs. In Lakh)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Salaries, Wages and Bonus	2,517.80	1,727.14
Contribution to Provident and Other Funds	284.00	224.84
Staff Welfare Expenses	231.21	181.80
TOTAL	3,033.01	2,133.78

24. FINANCE COST

(Rs. In Lakh)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Interest Expenses:		
Fixed Loan	254.29	203.49
Other	114.07	66.24
Bank charges	312.50	45.15
Applicable loss on foreign currency transactions and translations	104.29	-
TOTAL	785.15	314.88

25. DEPRECIATION AND AMORTISATION EXPENSES

(Rs. In Lakh)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Depreciation on Tangible Assets	834.88	532.89
Amortisation of Intangible Assets	44.76	41.16
TOTAL	879.64	574.05

26. OTHER EXPENSES

(Rs. In Lakh)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Manufacturing Expenses:		
Stores, cutting tools and packing materials consumed	1,406.74	863.25
Sub-contracting expenses	945.89	391.04
Increase / (decrease) of excise duty on finished goods	17.64	(27.88)
Power, fuel and water	1,196.57	467.39
Repairs and maintenance:		
Buildings	24.84	20.04
Plant and machinery	136.93	79.78
Others	20.42	15.88
	3,749.03	1,809.50
Administrative, Selling and Other Expenses:		
Rent	18.38	25.50
Rates and taxes	8.02	5.24
Postage and telephone	50.69	50.94
Printing and stationery	46.48	45.66
Insurance	19.52	19.76
Travelling and conveyance	170.66	96.60



Foreign travelling expenses	21.15	13.72
Vehicle expenses	31.17	19.64
Advertisement , publicity etc.	212.19	11.58
Sales promotion and other selling expenses	588.14	613.94
Sales commission	17.58	9.32
Freight on sales	326.80	96.64
Training and welfare expenses	27.68	18.15
Directors' sitting fees	3.77	2.12
Auditors' remuneration:		
Audit fee	11.00	9.00
For certification	4.89	1.00
Provision for Doubtful Debts	23.82	3.44
Legal and professional fees	512.23	266.53
Security services	22.12	8.96
Software maintenance expenses	12.09	12.21
Merger expenses	10.07	-
Loss on sale of Fixed Assets	0.25	0.22
Miscellaneous expenses	155.60	84.17
	2,294.30	1,414.34
TOTAL	6,043.33	3,223.84

27. Computation of profit for earnings per share: (Rs. In Lakh)

Particulars	31st March, 2012	31st March, 2011
Net Profit / (Loss) after tax attributable to Equity Shareholders (A)	1205.31	659.18
No. of Equity Shares outstanding during the year for calculating Basic EPS (B)	32027996	32027996
No. of Equity Shares outstanding during the year for calculating Diluted EPS (C)	52651806	32027996
Nominal Value of Equity Shares (Rupees)	2/-	2/-
Basic EPS (Rupees) (A / B)	3.76	2.06
Diluted EPS (Rupees) (A / C)	2.29	2.06

28. Contingent liabilities:

(a) Estimated amount of contracts remaining to be executed (net of advances), not provided for: (Rs. In Lakh)

Particulars	31st March, 2012	31st March, 2011
Capital Commitments:		
Tangible Assets	575.67	317.75
Intangible Assets	9.49	-

(b) Contingent liabilities not provided for in respect of: (Rs. In Lakh)

Particulars	31st March, 2012	31st March, 2011
(i) Amount of duty saved under EPCG Scheme against export obligations	634.04	597.77
(ii) Sales Tax Demands in Appeals	76.94	1.28
(iii) Entry Tax Demands in Appeals	110.54	101.03
(iv) Income Tax Demands in Appeals	99.76	-
(v) Excise and Service Tax Demands in Appeals	15.70	-
(vi) Claim on account of PF not acknowledged as debts	4.01	4.01
(vii) Bank Guarantees / Letters of Credit	632.66	89.04
(viii) Claims against Company not acknowledged as debts	20.88	12.00

- (c) The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of the proceedings to have any adverse effect on his financial conditions, results of operations or cash flows.

29. The Scheme of Amalgamation (SoA) of Birla Accucast Limited (BAL) and Birla Machining and Toolings Limited (BMTL) with Birla Precision Technologies Limited (the Company).

All assets and properties, both movable and immovable, industrial and other licenses, all other interests, rights and powers of every kind, etc. and all debts, liabilities, duties and obligations of BAL and BMTL has been transferred to and vested in the Company retrospectively with effect from 1st April, 2010 (the appointed date). The SoA has accordingly been given effect to in these accounts.

The amalgamation of BAL and BMTL with the Company has been accounted as per SoA approved by the Honorable High Court of judicature at Bombay, vide its order dated, 30th March, 2012. Accordingly the assets, liabilities, debts and obligations of the BAL and BMTL have been taken over at their book values as on 1st April, 2010 as stipulated in the SoA. The amalgamation has resulted in transfer of assets, liabilities, debts and obligations in accordance with the terms of the SoA at the following summarized values:

(Rs. In Lakh)

Particulars	BAL	BMTL	Total
Fixed Assets (Net)	1,564.60	77.25	1,641.85
Investment	0.01	-	0.01
Capital Work in progress	39.71	949.20	988.91
Current Assets, Loans and Advances	1,749.69	2,139.51	3,889.20
Profit and loss account (Debit balance)	2,953.95	2,048.99	5,002.94
Total Assets	6,307.96	5,214.95	11,522.91
Less:-			
Secured and Unsecured Loans	1,975.20	178.33	2,153.53
Current liabilities and Provision	1,197.76	283.06	1,480.82
Total Liabilities	3,172.96	461.39	3,634.35
Net Assets Transferred	3,135.00	4,753.56	7,888.56
Proposed issue of shares	253.71	158.77	412.48
Transfer from Reserve on account of amalgamation :			
Capital Reserve	-	0.02	0.02
Securities Premium	235.41	1,863.32	2,098.73
General Reserve	-	1,699.50	1,699.50
Amalgamation Reserve	2,645.88	1,031.95	3,677.83

"As per SoA total of 2,06,23,810 equity shares of Rs. 2/- each will be issued by Birla Precision Technologies Limited to the shareholders of BAL and BMTL respectively in the following ratios:

- 7 Equity shares of Rs. 2/- each of Birla Precision Technologies Limited will be issued for every 16 Equity shares of Rs.10/- each held in BAL.
- 2 Equity shares of Rs. 2/- each of Birla Precision Technologies Limited will be issued for every 3 Equity shares of Rs 10/- each held in BMTL.

As per SoA the debit balance of Profit and Loss account is first adjusted against the "Amalgamation Reserve Account" and the balance of Rs.1325.11 Lakh has been adjusted against the general reserve created post merger of Tools Division of Zenith Birla (India) Limited.

In terms of the SoA, the Equity Shares allotted as above rank for dividend, voting rights and in all other respects pari-passu with the existing Equity Shares of the Company. The Income accruing and the expenses incurred by BAL and BMTL during the period 1st April, 2010 to 31st March, 2011 being net surplus of Rs.58.78 lakh of BAL and Net deficit of Rs.36.37 lakh of BMTL, resulting in Net Surplus of Rs. 22.41 Lakh has been adjusted in the statement of profit and loss. During the period between the appointed date and the effective date (i.e. 28th May, 2012) BAL and BMTL carried on the existing business in "trust" on behalf of the Company.

The title deeds for leasehold land, building, licenses, agreements, loan documents, etc. are in the process of being transferred in the name of the Company. Stamp duty and other levies out of the SoA, if any, shall be accounted on determination and completion of transfer formalities.

**30. Merger scheme of Tool Division of Zenith Birla (India) Limited with the Company in the Financial Year 2009-10.**

The title deeds for leasehold land, building, residential flats, licenses, agreements, loan documents, and some of the bank accounts and facilities are in the process of being transferred in the name of the Company. Stamp duty and other levies out of the Scheme of Arrangement, if any, shall be accounted on determination and completion of transfer formalities.

31. Utilization of proceeds of public/ right issue as on 31st March, 2012 is as under:**(Rs. In Lakh)**

Description	Total Estimated Cost	Deployed upto 31st March, 2012
I) Aurangabad Project:		
Building	120.00	102.95
Plant, Machinery and Electrical	1365.50	420.25
Miscellaneous Fixed Assets	329.36	-
Contingencies	185.00	-
Pre Operative Expenses	80.00	-
II) Margin money for Working capital requirement for Aurangabad Project	50.00	-
Sub-total	2129.86	523.20
III) Margin money for Working capital requirement for Conversion of unsecured loan into equity raised by Company for setting up the Gandhidham Project from Nirved Traders Private Limited Promoter Company	470.14	470.14
IV) To meet expenses of issue	300.00	276.42
Total	2900.00	1269.76

As per the Prospectus, the funds which were proposed to be deployed in the Aurangabad Project upto the period ended 30th September, 2008 was envisaged at Rs. 2129.86 Lakh. However, the actual amount spent towards the above is Rs. 523.20 Lakh.

The above mentioned status of utilisation of funds raised by BMTL in its Right cum Follow on Issue in 2007 has been revised / adjusted by Rs. 427.20 Lakh paid to BAL due to the SoA approved by Honorable High Court of Bombay for amalgamation of BAL and BMTL (Transferor companies) with the Company.

As per SoA the pending project and related obligations of the transferor companies shall be implemented by the Company.

In view of delay in implementation of the Aurangabad project, the balance amount of Rs. 1595.20 Lakh has been utilized for funding the company's Working Capital requirements and for Inter Corporate Deposits given to group companies and others. The utilization of the said funds is not in line with the Prospectus.

The figures of the previous year is not given as it is related to BMTL (Transferor Company) which is amalgamated with the Company as per SoA.

32. The Company has incurred capital expenditure aggregating to Rs. 523.20 Lakh for the acquisition and construction of Plant and Machinery, Electrical Equipment and Building structure for installation of machining facilities. There has been delay in the implementation of the machining project, accordingly the advances, made to the suppliers, have not been entirely appropriated towards the supplies. No provision for impairment is considered necessary by the management at this stage.

33. Employee Benefits:**(A) Defined Contribution Plans:**

The Company has recognized the following amounts in statement of profit and loss for the year:

(Rs. In Lakh)

Particulars	31st March, 2012	31st March, 2011
Contribution to Employees Provident Fund and Other Funds	284.00	224.84
Total	284.00	224.84

(B) Defined Benefit Plans :**I. (a) Contribution to Gratuity:**

Provision for Gratuity has been made in the accounts based on an actuarial valuation carried out at the close of the year. The Company has funding arrangement with Birla Sun Life and Life Insurance Corporation of India, except for Tools Division, in which case it is held under Indian Tool Employee Gratuity Fund, and the liability is discharged to the employees in the year of retirement / cessation of employment.

Details under AS-15, to the extent applicable is furnished below:

(Rs. In Lakh)

Particulars	31st March, 2012	31st March, 2011
i) Reconciliation of defined benefit obligation (DBO) :		
DBO at the beginning of the year	505.54	450.14
Current Service Cost	49.58	41.06
Interest Cost	39.15	34.46
Actuarial Loss / (Gain)	6.36	11.98
Benefits paid	(67.42)	(62.74)
DBO at end of the year	533.21	474.90
ii) Net cost for the year ended :		
Current Service Cost	49.58	41.06
Interest Cost	39.15	34.46
Expected Return on Plan Assets	(9.47)	(8.75)
Actuarial Loss / (Gain)	10.60	15.85
Net Cost	89.86	82.62
iii) Fair Value of Plan Assets	110.10	101.21
iv) Assumptions used in accounting for the gratuity plan :		
Discount rate (%)	8.50% to 8.75%	8.30%
Salary escalation rate (%)	3.00% to 7.00%	5.00%

I. (b) Other disclosures :

Particulars	31st March, 2012	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008
Present Value of Defined Benefit Obligation	533.21	474.90	450.14	37.73	27.28
Fair Value of Plan Assets	110.10	101.21	84.02	23.02	27.28
(Deficit) / Surplus of the plan	423.11	373.69	366.12	14.71	-
Experience adjustment on plan liabilities loss / (gain)	*	*	*	*	*
Experience adjustment on fair value of plan adjustments	*	*	*	*	*

* The details of the Experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (revised) on "Employee Benefits" of previous financial years are not available in the valuation report for the financial year 2007-08, 2008-09, 2009-10 and 2010-11 hence not furnished.

II. Leave Encashment:

The leave encashment provision for the year ended 31st March, 2012, based on actuarial valuation carried out using projected unit credit method amounting to Rs. 43.34 Lakh (Previous Year Rs. 4.43 Lakh) has been recognized in statement of profit and loss.

**34. Segment Reporting:**

(a) Business Segments:

(Rs. In Lakh)

Particulars	2011-12	2010-11
Segment Revenue		
a) Tool Holders	2303.66	2806.53
b) Tools	10965.16	9179.58
c) Machining and Casting	7467.76	-
Total	20736.58	11986.11
Less: Excise Duty	1393.72	850.55
Net Sales Income from Operation	19342.86	11135.56
Segment Results Profit(+)/(Loss)(-) (before Interest and Tax) from segment		
a) Tool Holders	(291.27)	(9.55)
b) Tools	2712.71	1846.40
c) Machining and Casting	329.44	-
Total	2750.88	1836.85
Less: Interest and Finance Charges	785.15	314.88
Profit before Tax	1965.73	1521.97
Less: Provision for Taxation		
Current Tax	651.26	698.80
Deferred Tax	109.16	163.99
Profit after Tax	1205.31	659.18
Segment Assets		
a) Tool Holders	8243.72	8718.16
b) Tools	7709.24	5345.94
c) Machining and Casting	6893.47	-
Total	22846.43	14064.10
Segment Liabilities		
a) Tool Holders	3517.70	2094.97
b) Tools	3049.26	3175.19
c) Machining and Casting	3039.13	-
Total	9606.09	5270.16
Capital Expenditure		
a) Tool Holders	216.32	30.95
b) Tools	370.97	128.44
c) Machining and Casting	543.88	-
Total	1131.17	159.39
Depreciation		
a) Tool Holders	366.75	373.43
b) Tools	230.45	200.62
c) Machining and Casting	282.44	-
Total	879.64	574.05

Non Cash Expenditure		
a) Tool Holders	-	-
b) Tools	-	-
c) Machining and Casting	-	-
Total	-	-

(b) Secondary Segment - (Geographical): (Rs. In Lakh)

Particulars	India	USA	Rest of the World	Total
Segment Revenue	16655.66	1305.13	1382.07	19342.86
	(8618.56)	(1522.00)	(995.00)	(11135.56)

(Figures in brackets indicates 31st March, 2011 figures)

35. Related party disclosures:

(A) Name of related parties and nature of relationships:

a) Key Management personnel

1. Shri Yashovardhan Birla (Non-executive Chairman)
2. Shri M.S. Arora (Managing Director)

b) Enterprises owned or significantly influenced by Key Management personnel or their relatives:

1. Ashok Birla Apollo Hospital Private Limited	16. Birla Research and Lifesciences Limited
2. Asian Distributors Private Limited	17. Birla Shloka Edutech Limited
3. Birla Bombay Private Limited	18. Birla Surya Limited
4. Birla Capital and Financial Services Limited	19. Birla Transasia Carpets Limited
5. Birla Edutech Limited	20. Birla Urja Limited
6. Birla Electricals Limited	21. Birla Viking Travels Limited (Formerly Birla Viking Travels Private Limited)
7. Birla Energy Infra Limited	22. Birla Wellness and Healthcare Private Limited
8. Birla Global Corporate Private Limited	23. Godavari Corporation Private Limited
9. Birla Infrastructure Limited	24. Khopoli Investments Limited
10. Birla Integrated Textile park Limited	25. Melstar Information Technologies Limited
11. Birla International Private Limited	26. Nirved Traders Private Limited
12. Birla Kerala Vaidyashala Private Limited	27. Shearson Investments and Trading Company Private Limited
13. Birla Lifestyle Private Limited	28. Zenith Birla (India) Limited
14. Birla Pacific Medspa Limited	29. Birla Industries Group Charity Trust
15. Birla Power Solutions Limited	

**(B) Transactions during the year ended 31st March, 2012 and balances with related parties :****(Rs. In Lakh)**

Name of related party	Description and Nature of transactions	Total Amount of the Transactions during the Current year (Previous Year)	Amount if any Outstanding as on 31.03.2012 DEBIT Balance Current Year (Previous Year)	Amount if any Outstanding as on 31.03.2012 CREDIT Balance Current Year (Previous Year)
Birla Global Corporate Private Limited	Loan / Advance Given	5.00	14.39	-
		(-)	(-)	(-)
	Services	198.54	13.24	8.93
		(186.42)	(-)	(11.91)
	Provision written back	-	-	-
		(0.19)	(-)	(-)
Shearson Investments and Trading Company Private Limited	Reimbursement of Expenses	5.31	-	-
		(3.45)	(-)	(1.84)
	Loan Taken	-	-	410.00
		(30.00)	(-)	(-)
	Loan Repaid	-	-	-
		(30.00)	(-)	(-)
	Interest Income (Net)	-	-	-
		(0.85)	(-)	(-)
	Interest Accrued	-	-	-
		(9.96)	(-)	(0.76)
Zenith Birla (India) Limited	Reimbursement of Expenses	183.75	196.60	-
		(12.15)	(-)	(-)
	Services	204.46	-	28.33
		(11.12)	(-)	(-)
	Purchase of Goods	2,310.43	23.29	34.58
		(1,364.64)	(7.39)	(253.37)
	Sale of Goods	8.61	13.42	-
		(19.13)	(-)	(-)
	Loan Taken	75.00	-	320.72
		(50.00)	(-)	(50.00)
	Interest Expenses	21.24	-	5.41
		(0.06)	(-)	(0.05)
	Other Income	7.75	-	-
		(-)	(-)	(-)
	Loan / Advance Given	2,775.00	1,520.00	-
		(-)	(-)	(-)
Birla Viking Travels Limited (Formerly Birla Viking Travels Private Limited)	Services	42.14	-	6.18
		(7.25)	(0.74)	(0.75)

Birla International Private Limited	Purchase of Goods	18.54	-	3.13
		(22.22)	(-)	(-)
	Sales of Goods	3,233.80	1,374.43	-
		(2,758.57)	(1,042.81)	(1.16)
	Reimbursement of Expenses	146.08	-	-
		(99.90)	(-)	(-)
Birla Power Solutions Limited	Sundry balances written off	0.35	-	-
		(-)	(-)	(-)
	Loan / Advance Given	10.00	-	-
		(-)	(-)	(-)
	Interest Income	0.10	10.51	-
		(-)	(-)	(-)
	Sale of Goods	46.12	82.69	-
		(-)	(-)	(-)
Birla Industries Group Charity Trust	Loan Taken	-	-	180.00
		(-)	(-)	(-)
	Provision written back	-	-	-
		(0.12)	(-)	(-)
		-	-	-
Godavari Corporation Private Limited	Rent Expenses	0.48	-	0.04
		(-)	(-)	(-)
	Provision written back	-	-	-
		(0.15)	(-)	(-)
Birla Bombay Private Limited	Reimbursement of Expenses	15.88	-	0.08
		(-)	(-)	(-)
	Loan / Advance Given	-	553.00	-
		(553.00)	(553.00)	(-)
	Interest Income	111.35	89.50	-
Asian Distributors Private Limited		(31.68)	(29.14)	(-)
		-	-	-
Shri Yashovardhan Birla	Reimbursement of Expenses	0.24	-	-
		(-)	(-)	(-)
Birla Shloka Edutech Limited	Loan / Advance Given	4.63	-	-
		(-)	(-)	(-)
Nirved Traders Private Limited	Director Sitting Fees	0.42	-	-
		(0.28)	(-)	(-)
Shri M.S. Arora	Sundry balances written off	4.43	-	-
		(-)	(-)	(-)
	Loan / Advance Given	650.00	650.00	-
		(-)	(-)	(-)
	Interest Income	22.91	12.91	-
Shri M.S. Arora	Services	(-)	(-)	(-)
		16.37	-	7.94
	Loan Taken	(14.82)	(-)	(0.30)
		-	-	188.66
Managerial Remuneration		(-)	(-)	(-)
		47.98	-	-
Total		10,166.91	4,553.98	1,194.00
		(5,205.96)	(1,633.08)	(320.14)

(Figures in brackets indicates 31st March, 2011 figures)

**36. Value of imported and indigenous Raw materials, components and stores and spare parts consumed and percentage of each to the total consumption:**

Particulars	31st March, 2012		31st March, 2011	
	Rs. In Lakh	%	Rs. In Lakh	%
Raw materials and Components:				
- Imported	1333.81	18%	1558.18	47%
- Indigenous	6039.58	82%	1742.58	53%
	7373.39	100%	3300.76	100%
Stores and Spare parts:				
- Imported	85.70	6%	68.30	8%
- Indigenous	1321.04	94%	794.95	92%
	1406.74	100%	863.25	100%

37. CIF value of imports:

(Rs. In Lakh)

Particulars	31st March, 2012	31st March, 2011
Capital goods	389.62	-
Raw Materials and Components	479.43	81.51
Stores and Spares parts	62.44	56.97
Total	931.49	138.48

38. Expenditure in foreign currency:

(Rs. In Lakh)

Particulars	31st March, 2012	31st March, 2011
(i) Foreign traveling expenses	25.99	9.33
(ii) Repairs to Plant and Machinery	1.17	-
(iii) Sales Commission	4.70	4.00
(iv) Sub-contracting expenses	3.85	0.59
(v) Exchange rate variation surcharge	63.26	74.02
(vi) Interest on Foreign Currency Term Loan	24.05	33.55
(vii) Miscellaneous expenses	-	4.06
Total	123.02	125.55

39. Earnings in foreign currency:

(Rs. In Lakh)

Particulars	31st March, 2012	31st March, 2011
F.O.B. value of exports of manufacturing goods	2236.49	2224.18

40. Remittance in foreign currencies on account of dividend:

(Rs. In Lakh)

Particulars	31st March, 2012	31st March, 2011
i) No. of Non-resident Shareholders (including NRIs)	49	-
ii) Shares held by them	224486	-
iii) Amount remitted	NIL	-

41. The figures of previous year have been regrouped / reclassified wherever necessary to correspond to figures of current year.
42. The previous year figures are not comparable, due to the amalgamation of Birla Accucast Limited and Birla Machining and Toolings Limited with the Company.

For CHATURVEDI & SHAH
Chartered Accountants
Firm's Registration No. 101720W

Parag D. Mehta
Partner
Membership No. 113904

Mumbai, 30th May, 2012

For and on behalf of Board of Directors

M. S. Arora
Managing Director

P. V. R. Murthy
Director
(Las Vegas, USA 30th May, 2012)*

Lovelina Cecil Faroz
Company Secretary

*** Participated through video conference**

Registered Office: B-15/4, M.I.D.C., Waluj, Aurangabad – 431 133 (M.S.)

Dear Shareholder,

Re: Green Initiative in Corporate Governance

We wish to inform you that the Ministry of Corporate Affairs, New Delhi ("MCA") (vide its Circulars dated April 21, 2011 and April 29, 2011) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. This move by the MCA is welcome since it will benefit the society at large through reduction in paper consumption and contribute towards greener environment. Also you will be able to receive the Communication promptly and without loss in transit.

Keeping in view the underlying theme and the circulars issued by MCA, we propose to send henceforth all communications / documents including the Notice calling the General Meeting/ Notice of Postal Ballot, Audited Financial Statements, Directors' Report, Auditors' Report etc. via electronic mode **on the Email ID registered by shareholders with their Depository Participant (DP).**

Shareholders holding shares in demat mode and who have not yet registered their Email ID are requested to kindly register/update their e-mail ID with their concerned Depository Participant, on which they desire to receive all future communications/ documents as specified above. **In case of change in your Email Address in future**, please update same with your DP.

Please note that the email address indicated in your respective DP accounts periodically downloaded from the depositories viz. NSDL/ CDSL will be deemed to be your registered email address.

Shareholders holding shares in physical mode are requested to register their email address with the Company by sending a written request signed by the First Shareholder mentioning your folio no. to the Registrar & Share Transfer Agents – Karvy Computershare Private Limited.

Please note that, upon receipt of a requisition from you, the Company shall send all these documents on the address registered with the Company free of cost.

Please note that the Annual Report of your Company along with all future notice/ communication/ documents will be displayed on the Company's website www.birlaprecision.in

It is clarified that shareholders holding shares in physical form and have not registered their email address with the Registrar/ Company and those Demat Shareholders who have not registered email ID with their DP, will continue to receive physical copies of these documents.

We are sure, that as a responsible citizen, you will whole-heartedly support this initiative and co-operate with the Company to make it a success.

Thanking You,

Yours faithfully,

For Birla Precision Technologies Limited

Sd/-

Lovelina Cecil Faroz
Company Secretary

E-COMMUNICATION REGISTRATION FORM

To,
M/s. Karvy Computershares Private Limited
17-24, Vittalrao Nagar, Madhapur
Hyderabad – 500 081 (A.P.)

Dear Sir/Madam,

Re : Green Initiative in Corporate Governance

UNIT: Birla Precision Technologies Limited

I agree to receive all communication from the company in electronic mode. Please register my email id in your records for sending communication through e-mail.

Folio no. : _____
DP ID : _____
Client ID : _____
PAN : _____
Name of 1st Registered Holder : _____
Name of Joint Holder(S) : _____
Registered Address : _____

Email ID : _____

Date : _____

Signature of the first holder _____

Important Notes:

- 1) On registration, all the communication will be sent to the email ID registered in the Folio/DP IP & Client ID.
- 2) The form is also available on the website of the company www.birlaprecision.in
- 3) Shareholders are requested to keep company informed as and when there is any change in the e-mail address. Unless the email id given above is changed by you by sending another communication in writing, the company will continue to send the notices/ documents to you on the above mentioned e-mail ID.



BIRLA PRECISION TECHNOLOGIES LIMITED

Reg. Office: B-15/4, M.I.D.C. Industrial Area, Waluj, Aurangabad - 431 133 (M.S.), India

25th ANNUAL GENERAL MEETING

PROXY FORM

Regd. Folio No./ DP Client ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I/We _____ of _____ in the district of _____ being a member / members of BIRLA PRECISION TECHNOLOGIES LIMITED hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of _____ in the district of _____ as my / our proxy to attend and vote for me / us, on my / our behalf at the **25th ANNUAL GENERAL MEETING** of the Company, to be held on Wednesday, 26th September, 2012 at 3.30 p.m. or at any adjournment(s) thereof.

Signed this _____ day of _____ 2012.

Affix. Re.
I/- Revenue
Stamp

Signature

Notes :

This Form, in order to be effective, should be completed, duly signed and stamped and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Members are requested to bring their copy of the Annual Report alongwith them at the Annual General Meeting as extra copy of the Annual Report will not be made available for reasons of economy.

..... Please Tear Here

BIRLA PRECISION TECHNOLOGIES LIMITED

Reg. Office: B-15/4, M.I.D.C. Industrial Area, Waluj, Aurangabad - 431 133 (M.S.), India

25th ANNUAL GENERAL MEETING

ATTENDANCE SLIP

Regd. Folio No./ DP Client ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I Certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the **25th ANNUAL GENERAL MEETING** of the Company at B-15/4, M.I.D.C. Waluj, Aurangabad - 431 133 on Wednesday, 26th September, 2012 at 3.30 p.m.

Member's/Proxy's Name in BLOCK Letters

Signature of member's/proxy's

Note : Please fill up this attendance slip and hand it over at the entrance of the meeting hall.



Book Post



If undelivered, please return to:
BIRLA PRECISION TECHNOLOGIES LIMITED

Regd. Office :-

B- 15/4, M. I. D. C., Waluj, Aurangabad- 431 133 (M. S.)

Phone: (0240) 2554300, 2554301, 2554408, Fax : (0240) 2554302

Email: info@birlaprecision.com, Web: www.birlaprecision.in / www.indiantool.com