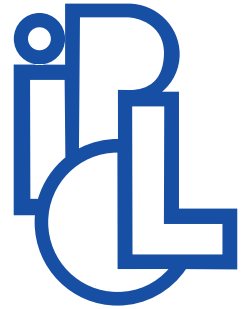
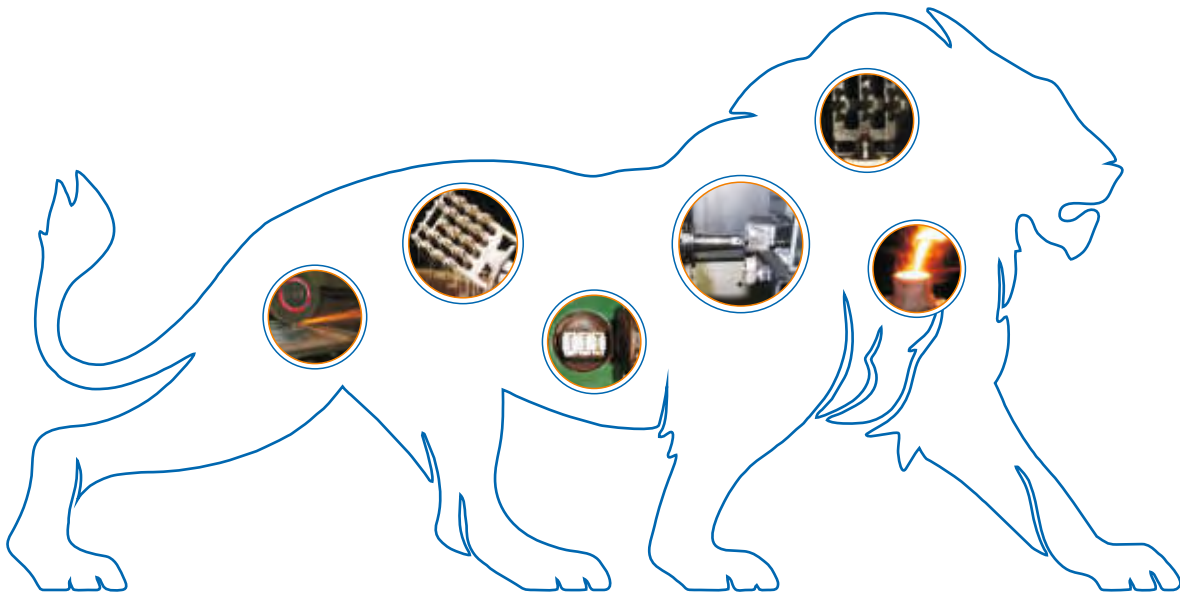


ISO 9001 : 2008
TS 16949 : 2009
ISO 14001 : 2004
OHSAS 18001 : 2007
AD 2000 - Merkblatt Wo
PED 97/23/EC
EN 9100:2009
Certified Company
DUNS No.: 95-050-1435
Type Approval From
CEMLAC, DRDO for
AEROSPACE Castings



SINCE : 1975



41st ANNUAL REPORT

2015-2016

INVESTMENT & PRECISION CASTINGS LTD.

You Design, We Cast

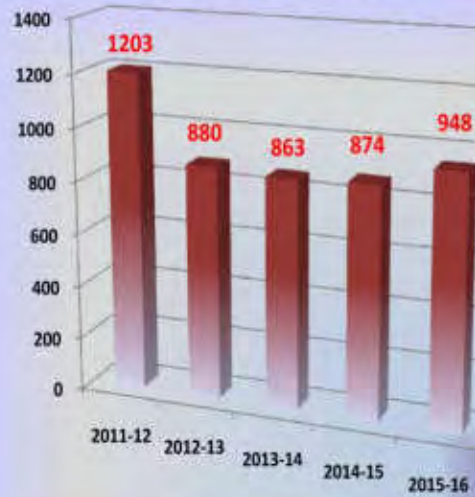
Corporate Identification No. (CIN) :
L27100GJ1975PLC002692

REGD. OFFICE : NARI ROAD, BHAVNAGAR
& WORKS GUJARAT, INDIA-364 006
TELEPHONE : (91) (0278) 252 3300 to 04
FAX : (91) (0278) 252 3500 to 02
EMAIL : direct1@ipcl.in
WEBSITE : www.ipcl.in

SALES (Lacs)



DISPATCH (Tons)



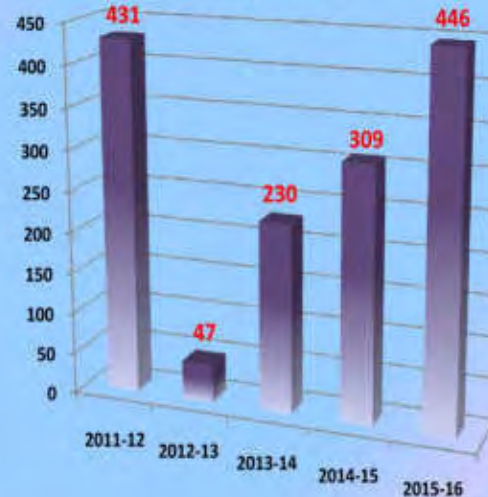
EBIDTA (Lacs)



CAPEX (Lacs)



PBT (Lacs)



EPS (Rs.)



INVESTMENT & PRECISION CASTINGS LIMITED

BOARD OF DIRECTORS	:	Shri Piyush I. Tamboli Shri Akshay R. Shah Shri J. M. Mapgaonkar Shri Girish C. Shah Shri R. K. Menon Smt. V. P. Tamboli Shri I. F. Tamboli Shri Girish V. Shah Ms. Hetal B. Kapadiya	Chairman & Managing Director Independent Director Independent Director Independent Director Executive Director Director Chairman Emeritus Chief Financial Officer Company Secretary & Compliance Officer
BANKERS	:	Bank of Baroda Lokhand Bazar, Main Branch, Bhavnagar, Gujarat	
AUDITORS	:	Sanghavi & Company Chartered Accountants Bhavnagar	
REGISTERED OFFICE & WORKS	:	Nari Road, Bhavnagar Gujarat 364 006. Telephone (91) (278) 2523300 to 304 E-Mail direct1@ipcl.in Website www.ipcl.in	
COMPANY IDENTIFICATION NUMBER (CIN)	:	L27100GJ1975PLC002692	
ISIN	:	INE155E01016	
BSE Scrip Code	:	504786	
CONTENTS	:	1. Notice 2. Directors' Report 3. Management Discussion & Analysis 4. Corporate Governance 5. Independent Auditors' Report 6. Financial Statements	2 8 27 29 36 43
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		I&PCL Vacuum Cast Limited	64
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NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTY-FIRST ANNUAL GENERAL MEETING OF INVESTMENT & PRECISION CASTINGS LIMITED WILL BE HELD ON **TUESDAY, 26TH JULY, 2016 AT HOTEL NILAMBAUG PALACE, BHAVNAGAR, AT 1630 HOURS**, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at March 31, 2016 and the Statement of Profit & Loss for the period ending on that date and the report of the Board Of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Smt. Vishakha P. Tamboli (DIN 06600319) who retires by rotation and being eligible offers herself for re-appointment.
4. To re-appoint the Existing Auditors, M/s. Sanghavi & Company, Chartered Accountants, Bhavnagar and fix their remuneration and in this regard pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVE THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies act, 2013 as amended and subject to all other modification(s) in the said act, made vide notifications, rules, guidelines issued in the matter by the statutory authority, Ministry of Corporate Affairs, Government of India to the extent applicable for the said appointment, M/s. Sanghavi & Co., (Firm Registration No. 109099W), Chartered Accountants, after receiving a recommendation in this regard from the Audit Committee, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the financial year 2016-17, at a remuneration to be decided by the Board of Directors in consultation with the Auditors, plus applicable service tax and re-imbusement of travelling and out of pocket expenses incurred by them for the purpose of audit”.

Registered Office:
Nari Road, Bhavnagar
Gujarat 364 006, India
Dated: May 4, 2016
CIN: L27100GJ1975PLC002692
E-mail: direct1@ipcl.in investor@ipcl.in

BY ORDER OF BOARD OF DIRECTORS
Piyush I. Tamboli
CHAIRMAN & MANAGING DIRECTOR
DIN 00146033

NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the Company.** The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies/ bodies corporate etc., must be supported by an appropriate resolution/authority, as applicable.

2. As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. Further, a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. Copies of all documents referred to in the Notice are available for inspection at the registered office of the Company during normal business hours on all working days upto and including the date of the meeting of the Company.
5. Pursuant to Section 101 of the Companies Act, 2013 and Rules made thereunder, the companies are allowed to send communication to the Members electronically. We, thus, request you to kindly register/update your email ids with your respective depository participant and Company's Registrar and Share Transfer Agent (in case of physical shares) and make this initiative a success.
6. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested under section 189 of the Companies Act, 2013, will be available for inspection at the meeting.
7. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. MCS Share Transfer Agent Ltd. the RTA to the Company.
8. The Members may note that due to strict security reasons mobile phones, brief cases, eatables and other belongings are not allowed inside the aforesaid venue of the meeting.
9. Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 41st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. **The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 41st AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).**
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the 41st AGM may also attend the 41st AGM but shall not be entitled to cast their vote again.
 - IV. **The remote e-voting period commences on 23rd July 2016 (9:00 am) and ends on 25th July 2016 (5:00 pm).** During this period members' of the Company, holding shares either in physical form or in dematerialized form, **as on the cut-off date of 19th July 2016** may cast their vote by remote e-voting. The remote e-voting

module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- V. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
- (i) Open email and open PDF file viz; “**remote e-voting.pdf**” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select “EVEN” of INVESTMENT & PRECISION CASTINGS LIMITED
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to welcome2pcs@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of 41st AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- Initial password as mentioned below is provided in the enclosed letter, Subject: Process and manner for availing E-voting facility:
- | | | |
|--------------------------------------------|----------------|---------------------|
| <u>EVEN (Remote e-voting Event Number)</u> | <u>USER ID</u> | <u>PASSWORD/PIN</u> |
|--------------------------------------------|----------------|---------------------|
- (i) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company **as on the cut-off date of 19th July 2016**.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares **as of the cut-off date i.e. 19th July 2016** may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Investment & Precision Castings Ltd./MCS Share Transfer Agent Ltd. Ahmedabad.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the 41st AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. CS Alpesh Dhandhlya of M/s. Alpesh Dhandhlya & Associates, Company Secretaries, Ahmedabad has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the 41st AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poling Paper" for all those members who are present at the 41st AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the 41st AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.ipcl.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
10. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both these modes, then voting done through e-voting shall prevail and the vote cast through Ballot shall be treated as invalid.
- 11 In case of the members who are entitled to vote but have not exercised their right to vote by electronic means, upon poll being demanded, in the larger interest of the members, the Chairman of the Company may order a poll on his own motion or on demand at the meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice. For abundant clarity, in the event of poll, please note that the members who have exercised their right to vote by electronic means shall not vote by way of poll at the meeting. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.
- 12 Register of Members shall remain closed from 18.7.2016 (MONDAY) to 25.7.2016 (MONDAY), both days inclusive.**
- 13 Members desiring any information pursuant to an item on the Agenda are requested to write sufficiently early so as to reach the Company at least 7 days prior to the meeting, to enable the Management to keep the information available at the meeting.
- 14 Members holding shares in dematerialised form are requested to bring their Client ID and DPID numbers and photo identity for easy identification of attendance at the meeting.
- 15 Under the provisions of Section 205-C of the Companies Act, 1956, dividends remaining unpaid/unclaimed for a period over 7 years will be transferred to the Investor Education & Protection Fund (IEPF) of the Central Government. The members may write to the Company for claiming the amount if any, relating to following years before it is transferred to the IEPF.

Financial year Ended	Date of Declaration of dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEP fund
2008-2009	17.8.2009	16.8.2016	16.9.2016
2009-2010	26.7.2010	25.7.2017	25.8.2017
2010-2011	12.8.2011	11.8.2018	11.9.2018
2011-2012	04.8.2012	03.8.2019	03.9.2019
2012-2013	07.8.2013	06.8.2020	06.9.2020
2013-2014	07.8.2014	06.8.2021	06.9.2021
2014-2015	11.8.2015	10.8.2022	10.9.2022

- 16 Dividend, if sanctioned at the meeting, will be payable to the members whose names appear on the Company's Register of Members on the **Record Date 16.7.2016 (SATURDAY)** and to those members who hold the shares in dematerialised form as per the record of Depositories, National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL), as on the close of the **16.7.2016**, Saturday before start of **Book Closure date from 18.7.2016 (MONDAY) to 25.7.2016 (MONDAY) both days inclusive.**
- 17 Members holding shares in dematerialised form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents cannot act on any request received directly from the members holding shares in dematerialised form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
- 18 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their dematerialised accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrars and Transfer Agents, M/s. MCS Share Transfer Agent Ltd. 201, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad, Gujarat 380 009. TELEPHONES: 079 26580461 to 63, E-MAIL: mcsahmd@gmail.com
- 19 Payment of Dividend through Electronic Clearing Service (ECS) facility:
- Reserve Bank of India's Electronic Clearance Service (ECS) Facility provides investors an option to collect dividend directly through their bank accounts rather than receiving the same through post.
- The Company has already started making payment of Dividend to the members through the said Electronic Clearing Service (ECS) facility since F. Y. 2006-2007.
- Investors holding shares in physical form may send their ECS Mandate Form duly filled in, to the Company, R&TA. ECS Mandate Form is enclosed (Annexure A) for immediate use of investors. However, if shares are held in dematerialised form, ECS mandate has to be sent to the concerned Depository Participant (DP) directly in the format prescribed by the DP.
- 20 Members are requested to take note that copy of annual report will be sent to them as per their e-mail address registered with the R&TA of the Company.

Registered Office:
Nari Road, Bhavnagar Gujarat, 364 006
Gujarat 364 006, India
Dated: May 4, 2016
CIN: L27100GJ1975PLC002692
E-mail: direct1@ipcl.in investor@ipcl.in

BY ORDER OF BOARD OF DIRECTORS
Piyush I. Tamboli
CHAIRMAN & MANAGING DIRECTOR
DIN 00146033

Information about appointee:

Name of Director	Smt. V.P. Tamboli
Date of Birth	23.6.1968
Date of appointment/re-appointment	11.8.2015 Re-appointment
Qualification	Engineer (B.E. Civil)
Designation	Woman Director
Chairman/Director of other companies	Meche Pvt. Ltd.
Experience	Carrying on business of FASHION JEWELLERY.
Name of Director	Smt. V.P. Tamboli
Chairman/Member of committees of Board of company of which he/she is a Director	1 (member) 1 (chairman)
No. of shares held	3,13,200
Comparative Remuneration Profile with respect to industries, size of the Company, Profile of the Position and person	The remuneration (i.e. sitting fees for attending meetings) of the re-appointee is fully justifiable and comparable to that prevailing in the industry, keeping in view the profile and the position and enriches knowledge and vast experience of the re-appointee.

Registered Office:
Nari Road, Bhavnagar
Gujarat 364 006, India
Dated: May 4, 2016
CIN: L27100GJ1975PLC002692
E-mail: direct1@ipcl.in investor@ipcl.in

BY ORDER OF BOARD OF DIRECTORS
Piyush I. Tamboli
CHAIRMAN & MANAGING DIRECTOR
DIN 00146033

DIRECTORS' REPORT: 2015-2016

To
The Members

The Directors have pleasure in presenting the Directors' Report and audited statement of accounts of the Company for the period ended on March 31, 2016.

1. Financial Results:

	<u>2015-2016</u>	(Rs. in Lacs) <u>2014-2015</u>
Total Income	8275.25	7487.45
Profit Before Taxation	446.15	309.34
Less: Tax Expenses:		
1. Current	128.00	77.00
2. Deferred	31.66	18.84
3. Earlier Years' Tax	---	-1.87
Profit After Taxation	286.49	215.36
Which has been appropriated as follows:		
1. Proposed Dividend	35.00	25.00
2. Corporate Dividend Tax	7.13	5.09
3. General Reserve	244.36	185.27

2. **Operations:** The total Income during the year went up by over 10 % over the previous year. The profit before finance costs, depreciation and tax (EBITDA) increased to Rs.1317.72 Lacs from Rs. 1152.51 Lacs in the previous year.

There are no material changes and commitments which affect the financial position of the Company as on the date of this report since March 31, 2016.

There was no change in the nature of the business during the year under review.

3. **Dividend:** The Directors are pleased to recommend a Dividend for the period ended March 31, 2016 @ Rs. 0.70 per share on 50,00,000 Equity Shares for financial year 2015-2016 amounting to Rs. 35.00 Lacs as against Rs. 0.50 per share, amounting to Rs. 25.00 Lacs for last financial year 2014-2015, subject to approval of the members at this Annual General Meeting.

4. **Research & Development:** Product Development and Process Improvements actively continued during the year.

5. **Wind Power Project:** The Company's two Wind Turbine Generators are operating satisfactorily.

6. **Director and Key Managerial Personnel:** The Details of re-appointment of the Director:

Smt. Vishakha P. Tamboli (DIN 06600319) retires by rotation as required by the Companies Act, 2013, and being eligible, offers herself for re-election.

The particulars of Directors/employees and the remuneration paid to directors is given in the Annexure to the Directors' Report as required under section 197 (12) of the Companies Act, 2013

7. **Declaration from Independent Directors:** The Company has received necessary declaration from each Independent Director of the Company under section 149 (7) of the Companies Act, 2013 that the Independent Director of the Company meet with the criteria of their Independence laid down in Section 149 (6).

8. **Audit Committee:** The Audit Committee comprises Independent Directors namely Shri Akshay R. Shah (Chairman), Shri J. M. Mappaonkar, Shri Girish C. Shah and Shri Piyush I. Tamboli as other Members. All the recommendations made by the Audit Committee were accepted by the Board.
9. Policy laid down by the Nomination and Remuneration Committee for remuneration of Directors, Key Menegarial Persons (KMP) and other employees and the criteria formulated by the committee for determining qualifications, positive Attributes, Independence of a Director. **Please refer Annexure A attached to this report.**
10. **Vigil Mechanism:** The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance Task force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or telephone line or a letter to the Chairman of the Audit Committee. The policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the address www.ipcl.in.
11. **Directors' Responsibility Statement:** Your Directors confirm that:
 - a) in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no departure from the same;
 - b) they have selected prudent accounting policies;
 - c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - d) they have prepared the annual accounts on a 'going concern' basis;
 - e) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.
12. **Information about the Financial Performance/Financial Position of the Subsidiary:** The summary information on the balance sheet of the subsidiary company is given in this annual report on **Page No. 64.**
13. **Extract of Annual Return:** Eextract of Annual Return of the Company is annexed herewith as **Annexure B** to this report.
14. **Secretarial Audit Report:** The Board has appointed CS Alpesh Dhandhalya, practising company secretary, of CS Alpesh Dhandhalya & Associates, Companies Secretaries, Ahmedabad, to conduct Secretarial Audit for the financial year 2015-2016. The Secretarial Audit Report for the financial year ended March 31, 2016 contains no reservation and remarks.

A copy of this report issued by CS Alpesh Dhandhalya & Associates, Companies Secretaries, Ahmedabad is enclosed as **Annexure C** with this report.
15. **Significant and Material orders passed by the Regulators:** During the year there were no orders passed by the regulators which affected the going concern of the Company's operation, present and future.

16. **Internal Financial Controls:** The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.
17. **Particulars of Loans given, Investments made, Guarantees given and Securities provided:** Particulars of loans given, investment made along with the purpose for which the loan is proposed to be utilised by recipient are provided in the standalone financial statement. (Please refer to note 11, 12, 16 and 33 to the standalone statement).
18. **Risks Management Policy:** The Company manages, and monitors on the principal risks and uncertainties that can impact its ability to achieve its objectives.
19. **Corporate Social Responsibility Policy and annual report on CSR:** In pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013, CSR Committee of the Board of Directors was formed to recommend (a) the policy on Corporate Social Responsibility (CSR) and (b) implementation of the CSR Projects or Programs to be undertaken by the Company as per CSR Policy for consideration and approval by the Board of Directors.

The Company has made certain activities under the CSR project on voluntarily basis as the company is not falling under the defined criteria applicable to the company under the Companies Act, 2013.
20. **Related Party Transactions:** All contracts/arrangements/transactions entered during the financial year with related parties were in the ordinary course of the business and on arm's length basis. During the year, the company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Your Directors draw attention of the members to Note 33 to the Standalone financial statement which sets out related party disclosures.
21. **Cost Audit:** The Cost audit is presently not applicable to the company according to the revised guideline for limit of turnover for cost audit under the Companies Act, 2013 as amended.
22. **Listing with Stock Exchanges:** The Company is listed on The Bombay Stock Exchange Ltd. (BSE) since 1976. The company has paid listing fees to BSE for 2015-15 and 2016-17.
23. **Corporate Governance and Shareholders Information:** The Company has complied with amended clause of listing agreement concerning strength of independent directors on the Board before March 31, 2016.
24. **Secretarial Standards:** The Company has complied with amended secretarial standards.
25. **Segment Reporting:** As all the manufacture is of one class of products, segment wise reporting of the results is not applicable to your Company.
26. **Accounting for Taxes on income:** Deferred Tax Liability of Rs. 31.66 Lacs, resulting from application of the Accounting Standard AS-22, has been debited to the amount available for appropriation for the current Financial Year, 2015-2016.
27. **Management Discussion & Analysis:** The Management Discussion & Analysis is also enclosed.

28. Auditors:

The members will be requested at this Meeting to appoint Auditors and fix their remuneration. M/s. Sanghavi & Co., the existing Auditors, are eligible for re-appointment.

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

- a) Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- b) No significant or material orders were passed by the Regulations or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

30. Appreciation: The Directors thank the Bankers, Bank of Baroda, and the concerned authorities of the Government for their co-operation, and also record their appreciation for the efforts put in by the employees.

Registered Office:
Nari Road, Bhavnagar
Gujarat 364 006
Dated May 4, 2016

ON BEHALF OF THE BOARD OF DIRECTORS
Piyush I. Tamboli
CHAIRMAN & MANAGING DIRECTOR
DIN 00146033

ANNEXURE A TO DIRECTORS' REPORT

NOMINATION & REMUNERATION POLICY

1. Introduction:

In terms of Section 178 of the Companies Act, 2013, and the Listing Agreement entered into by the Company with Stock Exchanges, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. This policy shall act as a guideline for determining, inter alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

2. Objective : The policy is framed with the following objectives:

- 2.1 That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- 2.2 That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- 2.3 That the remuneration to Directors and Key Managerial Personnel (KMP) involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- 2.4 To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration.
- 2.5 To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry.
- 2.6 To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 2.7 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 2.8 To lay down criteria for appointment, removal of directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

3. Definitions:

In this Policy, unless the context otherwise requires, the following definitions shall apply:

- 3.1 **'Act'** means Companies Act, 2013, and rules thereunder.
- 3.2 **'Board of Directors'** or **'Board'**, in relation to the Company, means the collective body of the directors of the Company.
- 3.3 **'Committee'** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- 3.4 **'Company'** means INVESTMENT & PRECISION CASTINGS LIMITED.
- 3.5 **'Directors'** means Directors of the Company.
- 3.6 **'Independent Director'** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- 3.7 **'Key Managerial Personnel'** (KMP) means: (a) Chief Executive Officer and / or Managing Director, (b) Whole Time Director, (c) Chief Financial Officer, (d) Company Secretary, and (e) Such other officer as may be statutorily prescribed.
- 3.8 **'Ministry'** means the Ministry of Corporate Affairs.
- 3.9 **'Regulations'** refers to and comprises Companies Act, 2013, The Companies (Meeting of Board and its Powers) Rules, 2014, The Companies (Appointment and Qualification of Directors) Rules, 2014, The Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Listing Agreement and such other rules and provisions as applicable to the matters dealt in by this Policy.
- 3.10 **'Senior Management Personnel'** for this purpose shall mean employees of the company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the executive director(s), including the functional / vertical heads.
- 3.11 Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. Nomination and Remuneration Committee:

4.1 Guiding Principles for constitution of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee will consist of three or more nonexecutive directors, out of which at least one-half shall be independent director(s), provided that chairperson of the Company may be appointed as a member of this Committee but shall not chair such a Committee.

4.2 The Committee will meet at such intervals as it deems fit to carry out the objectives set out in the Policy. A quorum of two members) is required to be present for the proceedings to take place. The Committee members may attend the meeting physically or via permitted audio-visual mode, subject to the provisions of the applicable Regulations. The Committee shall have the authority to call such employee(s), senior official(s) and / or externals, as it deems fit.

5. Role of the Committee:

5.1 The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- ii. Identify persons who are qualified to become a Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;
- iii. Lay down the evaluation criteria for performance evaluation of Independent Directors and the Board;
- iv. Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- v. To devise a Policy on Board diversity.

5.2 The Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting, to answer the shareholders' queries. However, it would be up to the Chairman to decide who should answer the queries.

5.3 Provided that Nomination and Remuneration Committee shall set up a mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious execution.

6. Applicability: This Policy is applicable to:

- a. Directors viz. Executive, Non-executive and Independent
- b. Key Managerial Personnel
- c. Senior Management Personnel
- d. Other Employees of the Company as may be decided by the Board

7. Appointment criteria and qualification:

7.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his / her appointment.

7.2 For the appointment of KMP (other than Managing / Whole time Director) or Senior Management Personnel, a person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment. Further, for administrative convenience, the appointment of KMP (other than Managing / Whole time Director) or Senior Management, the Managing Director is authorized to identify and appoint a suitable person for such position. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance.

8. Term / Tenure: The Term of the Directors including Managing / Whole time Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the Clause 49, as amended from time to time. However, the term of the KMP (other than the Managing / Whole time Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

9. Training of Independent Directors:

9.1 The company shall provide suitable training to Independent Directors to familiarize them with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc.

9.2 The details of such training imparted shall be disclosed in the Annual Report.

10. Evaluation:

The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

11. Disqualifications for Appointment of Directors:

11.1 Pursuant to section 164 of the Companies Act, 2013, a person shall not be eligible for appointment as a director of a company if:

- a. He is of unsound mind and stands so declared by a competent court;
- b. He is an undischarged insolvent;
- c. He has applied to be adjudicated as an insolvent and his application is pending;
- d. He has been convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:
 - i. Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
 - ii. An order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;

- iii. He has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
 - iv. He has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
 - v. He has not complied with sub-section (3) of section 152.
- 11.2. No person who is or has been a director of a company which:
- a. Has not filed financial statements or annual returns for any continuous period of three financial years; or
 - b. Has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.
- 12. Removal:** The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions of the Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any
- 13. Retirement:** The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Regulations and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.
- 14. Remuneration of Managing / Whole Time Director, KMP & Senior Management Personnel :**
- 14.1 The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole Time Director will be determined by the Committee and recommended to the Board for approval. Subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder.
- 14.2 Further, the Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company.
- 15. Remuneration to Non-Executive / Independent Director:** The remuneration / commission sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / Shareholders.
- An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.
- 16. Dissemination:** The details of the Policy and the evaluation criteria as applicable shall be published on Company's website and accordingly disclosed in the Annual Report as part of Board's report therein.

ANNEXURE B TO DIRECTORS' REPORT
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.3.2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration and other details:

CIN	L27100GJ1975PLC002692
Registration date	03.04.1975
Name of the Company	INVESTMENT & PRECISION CASTINGS LTD
Category / Sub-Category of the Company	Having share capital
Address of the registered office and contact details	Nari road, Bhavnagar Gujarat 364 006 India
Whether listed company (Yes/No)	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	MCS SHARE TRANSFER AGENT LIMITED 201,SHATDAL COMPLEX,OPP:BATA SHOW ROOM ,ASHRAM ROAD,AHMEDABAD-380009

II. Principal of business activities of the company:

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Steel Castings	24310 FOR CASTINGS OF IRON AND STEEL 24320 FOR CASTING OF NON FERROUS METAL	100 %

III. Particulars of holding, subsidiary and Associate Companies:

Sr. no	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	Applicable Section
1	I&PCL Vacuum Cast limited	U27300GJ2010PLC062162	Wholly Owned Subsidiary	2 (87) (ii)

IV. Shareholding pattern (Equity share capital break up as percentage of Total Equity):

(i) Category-wise Shareholding:

Category of Share holder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) INDIAN									
a) Individual/ HUF	1649622	0	1649622	32.992	1686329	0	1686329	33.727	0.735
b) Central Govt.									

Category of Share holder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	809728	0	809728	16.195	809728	0	809728	16.195	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub total A(1)	2459350	0	2459350	49.187	2496057	0	2496057	49.921	0.735
(2) FOREIGN	0	0	0	0	0	0	0	0	0
a) NRI-individuals	0	0	0	0	0	0	0	0	0
b) Other	0	0	0	0	0	0	0	0	0
Individuals	0	0	0	0	0	0	0	0	0
c) Bodies	0	0	0	0	0	0	0	0	0
Corporate	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub Total A(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=(A)(1)+ (A)(2)	2459350	0	2459350	49.187	2496057	0	2496057	49.921	0.735
B) Public Shareholding									
1. INSTITUTIONS									
Mutual funds	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Central Govt.	0	0	0	0	0	0	0	0	0
State Govt.	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
FIs	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Others (Specify)	0	0	0	0	0	0	0	0	0
Sub Total B(1):-	0	0	0	0	0	0	0	0	0

Category of Share holder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. NON-INSTITUTIONS									
a) Bodies Corp.	95666	0	95666	1.913	160876	0	160876	3.218	1.305
1) Indian									
2) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1336635	142919	1469554	29.591	1429862	130119	1559981	31.200	1.609
ii) Individual Shareholders holding nominal share capital in excess of Rs 1 lakh	765295	12000	777295	15.543	610000	0	610000	12.200	-3.343
c) Others (Specify)									
HUF	98357	0	98357	1.967	83423	0	83423	1.668	-0.299
NRI	89778	0	89778	1.796	89663	0	89663	1.793	-0.003
Sub total (B) (2) :-	2385731	154919	2540650	50.813	2373824	130119	2503943	50.079	-0.735
Total Public Share holding (B) = (B) (1) + (B) (2)	2385731	154919	2540650	50.813	2373824	130119	2503943	50.079	-0.735
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
GRAND TOTAL A+B+C	4845081	154599	5000000	100	4869881	130119	5000000	100	0

ii Shareholding of Promoters:

Sl. No.	NAME OF SHARE HOLDER	SAHRE HOLDING AT THE BEGNING OF THE YEAR			SAHRE HOLDING AT THE END OF THE YEAR			% CHANGE DURING THE YEAR
		NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY	%of Shares Pledged/ encumbered to total shares	NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY	%of Shares Pledged/ encumbered to total shares	
1	Meche Pvt. Ltd.	809728	16.195	0	809728	16.195	0	0
2	P I Tamboli	819422	16.388	0	952329	19.047	0	2.659
3	V P Tamboli	313200	6.264	0	313200	6.264	0	0
4	Jainam P Tamboli	296000	5.920	0	296000	5.920	0	0
5	P I Tamboli	96000	1.920	0	96000	1.920	0	0
6	I F Tamboli	108400	2.168	0	11400	0.228	0	-1.940
7	Kavya P Tamboli	6400	0.128	0	6400	0.128	0	0
8	Kasturi H. Kamdar	6200	0.124	0	6200	0.124	0	0
9	Sarla I Tamboli	2400	0.048	0	2400	0.048	0	0
10	R K Menon	1600	0.032	0	2400	0.048	0	0.016
	TOTAL	2459350	49.187	0	2496057	49.921	0	0.735

(ii) Change in Promoter's Shareholding:

Sl. No.		SAHRE HOLDING AT THE BEGNING OF THE YEAR		Cumulative Shareholding during the year	
		No of Shares	% OF TOTAL SHARES OF THE COMPANY	No of Shares	% OF TOTAL SHARES OF THE COMPANY
	At the begning of the year	2459350	49.187	2459350	49.187
	26.8.15	14000	0.280	2473350	49.467
	1.9.15	800	0.016	2474150	49.483
	15.2.16	6637	0.133	2480787	49.616
	16.2.16	9151	0.183	2489938	49.799
	17.2.16	1119	0.022	2491057	49.821
	18.2.16	5000	0.100	2496057	49.921
	All purchases from open market				
	At the End of the Year	xx	xx	2496057	49.921

(IV) Shareholding Pattern of top ten Shareholders (Other than directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% OF TOTAL SHARES OF THE COMPANY	No of Shares	% OF TOTAL SHARES OF THE COMPANY
	At the begning of the year	716483	14.330	Xx	Xx
	Date wise Increase / Decrease in Share holding during the year	13541 1.4.15 to 31.3.16	0.271	13541	0.271
	At the End of the Year (or on date of Seperation if Seerated during the year)	xx	xx	730024	14.600

(V) Shareholding of Directors and Key managerial Personnel:

Sl. No.	For Each of the Directors and KMP	SAHRE HOLDING AT THE BEGNING OF THE YEAR		Cumulative Shareholding during the year	
		No of Shares	% OF TOTAL SHARES OF THE COMPANY	No of Shares	% OF TOTAL SHARES OF THE COMPANY
	At the beginning of the year	1230222	24.604	xx	xx
	1.4.15 TO 31.3.16	133707	2.674	133707	2.674
All purchases from open market					
	At the End of the Year	xx	xx	1363929	27.279

V. Indebtedness:

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	307352401	0	0	307352401
ii) Interest Due but Not Paid	0	0	0	0
iii) Interest Accrued but not due	0	0	0	0
Total I + ii = iii	307352401	0	0	307352401
Change in indebtedness during the financial year				
i) Addition	34689445	0	0	34689445
ii) Reduction	23196000	0	0	23196000
Net Change	34689445	0	0	34689445
Indebtedness at the end of the financial year				
i) Principal Amount	318845848	0	0	318845848
ii) Interest Due but Not Paid	0	0	0	0
iii) Interest Accrued but not due	0	0	0	0
Total I + ii = iii	318845848	0	0	318845848

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		CMD	ED	
1	Gross salary	2826000	1055000	3881000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	492339	0
	- others, specify	0	0	0

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		CMD	ED	
5	Others, please specify	0	0	0
	Total (A)	2826000	1547339	4373339
	Ceiling as per the Act	2826000	1547339	4373339

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		A R shah	J M Mapgaonkar	Girish C Shah	Vishakha P. Tamboli	
1	Independent Directors					
	Fee for attending board committee meetings	100500	100500	104500	0	305500
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (1)	100500	100500	104500	0	305500
2	Other Non-Executive Directors	0	0	0	0	0
	Fee for attending board committee meetings	0	0	0	55000	55000
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	55000	55000
	Total (B)=(1+2)	100500	100500	104500	55000	360500
	Total Managerial Remuneration	100500	100500	104500	55000	360500
	Overall Ceiling as per the Act	100500	100500	104500	55000	360500

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:
(If there is otherwise delete)

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary	144000	639341	783341
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	Others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	144000	639341	783341

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

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

To,
The Members,
INVESTMENT & PRECISION CASTINGS LIMITED
Nari Road, Bhavnagar,
Gujarat-364006
INDIA

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Investment & Precision Castings Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31 March 2016** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31 March 2016** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**).

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (***Applicable from 01 July 2015 to 31 March 2016 during the audit period***).
- (ii) The Uniform Listing Agreement entered into by the Company with Stock Exchanges pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations/qualification: NIL

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- Factories Act, 1948 and Rules made there under;
- Payment of Bonus Act, 1965 and Rules made there under;
- Minimum Wages Act, 1948 and Rules made there under;
- Contract Labour (Regulation & Abolition) Act, 1970 and Rules made there under;
- Employee State Insurance Act, 1948 and Rules made there under;
- Provident Fund Act, 1952 and Rules made there under;
- Apprentice Act, 1961 and Rules made there under; and

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Place: Ahmedabad
Date: May 01, 2016

FOR ALPESH DHANDHLYA & ASSOCIATES
COMPANY SECRETARIES
CS Alpesh Dhandhlya
(Proprietor)
ACS No. 32500
CP No. 12119

MANAGEMENT DISCUSSION & ANALYSIS

A. INDUSTRY STRUCTURE & DEVELOPMENT:

The growth rate of Indian economy has been satisfactory during the year. The Indian automotive industry has shown a mixed trend under different segment of vehicles during the year.

B. OPPORTUNITIES, THREATS, RISKS & CONCERNS:

1. Opportunities:

The next year forecast of the Indian Automotive Sector is projected to be better than previous year. The Company has been able to retain market share from automobile sector customers which has resulted into adequate order position for the company. The Company has been able to develop new customers during the year under review and hope to increase volume from new customers in the coming years. The export business has also helped the company to some extent. The company has continued its focus on the development of new business in aero space sector, with the help of adding vacuum melting furnace which may help increase volume of business of the company.

2. Threats:

The entries of many new suppliers in the domestic market in automobile industries have affected the company to some extent. However, The Company has started to develop business with non-auto customers, which will balance the company's position in the market of investment casting.

3. Risks & Concerns:

The prevailing uncertain volatile trend of increase/decrease in the cost of inputs, etc. has effect on the operational manufacturing cost of the Company. Also, the frequent and uncontrolled increase in fuel cost has also affected automotive sector largely. All these factors have put strain on the business and margins of the company.

C. OUTLOOK:

Overall market seems improved as compared to last couple of years for IPCL. We also see good business potential from the Export market in coming years.

The Company has made need based Capital Investment during the year.

D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place adequate systems of internal control and documented procedures covering all financial and operating functions. These have been designed to provide reasonable assurance with regard to maintaining proper accounting controls, monitoring economy and efficiency of operations, protecting assets from unauthorised use or losses, and ensuring reliability of financial and operational information.

An Audit Committee of the Board of Directors comprising of Independent Directors and Whole Time Directors, which is functional from 2005-06 Financial Year, has reviewed regularly the audit plans, significant audit findings, adequacy of internal controls as well as compliance with Accounting Standards.

E. FINANCIAL PERFORMANCE:

Turnover (sales and other income from operations), net of Excise Duties, increased by over 10 % from Rs. 7487.45 Lacs to Rs. 8275.25 Lacs.

Expenditure increased by over 8 % from Rs. 7419.14 Lacs to Rs. 8063.95 Lacs mainly on account of the increase in the turnover and level of production. During the year finance costs and depreciation cost increased from Rs. 843.17 Lacs to Rs. 871.57 Lacs,

Profit before depreciation, finance costs and tax increased from Rs. 1152.51 Lacs to Rs. 1317.71 Lacs.

The Company's Profit before Tax (PBT) increased from Rs. 309.34 Lacs to Rs. 446.15 Lacs.

F. HUMAN RESOURCES:

Industrial relations continued to be cordial during the year.

G. CAUTIONARY STATEMENT:

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets, change in the Government regulations, tax laws and other statutes and incidental factors.

CORPORATE GOVERNANCE

1.0 BOARD OF DIRECTORS:

The Board of Directors comprises six Directors out of which three are Non-Executive Directors and one Woman Director as on the date of the accompanying Notice, May 4, 2016. The Company has an Executive and Promoter Director as the Chairman. Out of the total strength of six directors fifty percent directors are independent directors. The company has complied with amended clause of listing agreement concerning strength of independent directors on the Board as on the date of the accompanying Notice, May 4, 2016. The day-to-day operations of the Company are being overseen by Shri Piyush I. Tamboli, Chairman and Managing Director. None of the Directors on the Company's Board is a member of more than ten Committees and Chairman of more than five Committees across all the companies in which he is a Director. The composition of the Board, details of remuneration paid, attendance at the Board Meetings (BM) held during the financial year under review and at the last Annual General Meeting (AGM), number of Directorships memberships/chairmanships in public companies (including the Company) are annexed herewith.

Information on appointment of Directors as required under Listing Agreement is given below:

Sr. No.	Name	Date of Birth	Date of Appointment	Expertise In specific functional areas	No. of other Directorship
1	Nil				

During the year under review, five Board Meetings were held on dates 30.5.2015, 13.6.2015, 11.8.2015, 2.11.2015 and 2.2.2016.

2.0 Audit Committee: At present, the composition of the Audit Committee is as under:

1.	Chairman	:	Mr. Akshay R. Shah, (Independent Director)
2.	Members	:	Shri J. M. Mapgaonkar, (Independent Director)
		:	Shri Girish C. Shah (Independent Director)
		:	Shri P. I. Tamboli, Chairman & Managing Director

During the year under review, the Audit Committee met four times on dates 30.5.2015, 11.8.2015, 2.11.2015 and 2.2.2016.

3.0 Investor's Grievance Committee: At present, the composition of the Investors' Grievance Committee is as under:

1.	Chairman	:	Shri J. M. Mapgaonkar (Independent Director)
2.	Members	:	Shri Akshay R. Shah, (Independent Director)
		:	Shri Girish C. Shah (Independent Director)
		:	Shri P. I. Tamboli, Chairman & Managing Director

During the year under review, the Investor's Grievance Committee met four times on dates 30.5.2015, 11.8.2015, 2.11.2015 and 2.2.2016.

The status on the total number of Complaints received during the year was as follows:

# Complaints pending at the beginning of the year	:	0
# Complaints received during the year	:	1
# Complaints redressed and replied during the year	:	1
# Complaints pending at the end of the year.	:	0

4.0 Remuneration Committee: Presently, the composition of the Remuneration Committee is as under:

1.	Chairman	:	Shri Girish C. Shah, (Independent Director)
2.	Members	:	Shri Akshay R. Shah, (Independent Director)
		:	Shri J M Mapgaonkar (Independent Director)

4.1 Scope of the Remuneration Committee: The Remuneration Committee recommends/reviews remuneration of Whole Time Directors.

During the year under review, the Remuneration Committee met one time on date 2.2.2016.

5.0 Separate meeting of Independent Directors of the Company:

As per the provisions of Clause VII of the Schedule IV of the Companies Act, 2013 and the applicable Clause(s) of the Listing Agreement as amended, the Independent Directors of the Company met on 2.2.2016. The independent directors in the meeting require inter-alia:

- i. review the performance of non-independent directors and the Board as a whole;
- ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

6.0 Corporate Social Responsibility (CSR) Committee: Presently, the composition of the CSR Committee is as under:

1.	Chairman	:	Shri Girish C. Shah, (Independent Director)
2.	Members	:	Shri Piyush I Tamboli, (Chairman & Managing Director)
		:	Shri J M Mapgaonkar (Independent Director)
		:	Smt. Vishakha P. Tamboli (Woman Director)

During the year under review, the Committee met on date 11.8.2016.

7.0 Sexual Harassment Committee: Presently, the composition of the committee is as under:

1.	Chairman	:	Smt. Vishakha P. Tamboli, (Woman Director)
2.	Members	:	Shri Girish C. Shah, Member & Alternate Chairman (Independent Director)
		:	Shri Akshay R. Shah (Independent Director)

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

8.0 As per the provision of Section 205 A read with Section 205 C of the Companies Act 1956, the Company has transferred unpaid dividends to the Investor Education and Protection Fund (IEPF).

9.0 Means of communication:

Half-yearly reports sent to each household of shareholders	Yes
Quarterly and Half Yearly Results	Published in The Indian Express, Mumbai and Financial Express, Ahmedabad
Any Website where displayed	www.ipcl.in
Whether it displays official news releases and presentations made to institutional investors or to the analysts.	No
Whether Management Discussion & Analysis is a part of the Annual Report	Yes

Details of last three Annual General Meetings:

Annual General Meeting for Financial Year	:	2014-2015	2013-2014	2012-2013
Date	:	11.8.2015	7.8.2014	7.8.2013
Time	:	4.30 P.M.	4.30 P.M.	4.30 P.M.
Venue	:	Hotel Nilambaug Palace, Bhavnagar		

10.0 Disclosures:

During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with its promoters, directors, management and subsidiaries that had a potential conflict with the interest of the Company.

The Company has complied with various rules and regulations prescribed by stock exchanges, SEBI or any other statutory authority relating to the capital markets during the last three years. No penalties or structures have been imposed by them on the Company.

11.0 General Shareholder information:**11.1 Annual General Meeting:**

Date & Time : July 26, 2016 at 4.30 p.m.
Venue : Hotel Nilambaug Palace, Bhavnagar.

11.2 Registered Office : Nari Road, Bhavnagar, Gujarat 364 006.

11.3 Telephone Nos. : (91) (278) 2523300 to 04

11.4 E-mail : direct1@ipcl.in; investor@ipcl.in

11.5 Financial Calendar:

Quarter ending	:	30th June 2015	30th September 2015	31st December 2015	31st March 2016
Reporting Month	:	July 2015	October 2015	January 2016	May 2016

11.6 The Company has paid annual listing fees to The Bombay Stock Exchange Limited (BSE) in respect of the financial year 2015-2016 and 2016-2017.

11.7 Market Price Data: Market Price Data: High, Low during each month in last financial year:

Months	BSE High	BSE Low	Months	BSE High	BSE Low	Months	BSE High	BSE Low
April 15	125.70	89.00	Aug. 15	121.60	85.50	Dec. 15	161.00	116.10
May 15	117.50	98.00	Sept. 15	104.90	85.20	Jan. 16	172.00	115.10
June 15	106.00	87.00	Oct. 15	129.00	98.00	Feb. 16	144.90	90.00
July 15	121.70	88.00	Nov. 15	122.50	103.20	Mar. 16	146.45	100.00

11.8 Registrar and Transfer Agent: MCS SHARE TRANSFER AGENT LIMITED
 201, Shatdal Complex, Opp. Bata Show Room,
 Ashram Road, Ahmedabad, Gujarat 380 009.
 TELEPHONES: 079 26580461 to 63
 E-mail: mcsstaahmd@gmail.com mcsahmd@gmail.com

11.9 Distribution of Shareholding as at end of 31st March 2016:

Category	No. of Shares held	Percentage (%) of Shareholding
Promoters	24,96,057	49.92
Nationalised Banks	--	--
Financial Institutions	--	--
Non Resident Indian	89,663	1.79
Others	24,14,280	48.29
Total	50,00,000	100.00

11.10 Distribution Schedule as on 31st March, 2016:

Number of Shares held	No. of Holders				Shares held in			
	Physical	%	Electronic	%	Physical	%	Electronic	%
Upto 250	47	30.92	2603	69.77	5219	4.01	212202	4.36
251 to 500	12	7.89	456	12.22	4700	3.61	181935	3.74
501 to 1000	64	42.11	307	8.23	50800	39.04	247921	5.08
1001 to 2000	21	13.82	195	5.23	32600	25.05	298091	6.12
2001 to 3000	0	0	55	1.47	0	0	139297	2.87
3001 to 4000	6	3.96	35	0.94	20000	15.37	125708	2.58
4001 to 5000	1	0.65	18	0.48	4800	3.69	81715	1.68
5001 to 10000	0	0	33	0.88	0	0	248553	5.10
10001 and above	1	0.65	29	0.78	12000	9.23	3334459	68.47
Total	152	100.00	3731	100.00	130119	100.00	4869881	100.00

Board of Directors:

Name of the Director	Category	Remuneration paid , Rs. F.Y. 2015-2016				F.Y. 2015-16		As on 4.5.2016		
		Salary & Perks	Sitting Fees	Commis- sion	Total	Attendance at		No. of Direc- torship*	Committee Positions	
						BM	Last AGM		Mem- ber**	Chair- man
Mr. I. F. Tamboli	Non-Executive Chairman (Emeritus), Promoter	-	22,000	-	22,000	2	No	-	-	-
Mr. Akshay R. Shah	Non-Executive, Independent	-	1,00,500	-	1,00,500	4	Yes	4	4	1
Mr. J. M. Mapgaonkar	Non-Executive, Independent	-	1,00,500	-	1,00,500	4	Yes	2	3	2
Mr. Girish C. Shah	Non-Executive, Independent	-	1,04,500	-	1,04,500	5	Yes	3	4	2
Mrs. V. P. Tamboli	Non-executive Woman Director Promoter	-	55,000	-	55,000	5	Yes	2	1	1
Mr. R. K. Menon	Whole-Time Director Non-Promoter	10,55,000	-	4,92,339	15,47,339	5	Yes	4	-	-
Mr. P. I. Tamboli	Chairman and Managing Director Promoter	28,26,000	-	-	28,26,000	5	Yes	5	3	-
Total		38,81,000	3,82,500	4,92,339	47,55,839					

*including the Company
** Member does not including Chairman

CEO CERTIFICATION UNDER CLAUSE 49 (V):

To

The Board of Directors

- (a) We have reviewed the attached financial statements and the cash flow statement for the year ended on 31 March 2016.

To the best of our knowledge and belief, we certify that:

- (i) these statements do not contain any materially un-true statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (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 and we have evaluated the effectiveness of the internal control systems of the company. We certify that no deficiencies in the design or operation of internal control were found.
- (d) We have indicated to the auditors about;
- (i) no significant changes in internal control during the year:
- (ii) no significant changes in accounting policies during the year.
- (iii) no instances of any fraud during the year under review.

Place : Bhavnagar
Dated : May 4, 2016

(Piyush I Tamboli)
CHAIRMAN & MANAGING DIRECTOR
DIN 00146033

CERTIFICATE

To,

The members of
Investment & Precision Castings Ltd.

We have examined the compliance of conditions of Corporate Governance by Investment & Precision Castings Limited for the year ended 31st March, 2016 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an Audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements.

We state that one investor's grievance is pending for a period of less than one month, pending receipt of necessary documents from the investor.

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

Place: Bhavnagar
Date: May 4, 2016

For and on behalf of
Sanghavi & Company,
Chartered Accountants,
FRN : 109099W
Manoj Ganatra
Partner
Member Ship No:043485
Bhavnagar

INDEPENDENT AUDITORS' REPORT

To
The Members of
INVESTMENT & PRECISION CASTINGS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Investment & Precision Castings Limited** ("the Company") which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016 and of the profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in clause 3 and 4 of the Order, to the extent possible.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The 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 aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016, from being appointed as a director in terms section 164(2) of the Act;
- f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure – B may be referred;
- f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company does not have any pending litigations which would impact its financial position except those stated under note no. 30 - Contingent Liabilities;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Bhavnagar
May 4, 2016

MANOJ GANATRA
Partner
Membership No. 043485

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

- 1 In respect of fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The fixed assets were physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the Company.
- 2 The inventories were physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such physical verification carried out by the Company.
- 3 The Company has granted unsecured loans a wholly-owned subsidiary covered in the register maintained under section 189 of the Act.
 - a. The terms and conditions of the grant of such loans are not prejudicial to the interest of the Company;
 - b. Since no terms and conditions of the loans granted are stipulated, we can not offer any comments as to the repayment of principal amount or overdue amounts, if any. No interest is charged on these loans.
- 4 The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security, to the extent applicable.
- 5 The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- 6 We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7 In respect of statutory and other dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable *except for municipal tax Rs. 97,000.*

- b. There are no amounts outstanding, which have not been deposited on account of dispute except for the followings:

Nature of Payment	Financial Year	Rs.	Forum where dispute is pending
Income Tax	2002-2003	312,000	Income Tax Appellate Tribunal
Value Added Tax	2002-2003	894,939	The Commissioner of Gujarat Commercial Tax
Central Sales Tax	2011-2012	781,845	The Commissioner of Gujarat Commercial Tax

- 8 The Company has not defaulted in repayment of loans or borrowing to banks. The Company has not obtained any borrowings from any financial institutions or government or by way of debentures.
- 9 Terms loans obtained by the Company have been applied for the purpose for which they were obtained. The Company has not raised any money, during the year, by way of public offer (including debt instruments).
- 10 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company or on the Company by its officers or employees was noticed or reported during the year.
- 11 Managerial remuneration paid or provided by the Company during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 12 Since the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13 All transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 14 The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15 The Company has not entered into any non-cash transactions during the year with directors or persons concerned with him.
- 16 The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Bhavnagar
 May 4, 2016

MANOJ GANATRA
Partner
Membership No. 043485

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **Investment & Precision Castings Limited** ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that -

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Bhavnagar
May 4, 2016

MANOJ GANATRA
Partner
Membership No. 043485

BALANCE SHEET AS AT 31st MARCH 2016

Particulars	Note No.	31st March 2016 Rs.	31st March 2015 Rs.
<u>EQUITY AND LIABILITIES ::</u>			
Shareholders' Funds			
Share Capital	2	50,000,000	50,000,000
Reserves and Surplus	3	<u>461,798,388</u>	<u>437,361,489</u>
		511,798,388	487,361,489
Non-Current Liabilities			
Long-term Borrowings	4	57,845,092	55,370,618
Deffered Tax Liabilities		34,725,000	31,559,000
Other Long Term Liabilities	5	19,990	551,576
Long-term Provisions	6	<u>3,237,207</u>	<u>2,867,442</u>
		95,827,289	90,348,636
Current Liabilities			
Short-term Borrowings	7	231,385,756	228,785,785
Trade Payables		110,234,452	71,502,991
Other Current Liabilities	8	49,001,994	42,731,741
Short-term Provisions	9	<u>8,847,594</u>	<u>6,098,530</u>
		399,469,796	349,119,047
Total...		<u><u>1,007,095,473</u></u>	<u><u>926,829,172</u></u>
<u>ASSETS ::</u>			
Non-Current Assets			
<u>Fixed Assets</u>			
	10		
Tangible Assets		437,970,414	409,268,238
Intangible Assets		-	-
Capital Work-in-Progress		<u>46,141,540</u>	<u>53,866,386</u>
		484,111,954	463,134,624
Non-current Investments	11	2,500,000	2,500,000
Long-term Loans and Advances	12	51,390,272	41,174,599
Other Non-current Assets		-	-
		538,002,226	506,809,223
Current Assets			
Inventories	13	164,731,111	137,750,846
Trade Receivables	14	202,258,019	177,846,906
Cash and Bank Balances	15	8,652,155	11,220,659
Short-term Loans and Advances	16	93,451,962	93,201,538
Other Current Assets		-	-
		469,093,247	420,019,949
Total...		<u><u>1,007,095,473</u></u>	<u><u>926,829,172</u></u>
The accompanying notes 1 to 36 are an integral part of these financial statements.			

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants

MANOJ GANATRA
Partner

Bhavnagar
4th May 2016

Girish V Shah
Chief Financial Officer
Hetal Kapadiya
Company Secretary

For and on behalf of the Board of Directors

Piyush I. Tamboli
CHAIRMAN & MANAGING DIRECTOR

R. K. MENON
EXECUTIVE DIRECTOR

Bhavnagar
4th May 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

Particulars	Note No.	2015-2016 Rs.	2014-2015 Rs.
<u>REVENUE :</u>			
Revenue from Operations (Gross)	17	954,196,721	858,115,969
Less: Excise duty		(104,923,968)	(92,645,742)
Revenue from Operations (Net)		849,272,753	765,470,227
Other Income	18	1,737,891	7,377,412
Total Revenue		851,010,644	772,847,639
<u>EXPENSES :</u>			
Cost of Materials Consumed	19	77,076,297	77,996,371
Purchases of Stock-in-Trade		-	-
Changes in Inventories	20	-15,401,027	9,458,733
Employee Benefits Expense	21	75,799,483	66,648,156
Finance Costs	22	40,523,341	41,513,321
Depreciation and Amortization		46,633,736	42,804,202
Manufacturing Expenses	23	519,046,133	446,906,050
Other Expenses	24	62,717,264	56,587,071
Total Expenses		806,395,227	741,913,904
Profit before exceptional and extraordinary items and tax		44,615,417	30,933,735
Exceptional Items		-	-
Extraordinary Items		-	-
Profit Before Tax		44,615,417	30,933,735
Tax Expenses			
Current tax		12,800,000	7,700,000
Deferred Tax		3,166,000	1,884,290
Earlier Years' Tax		0	(186,990)
		15,966,000	9,397,300
Net Profit for the year		28,649,417	21,536,435
Face Value per Equity Share		10.00	10.00
Earnings per Equity Share			
Basic/Diluted		5.73	4.31
The accompanying notes 1 to 36 are an integral part of these financial statements.			

As per our report of even date
For SANGHAVI & COMPANY
Chartered Accountants

MANOJ GANATRA
Partner

Bhavnagar
4th May 2016

Girish V Shah
Chief Financial Officer
Hetal Kapadiya
Company Secretary

For and on behalf of the Board of Directors

Piyush I. Tamboli
CHAIRMAN & MANAGING DIRECTOR

R. K. MENON
EXECUTIVE DIRECTOR

Bhavnagar
4th May 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in lacs)

	2015-2016	2014-2015
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax And Extraordinary Items	446.15	309.34
Adjustments for -		
Depreciation	466.33	428.04
Loss (Profit) on sale of fixed assets	(1.37)	(34.10)
Interest	343.95	374.80
Operating Profit Before Working Capital Changes	<u>1,255.06</u>	<u>1,078.08</u>
Adjustments for -		
Trade and Other Receivables	(375.44)	62.08
Inventories	(269.78)	174.79
Trade and Other Payables	464.98	(352.67)
Cash Generated From Operations	<u>1,074.82</u>	<u>962.28</u>
Direct Taxes Paid	<u>(135.94)</u>	<u>(91.11)</u>
NET CASH FROM OPERATING ACTIVITIES	938.88	871.17
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(680.61)	(635.52)
Sale of Fixed Assets	5.89	42.09
Interest Received	11.90	6.33
Dividend Received	<u>-</u>	<u>-</u>
NET CASH USED IN INVESTING ACTIVITIES	(662.82)	(587.10)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Long Term Borrowings (net)	24.74	73.78
Proceeds from Short Term Borrowings (net)	26.00	2.70
Proceeds from issue of Equity Shares	-	-
Loans Lent	(0.09)	(2.34)
Interest Paid	(355.85)	(381.13)
Dividend Paid	<u>(26.16)</u>	<u>(25.60)</u>
NET CASH USED IN FINANCING ACTIVITIES	(331.36)	(332.59)
Net Increase in Cash and Cash Equivalents	(55.30)	(48.52)
Cash and Cash Equivalents as at beginning of the year	<u>104.51</u>	<u>153.03</u>
Cash and Cash Equivalents as at end of the year	<u><u>49.21</u></u>	<u><u>104.51</u></u>
<u>Cash and Cash Equivalents:</u>		
Cash and Bank Balances	86.52	112.21
Statutory restricted accounts	<u>(37.31)</u>	<u>(7.70)</u>
	<u>49.21</u>	<u>104.51</u>

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants

MANOJ GANATRA
Partner

Bhavnagar
4th May 2016

Girish V Shah
Chief Financial Officer
Hetal Kapadiya
Company Secretary

For and on behalf of the Board of Directors

Piyush I. Tamboli
CHAIRMAN & MANAGING DIRECTOR

R. K. MENON
EXECUTIVE DIRECTOR

Bhavnagar
4th May 2016

1 Significant Accounting Policies:

Basis of Accounting:

The financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Fixed Assets:

Tangible Assets are stated at cost less depreciation, All the costs incurred till the date of the assets ready for use, including installation and substantial modification to the fixed assets are capitalized and included in the cost of the respective assets.

Depreciation is provided on Straight Line Method at the rates and in the manner specified in the Schedule II in accordance with the provisions of section 123(2) of the Companies Act, 2013.

Inventories:

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on the following basis:

Raw materials, traded goods and stores and spares – on weighted average basis;

Finished and semi-finished goods – at material cost plus direct expenses and appropriate value of overheads; cost of finished goods includes excise duty.

Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably be measured.

Revenue from sale of goods are recognized when significant risks and rewards of ownership are passed the buyer, which generally coincides with dispatch of goods. Sales taxes and value added taxes, wherever applicable, are collected on behalf of the Government and therefore, excluded from the revenue.

Excise and Custom Duty:

Excise Duty in respect of goods manufactured by the company is, according to the method consistently followed by the company, accounted for at the time of removal of goods from the factory for sale.

However, excise duty payable on the closing stock of finished goods is provided for in the accounts. Purchases of goods and fixed assets are accounted for net of excise credit availed. Custom duty paid on import of materials is dealt with in respective materials accounts.

Employee Benefits:

Post-employment benefit plans:

Defined Contribution Plan: Contribution for provident fund is accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner. Contribution for Superannuation in respect of certain employees of the company is made in accordance with the scheme with Life Insurance Corporation of India.

Defined Benefit Plan: The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains are recognised in full in the profit and loss account for the period in which they occur.

Contributions in respect of gratuity are made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost and as reduced by the fair value of respective fund.

Short-term employee benefits:

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

Research and Development:

Revenue expenditure on Research and Development is charged against the profit for the year in which it is incurred. Capital expenditure on Research and Development is shown as an addition to the fixed assets and is depreciated on the same basis as other fixed assets.

Borrowing Costs:

Net cost of borrowed funds for the projects till completion are capitalised and included in the cost of fixed assets. Other borrowing costs are recognised as expenses in the period in which they are incurred.

Foreign Currencies Transactions:

Foreign currency transactions are accounted for at the rates prevailing on the date of transaction. Differences arising out of foreign exchange rates are dealt with in the profit & loss account. Current assets and current liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at the closing rates and profit or loss arising there from is dealt with in the profit & loss account.

Taxation:

Provisions are made for current tax based on tax liability computed in accordance with relevant tax rates and tax laws.

Deferred tax is recognised, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Earning per Share:

Basic earning per Share is computed by dividing the net profit attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by using the weighted average number of equity and dilutive equity equivalent shares outstanding at the year end.

Provision and Contingencies:

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow or where a realisable estimate of the obligation can not be made.

Note No. 22.1 Share Capital:

Particulars	31st March 2016	31st March 2015
	Rs.	Rs.
Authorised		
10,400,000 Equity Shares of Rs. 10 each	104,000,000	104,000,000
10,000 11 % Redeemable Cumulative Preference Shares of Rs. 100 each	1,000,000	1,000,000
	<u>105,000,000</u>	<u>105,000,000</u>
Issued, Subscribed and Paid up		
5,000,000 Equity Shares of Rs. 10 each	50,000,000	50,000,000
	<u>50,000,000</u>	<u>50,000,000</u>

a. Of the total share capital, 4,650,000 equity shares were issued as fully paid up bonus shares.

b. Equity shares issued as fully paid up bonus shares or otherwise than by cash during the preceding 5 years: Nil

2.2 Share Capital Reconciliation:

Particulars	Equity Shares	
	No. of shares	Rs.
Shares outstanding at the beginning of the year	5,000,000	50,000,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	5,000,000	50,000,000

2.3 Shares held by each shareholder holding more than five per cent shares

Name of Shareholder	31st March 2016		31st March 2015	
	No. of shares	% of holding	No. of shares	% of holding
Meche Private Limited	809,728	16.19	809,728	16.19
Piyush I Tamboli	1,048,329	20.97	915,422	18.31
Rekha N Shah	500,000	10.00	500,000	10.00
Vishakha P Tamboli	313,200	6.26	313,200	6.26
Jainam P Tamboli	296,000	5.92	296,000	5.92

2.4 Rights, preferences and restrictions attached to shares

Equity Shares:

The company has one class of equity shares having a face value of Rs. 10 each ranking pari passu in all respects including voting rights and entitlement to dividend.

Note No. 3
Reserves and Surplus

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
a. General Reserve		
Balance at the beginning of the year	427,453,989	409,137,396
Adjustment on account of depreciation	-	(210,901)
Transfer from surplus	24,436,899	18,527,494
Balance at the end of the year	<u>451,890,888</u>	<u>427,453,989</u>
b. Surplus		
Balance at the beginning of the year	1,000,000	1,000,000
Net Profit for the current year	28,649,417	21,536,435
Transfer to general reserve	(24,436,899)	(18,527,494)
Proposed dividend	(3,500,000)	(2,500,000)
Corporate dividend tax	(712,518)	(508,941)
Balance at the end of the year	<u>1,000,000</u>	<u>1,000,000</u>
c. Capital Reserve		
Balance at the beginning of the year	6,387,500	6,387,500
Forefeiture of equity warrants application money	-	-
Balance at the end of the year	<u>6,387,500</u>	<u>6,387,500</u>
d. Securities Premium Account		
Balance at the beginning of the year	2,520,000	2,520,000
Addition during the year	-	-
Balance at the end of the year	<u>2,520,000</u>	<u>2,520,000</u>
	<u><u>461,798,388</u></u>	<u><u>437,361,489</u></u>

Note No. 4
Long Term Borrowings

Particulars	31st March 2016	31st March 2015
	Rs.	Rs.
<u>a. Secured</u>		
Term loans from a bank	57,845,092	55,370,618
	57,845,092	55,370,618
Notes:		
Term loans from Bank of Baroda are secured by hypothecation of plant & equipment and mortgage of land, building and vehicle and further secured by personal guarantee of one of the directors.		
Period of default - N.A		
Amount - Nil		
<u>b. Unsecured</u>	-	-
	-	-
	57,845,092	55,370,618

Note No. 5
Other Long Term Liabilities

Particulars	31st March 2016	31st March 2015
	Rs.	Rs.
Gujarat State Industrial Development Corporation	-	475,681
Staff security deposits	19,990	75,895
	19,990	551,576

Note No. 6
Long Term Provisions

Particulars	31st March 2016	31st March 2015
	Rs.	Rs.
Provision for leave encashment	3,237,207	2,867,442
	3,237,207	2,867,442

Note No. 7
Short Term Borrowings

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
<u>a. Secured</u>		
Working capital finance from a bank	231,385,756	228,785,785
	231,385,756	228,785,785
Note:		
Working capital finance from Bank of Baroda are secured by hypothecation, book debts and all movable properties and mortgage of all immovable properties and further secured by personal guarantee of one of the directors.		
Period of default - N.A		
Amount - Nil		
<u>b. Unsecured</u>		
	-	-
	-	-
	231,385,756	228,785,785

Note No. 8
Other Current Liabilities

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
Current maturities of long-term debt	29,615,000	23,196,000
Advances from customers	2,156,911	1,382,025
Statutory liabilities	10,071,095	10,001,399
Unclaimed dividends	418,220	534,390
Other liabilities	6,740,768	7,617,927
	49,001,994	42,731,741

Note No. 9
Short Term Provisions

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
Provision for bonus	4,100,000	2,660,000
Provision for leave encashment	535,076	429,589
Proposed dividend	3,500,000	2,500,000
Corporate dividend tax	712,518	508,941
	8,847,594	6,098,530

Note No. 10
Fixed Assets

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 1st April 2015	Additions	Deductions	As at 31st March 2016	As at 1st April 2015	Depreciation For the Year	On Deductions/ Adjustments	As at 31st March 2016	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets										
Freehold Land	11,481,727	-	-	11,481,727	-	-	-	-	11,481,727	11,481,727
Leasehold Land	5,562,718	-	-	5,562,718	337,134	56,189	-	393,323	5,169,395	5,225,584
Buildings	204,821,170	23,086,584	-	227,907,754	41,185,493	7,991,991	-	49,177,484	178,730,270	163,635,677
Plant & Equipment	527,010,001	50,624,368	45,926	577,588,443	315,851,773	35,382,194	419	351,233,548	226,354,895	211,158,228
Vehicles	12,256,346	1,017,089	1,468,015	11,805,420	6,921,918	921,703	1,068,038	6,775,583	5,029,837	5,334,428
Furniture & Fixtures	11,551,828	532,246	-	12,084,074	4,112,540	916,466	-	5,029,006	7,055,068	7,439,288
Office Equipment	17,270,030	526,938	188,811	17,608,157	12,276,724	1,365,193	182,982	13,458,935	4,149,222	4,993,306
Total...	789,953,820	75,787,225	1,702,752	864,038,293	380,685,582	46,633,736	1,251,439	426,067,879	437,970,414	409,268,238
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Total...	789,953,820	75,787,225	1,702,752	864,038,293	380,685,582	46,633,736	1,251,439	426,067,879	437,970,414	409,268,238
Capital Work in Progress	53,866,386	9,973,080	17,697,926	46,141,540	-	-	-	-	46,141,540	53,866,386
Total...	843,820,206	85,760,305	19,400,678	910,179,833	380,685,582	46,633,736	1,251,439	426,067,879	484,111,954	463,134,624
Previous year	782,389,772	72,779,416	11,348,982	843,820,206	338,892,091	42,804,202	1,010,711	380,685,582	463,134,624	443,497,681

Note No. 11
Non-current Investments

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
<u>Trade Investments:</u>		
<u>Unquoted; at cost:</u>		
<u>Investment in Subsidiary Company :</u>		
250,000 equity shares of I&PCL Vacuum Cast Limited of Rs. 10 each (A Wholly Owned Subsidiary)	2,500,000	2,500,000
	2,500,000	2,500,000

Note No. 12
Long-term Loans and Advances

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
<u>Unsecured (considered good)</u>		
Capital advances	28,255,735	19,498,978
Security deposits (including to a company in which some of the directors are interested Rs. 10,000,000 (10,000,000))	12,551,076	12,551,076
Loan to a subsidiary company	5,434,134	5,425,284
Loans to staff (including officers of the company Rs. 1,241,820; previous year Rs. 370,830)	1,316,746	442,871
Loans to ancillary units	3,832,581	3,256,390
	51,390,272	41,174,599

Note No. 13
Inventories

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
(Valued at the lower of cost or net realisable value)		
Raw materials	30,557,277	23,136,962
Work-in-progress	70,506,382	54,976,969
Finished goods	32,874,309	33,002,695
Stores & spares	30,793,143	26,634,220
	164,731,111	137,750,846

Note No. 14
Trade Receivables

Particulars	31st March 2016	31st March 2015
	Rs.	Rs.
<u>Unsecured (considered good)</u>		
Over six months	2,790,741	4,708,374
Others	199,467,278	173,138,532
	202,258,019	177,846,906

Note No. 15
Cash and Bank Balances

Particulars	31st March 2016	31st March 2015
	Rs.	Rs.
<u>I. Cash and Cash Equivalents</u>		
<u>a. Balances with Banks:</u>		
Current accounts	5,116,682	10,111,885
Short term deposits	-	-
Cheques on hand	-	-
	5,116,682	10,111,885
b. Cash on Hand	222,113	328,882
	5,338,795	10,440,767
<u>II. Other Bank Balances</u>		
Dividend accounts	418,220	544,390
Terms deposits with more than 12 months maturity	-	-
Other terms deposits	2,895,140	235,502
	3,313,360	779,892
	8,652,155	11,220,659
(Term deposits of Rs. 3,313,360 (previous year Rs. 235,502) are under lien with banks against letter of credits and bank guarantees)		

Note No. 16
Short-term Loans and Advances

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
<u>Unsecured (considered good)</u>		
Trade advances to suppliers [including to companies or firms in which some of the directors are interested Rs. 8,478,698 (Rs. 7,500,000)]	72,840,661	71,395,957
Loans and advances to staff (including officers of the company Rs. 151,008; previous year Rs. 177,067)	2,160,078	2,260,049
Input credits receivable	7,489,547	9,996,529
Prepaid expenses	4,649,925	3,137,707
Loans to ancillary units	2,014,969	1,699,178
Advance payment of taxes (net of provisions)	1,860,145	1,575,117
Other loans and advances	2,436,637	3,137,001
	93,451,962	93,201,538

Note No. 17
Revenue from Operations

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
<u>Sale of Products</u>				
Export sales	18,324,589		22,647,214	
Domestic sales	<u>911,487,611</u>	<u>929,812,200</u>	<u>812,630,617</u>	835,277,831
<u>Other Operating Revenue</u>				
Foreign currency fluctuation gain	804,002		(1,500,583)	
Energy credits from Wind Mills operations	23,484,998		24,102,734	
Export incentive and credits	<u>95,521</u>	<u>24,384,521</u>	<u>235,987</u>	22,838,138
		<u><u>954,196,721</u></u>		<u><u>858,115,969</u></u>

Note No. 18
Other Income

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
Interest receipts	1,189,599		632,841	
Insurance claim receipts	-		3,019,416	
Profit on sale of fixed assets (net)	137,305		3,410,708	
Miscellaneous income	410,987		314,447	
		<u><u>1,737,891</u></u>		<u><u>7,377,412</u></u>

Note No. 19
Cost of Materials Consumed

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
<u>Raw Materials Consumed</u>				
Opening stock	23,136,962		23,080,705	
Purchase and direct expenses	<u>84,496,612</u>		<u>78,052,628</u>	
	<u>107,633,574</u>		<u>101,133,333</u>	
Closing stock	<u>30,557,277</u>	<u>77,076,297</u>	<u>23,136,962</u>	77,996,371
		<u><u>77,076,297</u></u>		<u><u>77,996,371</u></u>

Note No. 20**Changes in Inventories**

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
<u>Opening Stock</u>				
Finished Goods	33,002,695		27,169,215	
Work-in-progress	54,976,969	87,979,664	<u>70,269,182</u>	97,438,397
<u>Closing Stock</u>				
Finished Goods	32,874,309		33,002,695	
Work-in-progress	70,506,382	103,380,691	<u>54,976,969</u>	87,979,664
		<u>-15,401,027</u>		<u>9,458,733</u>

Note No. 21**Employee Benefit Expenses**

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
Salaries, wages, allowances and bonus	65,744,443		58,270,494	
Contribution to employee benefit funds	8,308,673		7,380,471	
Staff welfare expenses	1,746,367		997,191	
	<u>75,799,483</u>		<u>66,648,156</u>	
Includes Directors' remuneration	4,373,339		3,828,000	

Note No. 22**Finance Costs**

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
<u>Interest</u>				
Working capital finance	25,997,949		27,511,485	
Term loans	9,507,476		9,881,907	
Others	79,272	35,584,697	<u>720,068</u>	38,113,460
Other borrowing costs (including guarantee commission to a director Rs. 2,916,000; previous year Rs. 2,163,500)		4,938,644		3,399,861
		<u>40,523,341</u>		<u>41,513,321</u>

Note No. 23**Manufacturing Expenses**

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
Power & Fuel	126,309,717		119,922,866	
Machinery repairs and maintenance	7,262,954		5,668,571	
Stores & spares	190,457,503		164,259,649	
Fettling and other external processing charges	178,553,902		139,161,823	
Other expenses	<u>16,462,057</u>	<u>519,046,133</u>	<u>17,893,141</u>	<u>446,906,050</u>
		<u><u>519,046,133</u></u>		<u><u>446,906,050</u></u>

Note No. 24**Other Expenses**

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
<u>Selling and Distribution Expenses</u>				
Sales commission	1,376,581		1,472,367	
Export freight and insurance	283,168		115,576	
Other selling expenses	<u>28,192,762</u>	<u>29,852,511</u>	<u>24,432,847</u>	<u>26,020,790</u>
<u>Administrative and Other Expenses</u>				
Travelling expenses	6,621,538		6,991,356	
Rent	161,320		147,800	
Rates and taxes	429,067		367,492	
Advertisement expenses	422,524		345,409	
Insurance premiums	1,229,641		926,469	
Building and other repairs	2,794,736		3,233,806	
Directors' sitting fees	382,500		378,000	
Legal and professional fees	4,362,263		3,287,114	
Payments to auditors	382,500		279,900	
Bank discount, commission and other charges	378,635		597,077	
Donations	130,500		70,500	
Corporate social responsibility expenses	125,000		-	
Bad debts and sundry balances written off	392,095		466,563	
Prior period expenses	625,890		91,825	
General expenses	<u>14,426,544</u>	<u>32,864,753</u>	<u>13,382,970</u>	<u>30,566,281</u>
		<u><u>62,717,264</u></u>		<u><u>56,587,071</u></u>

- 25 Balances with sundry debtors, sundry creditors and for advances are subject to confirmations from the respective parties. In absence of such confirmations, balances as per books have been relied upon by the Auditors.
- 26 Deferred tax liabilities of Rs. 3,166,000 arising during the year, a major component of which is due to timing difference related to depreciation charged in the accounts and as claimed under the Income Tax Act, is credited to the profit & loss account. Details of the balance of Rs. 34,725,000 are as under:

Particulars	Rs.
Depreciation	37,383,440
Disallowance u/s 43B of the Income Tax Act	(2,658,440)
Total	34,725,000

- 27 The management of the Company has, during the year, carried out technological evaluation for identification of impairment of assets, if any, in accordance with the Accounting Standard AS-28. Based on the judgement of the management and as certified by the Directors, no provision for impairment is found to be necessary in respect of any of the assets.
- 28 As the company's business activity, in the opinion of the management, falls within a single primary segment subject to the same risks and returns, the disclosure requirements of Accounting Standard AS-17 "Segment Reporting" are not applicable.
- 29 In the opinion of the Directors, the current assets, loans and advances are approximately of the value as stated in the balance sheet, if realised in the ordinary course of the business. The provision of all known liabilities is adequate and not in excess of the amount reasonably required.
- 30 Contingent Liabilities:
- (i) In respect of Central Sales Tax for which 'C' forms are pending for collection Rs. 84,856,000 (79,839,000)
- (ii) In respect of disputed Value Added Tax/Central Sales Tax Liabilities Rs. 1,975,449 (1,193,604).
- (iii) In respect of disputed Income Tax liabilities Rs. 312,000 (312,000)

31 Payments to Auditors:

Particulars	2015-2016	2014-2015
	Rs.	Rs.
Audit Fees (including quarterly review)	252,500	217,500
Taxation Matters	35,000	25,000
For certification and other matters	95,000	37,400

32 Disclosure as per AS-15 (Revised) on "Employee Benefit" for the year ended 31st March 2016:

Gratuity Plan:

(Amount, Rs.)

Particulars	2015-2016	2014-2015
A. Change in the defined benefit obligations:		
Defined benefit obligations as at beginning of the year:	18,580,532	17,386,998
Service cost	1,118,996	1,079,288
Interest cost	1,486,443	1,390,960
Actuarial loss / (Gain)	(288,270)	391,465
Benefits paid	(2,162,112)	(1,668,179)
Defined benefit obligations as at close of the year (a)	18,735,589	18,580,532
B. Change in plan assets:		
Fair value of plan assets as at beginning of the year:	20,488,142	19,032,854
Expected return on plan assets	1,891,243	1,764,425
Contributions by employer	1,622,484	1,359,041
Actuarial loss / (Gain)	-	-
Benefits paid	(2,162,112)	(1,668,179)
Fair value of plan assets as at close of the year (b)	21,839,757	20,488,141
Present Value of unfunded obligations (a-b)	-	-
The net amount recognized in the statement of profit and loss for the year ended 31st March is as follows:		
Current service cost	1,118,996	1,079,288
Interest cost	1,486,443	1,390,960
Expected return on plan assets	(1,891,243)	(1,764,425)
Net actuarial loss / (gain) recognized	(288,270)	391,465
Net amount recognized	425,926	1,097,288
Actual Return on Plan Assets		
The principal actuarial assumptions used as at end of financial year are as follows:		
Discount Rate	8.00%	8.00%
Expected rate of return on plan assets	8.75%	8.75%
Rate of increase in compensation levels	7.00%	7.00%

33 **Related Party Disclosures:**

33.1 **Subsidiary Company:**

I&PCL Vacuum Cast Limited:

Nature of Transactions		2015-2016	2014-2015
<u>Subsidiary:</u>		Rs.	Rs.
1.	Advance granted	8,850	234,718
2.	Purchase of Fixed Assets	1,704,781	-
3.	Outstanding balance: Advance Recoverable	5,434,781	5,425,284
	Trade Payables	1,704,781	-

33.2 Associates:

Tamboli Foundry Supplies and Services Ltd.

Nature of Transactions		2015-2016	2014-2015
<u>Associates:</u>		Rs.	Rs.
1.	Purchases of Materials and Services	4,303,224	6,187,900
2.	Sale of Materials and assets	-	381,000
3.	Outstanding balance: Trade receivables	22,881,000	6,378,922
	Security Deposits	10,000,000	10,000,000
	Trade Advance to suppliers	8,478,698	7,500,000

33.3 Key Management Personnel & Relatives:

1. Shri Piyush I Tamboli, 2. Shri R. K. Menon, 3. Smt. Vishakha P. Tamboli, 4. Shri Girish V. Shah
5. Ms. Hetal Kapadiya

Key Management Personnel:	2015-2016	2014-2015
	Rs.	Rs.
Remuneration	5,156,680	3,828,000
Guarantee Commission	2,916,500	2,163,500
Director Sitting Fees	55,000	33,000

34. Additional Information (as certified by the management):

A Details of Sales and Stocks of Castings (Finished Goods):

Product	Opening Stock		Sales		Closing Stock	
	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
Investment Casting	33,002,695	27,169,215	929,812,200	835,277,831	32,874,309	33,002,695
work-in process	54,976,969	70,269,182	--	--	70,506,382	54,976,969

B. Consumption of Raw Materials:

Item	2015-2016	2014-2015
	Rs.	Rs.
a) Scrap	47,533,893	42,619,114
b) Ferro Alloys	29,542,404	35,377,257
Total	77,076,297	77,996,371

C. Percentage of Consumption:

Item	2015-2016		2014-2015	
	%	Rs.	%	Rs.
Raw Materials:				
a) Imported	5.62	4,328,146	6.03	4,706,130
b) Indigenous	94.38	71,748,151	93.97	73,290,241
Total	100.00	77,076,297	100.00	77,996,371

D. Imports on CIF Basis: (accrual basis):

Item	2015-2016	2014-2015
	Rs.	Rs.
Raw materials	4,288,179	9,218,976
Stores & Spares	3,160,070	5,780,044
Capital Goods	2,883,535	--

E. Earnings and Expenditure (accrual basis) in Foreign Currency:

Item		2015-2016	2014-2015
		Rs.	Rs.
Earnings	Exports of Goods (FOB)	18,041,421	22,190,493
Expenditure	Traveling Expenses	615,241	1,058,298
	Membership Fees	391,273	296,187
	Sales Promotion expenses	404,197	586,249

F. Payment of Dividend to Non-resident shareholders:

Number of Shareholders	41
Amount of Dividend Rs.	88,583.50
Year to which dividend relates	2014-2015

35. Figures in the brackets are the figures for the previous year, unless otherwise stated.
36. All the amounts are stated in Indian Rupees, unless otherwise stated.

Signatures to Note No. 1 to 36

As per our Report of even date

For and on behalf of the Board of Directors

For SANGHAVI & COMPANY
Chartered Accountants

GIRISH V SHAH
Chief Financial Officer

PIYUSH I TAMBOLI
Chairman &
Managing Director

R. K. MENON
Executive Director

MANOJ GANATRA
Partner

HETAL KAPADIYA
Company Secretary

Bhavnagar
4th May , 2016

Bhavnagar
4th May , 2016

**ANNEXURE TO BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2015
STATEMENT PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 READ WITH RULE 5
OF THE COMPANIES (ACCOUNTS) RULES, 2014-AOC-1)**

1. Name of the Subsidiary Company : I&PCL VACUUM CAST LIMITED
2. Financial Year of the Subsidiary Company : 31 March, 2016
3. Date from which it became subsidiary : 30 August, 2010
4. Extent of the Holding Company's interest in the Subsidiary Company at the end of the financial year of the Subsidiary Company : 100 %
5. Net aggregate amount of the profit/(loss) of the Subsidiary Company not dealt with in the Holding Company's Account (concerning the members of the Holding Company) :
 - i) For the Current Year : Nil
 - ii) For the previous years since it became a Subsidiary : Nil
6. Net aggregate amount of the profit of the Subsidiary Company dealt with in the Holding Company's Accounts. :
 - i) For the Current Year : (376,965)
 - ii) For the previous year since it became a Subsidiary : (2,264,908)

Girish V Shah
CHIEF FINANCIAL OFFICER
Hetal B. Kapadiya
COMPANY SECRETARY
Bhavnagar
Dated: May 4, 2016

FOR AND ON BEHALF OF THE BOARD
Piyush I Tamboli **R. K. Menon**
CHAIRMAN & EXECUTIVE DIRECTOR
MANAGING DIRECTOR (DIN 00088753)
(DIN 00146033)

DISCLOSURE ON BALANCE SHEET OF THE SUBSIDIARY COMPANY I&PCL VACUUM CAST LIMITED as at 31.3.2016

No.	Item	As at 31.3.2016 Amount, Rs.	As at 31.3.2015 Amount, Rs.
1.	Capital	2,500,000	2,500,000
2.	Reserves	(2,264,908)	(1,887,944)
3.	Total Assets	5,895,506	6,279,467
4.	Total Liabilities	5,895,506	6,279,467
5.	Investments	60,000	60,000
6.	Turnover	--	--
7.	Profit Before Taxation	(376,965)	(123,247)
8.	Provision for Taxation	--	--
9.	Profit After Taxation	(376,965)	(123,247)
10.	Proposed Dividend	--	--

INDEPENDENT AUDITORS' REPORT

To
The Members of
INVESTMENT & PRECISION CASTINGS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Investment & Precision Castings Limited** ("the Holding Company") and its wholly-owned subsidiary, I&PCL Vacuum Cast Limited (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of the Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2016 and of the consolidated profit and its consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, is not applicable on consolidated financial statements.
2. As required by section 143(3) of the Act, we report, to the extent possible, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31st March 2016 and taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group Companies is disqualified as on 31st March 2016, from being appointed as a director in terms section 164(2) of the Act;
- f) With respect to the adequacy of internal financial controls over financial reporting of the Holding Company and its subsidiary company and operating effectiveness of such controls, our separate report in annexure – A may be referred;
- With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - There were no pending litigations which would impact the consolidated financial position of the Group except for those stated under note no. 33 – Contingent Liabilities.
 - The Group did not have any material foreseeable losses on long-term contracts including derivatives contracts;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Bhavnagar
May 4, 2016

MANOJ GANATRA
Partner
Membership No. 043485

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of **Investment & Precision Castings Limited** ("the Holding Company") and its wholly-owned subsidiary, I&PCL Vacuum Cast Limited (the Holding Company and its subsidiary together referred to as "the Group") which are companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that -

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Bhavnagar
May 4, 2016

MANOJ GANATRA
Partner
Membership No. 043485

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2016

Particulars	Note No.	31st March 2016		31st March 2015	
		Rs.		Rs.	
<u>EQUITY AND LIABILITIES ::</u>					
Shareholders' Funds					
Share Capital	2	50,000,000		50,000,000	
Reserves and Surplus	3	<u>459,533,478</u>	509,533,478	<u>435,473,544</u>	485,473,544
Non-Current Liabilities					
Long-term Borrowings	4	57,845,092		55,370,618	
Deffered Tax Liabilities		34,725,000		31,559,000	
Other Long Term Liabilities	5	19,990		551,576	
Long-term Provisions	6	<u>3,237,207</u>	95,827,289	<u>2,867,442</u>	90,348,636
Current Liabilities					
Short-term Borrowings	7	231,385,756		228,785,785	
Trade Payables		108,740,953		71,741,269	
Other Current Liabilities	8	49,016,994		42,735,591	
Short-term Provisions	9	<u>8,847,594</u>	397,991,297	<u>6,098,530</u>	349,361,175
Total...			<u><u>1,003,352,064</u></u>		<u><u>925,183,355</u></u>
<u>ASSETS ::</u>					
Non-Current Assets					
<u>Fixed Assets</u>					
Tangible Assets	10	437,970,414		409,268,238	
Intangible Assets		-		-	
Pre-operative Expenses		2,156,720		2,138,538	
Capital Work-in-Progress		<u>47,817,702</u>		<u>57,304,476</u>	
		<u>487,944,836</u>		<u>468,711,252</u>	
Non-current Investments	11	60,000		60,000	
Long-term Loans and Advances	12	46,186,878		35,980,055	
Other Non-current Assets		-	534,191,714	-	504,751,307
Current Assets					
Inventories	13	164,731,111		137,750,846	
Trade Receivables	14	202,258,019		177,846,906	
Cash and Bank Balances	15	8,719,258		11,385,443	
Short-term Loans and Advances	16	93,451,962		93,448,853	
Other Current Assets		-	469,160,350	-	420,432,048
Total...			<u><u>1,003,352,064</u></u>		<u><u>925,183,355</u></u>
The accompanying notes 1 to 38 are an integral part of these financial statements.					

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants

MANOJ GANATRA
Partner

Bhavnagar
4th May 2016

Girish V Shah
Chief Financial Officer
Hetal Kapadiya
Company Secretary

For and on behalf of the Board of Directors

Piyush I. Tamboli
CHAIRMAN & MANAGING DIRECTOR

R. K. MENON
EXECUTIVE DIRECTOR

Bhavnagar
4th May 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

Particulars	Note No.	2015-2016 Rs.	2014-2015 Rs.
<u>REVENUE :</u>			
Revenue from Operations (Gross)	17	954,196,721	858,115,969
Less: Excise duty		(104,923,968)	(92,645,742)
Revenue from Operations (Net)		849,272,753	765,470,227
Other Income	18	1,600,586	7,377,412
Total Revenue		850,873,339	772,847,639
<u>EXPENSES :</u>			
Cost of Materials Consumed	19	77,076,297	77,996,371
Purchases of Stock-in-Trade		-	-
Changes in Inventories	20	-15,401,027	9,458,733
Employee Benefits Expense	21	75,799,483	66,648,156
Finance Costs	22	40,523,341	41,530,824
Depreciation and Amortization		46,633,736	42,804,202
Manufacturing Expenses	23	519,046,133	446,906,050
Other Expenses	24	62,956,924	56,692,815
Total Expenses		806,634,887	742,037,151
Profit before exceptional and extraordinary items and tax		44,238,452	30,810,488
Exceptional Items		-	-
Extraordinary Items		-	-
Profit Before Tax		44,238,452	30,810,488
Tax Expenses			
Current tax		12,800,000	7,700,000
Deferred Tax		3,166,000	1,884,290
Earlier Years' Tax		-	(186,990)
		15,966,000	9,397,300
Net Profit for the year		28,272,452	21,413,188
Face Value per Equity Share		10.00	10.00
Earnings per Equity Share			
Basic/Diluted		5.65	4.28
The accompanying notes 1 to 38 are an integral part of these financial statements.			

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants

MANOJ GANATRA
Partner

Bhavnagar
4th May 2016

Girish V Shah
Chief Financial Officer
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Piyush I. Tamboli
CHAIRMAN & MANAGING DIRECTOR

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EXECUTIVE DIRECTOR

Bhavnagar
4th May 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in lacs)

	2015-2016	2014-2015
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax And Extraordinary Items	442.38	308.10
Adjustments for -		
Depreciation	466.34	428.04
Loss (Profit) on sale of fixed assets	1.51	(34.10)
Interest	343.95	374.98
Operating Profit Before Working Capital Changes	<u>1,254.18</u>	<u>1,077.02</u>
Adjustments for -		
Trade and Other Receivables	(372.97)	63.13
Inventories	(269.80)	174.79
Trade and Other Payables	447.79	(352.47)
Cash Generated From Operations	<u>1,059.20</u>	<u>962.47</u>
Direct Taxes Paid	<u>(135.94)</u>	<u>(86.86)</u>
NET CASH FROM OPERATING ACTIVITIES	923.26	875.61
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(663.16)	(638.05)
Sale of Fixed Assets	3.00	42.09
Interest Received	11.90	6.33
Dividend Received	-	-
NET CASH USED IN INVESTING ACTIVITIES	(648.26)	(589.63)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Long Term Borrowings (net)	24.74	73.78
Proceeds from Short Term Borrowings (net)	26.00	2.70
Interest Paid	(355.85)	(381.31)
Dividend Paid	(26.16)	(29.85)
NET CASH USED IN FINANCING ACTIVITIES	(331.27)	(334.68)
Net Increase in Cash and Cash Equivalents	(56.27)	(48.70)
Cash and Cash Equivalents as at beginning of the year	<u>106.15</u>	<u>154.85</u>
Cash and Cash Equivalents as at end of the year	<u><u>49.88</u></u>	<u><u>106.15</u></u>
<u>Cash and Cash Equivalents:</u>		
Cash and Bank Balances	87.19	113.85
Statutory restricted accounts	(37.31)	(7.70)
	<u>49.88</u>	<u>106.15</u>

As per our report of even date

For SANGHAVI & COMPANY

Chartered Accountants

MANOJ GANATRA

Partner

Bhavnagar
4th May 2016

Girish V Shah

Chief Financial Officer

Hetal Kapadiya

Company Secretary

For and on behalf of the Board of Directors

Piyush I. Tamboli

CHAIRMAN & MANAGING DIRECTOR

R. K. MENON

EXECUTIVE DIRECTOR

Bhavnagar

4th May 2016

1 **Significant Accounting Policies:**

Basis of Accounting:

The financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Fixed Assets:

Tangible Assets are stated at cost less depreciation, All the costs incurred till the date of the assets ready for use, including installation and substantial modification to the fixed assets are capitalized and included in the cost of the respective assets.

Depreciation is provided on Straight Line Method at the rates and in the manner specified in the Schedule II in accordance with the provisions of section 123(2) of the Companies Act, 2013.

Inventories:

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on the following basis:

Raw materials, traded goods and stores and spares – on weighted average basis;

Finished and semi-finished goods – at material cost plus direct expenses and appropriate value of overheads; cost of finished goods includes excise duty.

Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably be measured.

Revenue from sale of goods are recognized when significant risks and rewards of ownership are passed the buyer, which generally coincides with dispatch of goods. Sales taxes and value added taxes, wherever applicable, are collected on behalf of the Government and therefore, excluded from the revenue.

Excise and Custom Duty:

Excise Duty in respect of goods manufactured by the company is, according to the method consistently followed by the company, accounted for at the time of removal of goods from the factory for sale.

However, excise duty payable on the closing stock of finished goods is provided for in the accounts. Purchases of goods and fixed assets are accounted for net of excise cenvat credit availed. Custom duty paid on import of materials is dealt with in respective materials accounts.

Employee Benefits:

Post-employment benefit plans:

Defined Contribution Plan: Contribution for provident fund is accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner. Contribution for Superannuation in respect of certain employees of the company is made in accordance with the scheme with Life Insurance Corporation of India.

Defined Benefit Plan: The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains are recognised in full in the profit and loss account for the period in which they occur.

Contributions in respect of gratuity are made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost and as reduced by the fair value of respective fund.

Short-term employee benefits:

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

Research and Development:

Revenue expenditure on Research and Development is charged against the profit for the year in which it is incurred. Capital expenditure on Research and Development is shown as an addition to the fixed assets and is depreciated on the same basis as other fixed assets.

Borrowing Costs:

Net cost of borrowed funds for the projects till completion are capitalised and included in the cost of fixed assets. Other borrowing costs are recognised as expenses in the period in which they are incurred.

Foreign Currencies Transactions:

Foreign currency transactions are accounted for at the rates prevailing on the date of transaction. Differences arising out of foreign exchange rates are dealt with in the profit & loss account. Current assets and current liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at the closing rates and profit or loss arising there from is dealt with in the profit & loss account.

Taxation:

Provisions are made for current tax based on tax liability computed in accordance with relevant tax rates and tax laws.

Deferred tax is recognised, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Earning per Share:

Basic earning per Share is computed by dividing the net profit attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by using the weighted average number of equity and dilutive equity equivalent shares outstanding at the year end.

Provision and Contingencies:

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow or where a realisable estimate of the obligation can not be made.

The Company has disclosed only such policies and notes from the individual financial statements, which fairly present the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion the management, could be better viewed, when referred from the individual financial statements.

Note No. 22.1 Share Capital:

Particulars	31st March 2016	31st March 2015
	Rs.	Rs.
Authorised		
10,400,000 Equity Shares of Rs. 10 each	104,000,000	104,000,000
10,000 11 % Redeemable Cumulative Preference Shares of Rs. 100 each	1,000,000	1,000,000
	105,000,000	105,000,000
Issued, Subscribed and Paid up		
5,000,000 Equity Shares of Rs. 10 each	50,000,000	50,000,000
	50,000,000	50,000,000

a. Of the total share capital, 4,650,000 equity shares were issued as fully paid up bonus shares.

b. Equity shares issued as fully paid up bonus shares or otherwise than by cash during the preceding 5 years: Nil

2.2 Share Capital Reconciliation:

Particulars	Equity Shares	
	No. of shares	Rs.
Shares outstanding at the beginning of the year	5,000,000	50,000,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	5,000,000	50,000,000

2.3 Shares held by each shareholder holding more than five per cent shares

Name of Shareholder	31st March 2016		31st March 2015	
	No. of shares	% of holding	No. of shares	% of holding
Meche Private Limited	809,728	16.19	809,728	16.19
Piyush I Tamboli	915,422	18.31	779,602	15.59
Rekha N Shah	500,000	10.00	500,000	10.00
Vishakha P Tamboli	313,200	6.26	313,200	6.26
Jainam P Tamboli	296,000	5.92	296,000	5.92

2.4 Rights, preferences and restrictions attached to shares

Equity Shares:

The company has one class of equity shares having a face value of Rs. 10 each ranking pari passu in all respects including voting rights and entitlement to dividend.

Note No. 3**Reserves and Surplus**

Particulars	31st March 2016	31st March 2015
	Rs.	Rs.
a. General Reserve		
Balance at the beginning of the year	426,277,961	408,083,915
Adjustment on account of depreciation	-	(210,901)
Transfer from surplus	24,059,934	18,404,947
Balance at the end of the year	450,337,895	426,277,961
b. Surplus		
Balance at the beginning of the year	288,083	288,783
Net Profit for the current year	28,272,452	21,413,188
Transfer to general reserve	(24,059,934)	(18,404,947)
Proposed dividend	(3,500,000)	(2,500,000)
Corporate dividend tax	(712,518)	(508,941)
Balance at the end of the year	288,083	288,083
c. Capital Reserve		
Balance at the beginning of the year	6,387,500	6,387,500
Forefeiture of equity warrants application money	-	-
Balance at the end of the year	6,387,500	6,387,500
d. Securities Premium Account		
Balance at the beginning of the year	2,520,000	2,520,000
Addition during the year	-	-
Balance at the end of the year	2,520,000	2,520,000
	459,533,478	435,473,544

Note No. 4**Long Term Borrowings**

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
<u>a. Secured</u>		
Term loans from a bank	57,845,092	55,370,618
	57,845,092	55,370,618
Notes:		
Term loans from Bank of Baroda are secured by hypothication of plant & equipment and mortgage of land, building and vehicle and further secured by personal guarantee of one of the directors.		
Period of default - N.A		
Amount - Nil		
<u>b. Unsecured</u>		
	-	-
	-	-
	57,845,092	55,370,618

Note No. 5**Other Long Term Liabilities**

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
Gujarat State Industrial Development Corporation	-	475,681
Staff security deposits	19,990	75,895
	19,990	551,576

Note No. 6**Long Term Provisions**

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
Provision for leave encashment	3,237,207	2,867,442
	3,237,207	2,867,442

Note No. 7**Short Term Borrowings**

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
<u>a. Secured</u>		
Working capital finance from a bank	231,385,756	228,785,785
	231,385,756	228,785,785
Note:		
Working capital finance from Bank of Baroda are secured by hypothecation, book debts and all movable properties and mortgagage of all immovable properties and further secured by personal guarantee of one of the directors.		
Period of default - N.A		
Amount - Nil		
<u>b. Unsecured</u>		
	-	-
	-	-
	231,385,756	228,785,785

Note No. 8**Other Current Liabilities**

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
Current maturities of long-term debt	29,615,000	23,196,000
Advances from customers	2,156,911	1,382,025
Statutory liabilities	10,071,095	10,005,249
Gratuity premium payable	58,503	60,131
Unclaimed dividends	418,220	534,390
Other liabilities	6,697,265	7,557,796
	49,016,994	42,735,591

Note No. 9**Short Term Provisions**

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
Provision for bonus	4,100,000	2,660,000
Provision for leave encashment	535,076	429,589
Proposed dividend	3,500,000	2,500,000
Corporate dividend tax	712,518	508,941
	8,847,594	6,098,530

Note No. 10
Fixed Assets

Particulars	Gross Block				Accumulated Depreciation				Net Block		
	As at 1st April 2015	Additions	Deductions	As at 31st March 2016	As at 1st April 2015	Depreciation For the Year	On Deductions	Adjustment	As at 31st March 2016	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets											
Freehold Land	11,481,727	-	-	11,481,727	-	-	-	-	-	11,481,727	11,481,727
Leasehold Land	5,562,718	-	-	5,562,718	337,134	56,189	-	-	393,323	5,169,395	5,225,584
Buildings	204,821,170	23,086,584	-	227,907,754	41,185,493	7,991,991	-	-	49,177,484	178,730,270	163,635,677
Plant & Equipment	527,010,001	50,624,368	45,926	577,588,443	315,851,773	35,382,194	419	-	351,233,548	226,354,895	211,158,228
Vehicles	12,256,346	1,017,089	1,468,015	11,805,420	6,921,918	921,703	1,068,038	-	6,775,583	5,029,837	5,334,428
Furniture & Fixtures	11,551,828	532,246	-	12,084,074	4,112,540	916,466	-	-	5,029,006	7,055,068	7,439,288
Office Equipment	17,270,030	526,938	188,811	17,608,157	12,276,724	1,365,193	182,982	-	13,458,935	4,149,222	4,993,306
Total...	789,953,820	75,787,225	1,702,752	864,038,293	380,685,582	46,633,736	1,251,439	0	426,067,879	437,970,414	409,268,238
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-
Total...	789,953,820	75,787,225	1,702,752	864,038,293	380,685,582	46,633,736	1,251,439	0	426,067,879	437,970,414	409,268,238
Capital Work in Progress	57,304,476	8,211,152	17,697,926	47,817,702	-	-	-	-	-	47,817,702	57,304,476
Total...	847,258,296	83,998,377	19,400,678	911,855,995	380,685,582	46,633,736	1,251,439	0	426,067,879	485,788,116	466,572,714
Previous year	785,827,862	72,779,416	11,348,982	847,258,296	338,892,091	42,804,202	1,322,902	312,191	380,685,582	466,572,714	446,935,771

Note No. 11
Non-current Investments

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
<u>Trade Investments:</u>		
<u>Unquoted; at cost:</u>		
Investment in Government Securities: (Pledged with sales tax authorities)	60,000	60,000
	60,000	60,000
	60,000	60,000

Note No. 12
Long-term Loans and Advances

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
<u>Unsecured (considered good)</u>		
Capital advances	28,450,735	19,693,978
Security deposits (including to a company in which some of the directors are interested Rs. 10,000,000 (10,000,000))	12,586,816	12,586,816
Loans to staff (including officers of the company Rs. 1,241,820; previous year Rs. 370,830)	1,316,746	442,871
Loans to ancillary units	3,832,581	3,256,390
	46,186,878	35,980,055
	46,186,878	35,980,055

Note No. 13
Inventories

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
(Valued at the lower of cost or net realisable value)		
Raw materials	30,557,277	23,136,962
Work-in-progress	70,506,382	54,976,969
Finished goods	32,874,309	33,002,695
Stores & spares	30,793,143	26,634,220
	164,731,111	137,750,846
	164,731,111	137,750,846

Note No. 14
Trade Receivables

Particulars	31st March 2016	31st March 2015
	Rs.	Rs.
<u>Unsecured (considered good)</u>		
Over six months	2,790,741	4,708,374
Others	199,467,278	173,138,532
	202,258,019	177,846,906

Note No. 15
Cash and Bank Balances

Particulars	31st March 2016	31st March 2015
	Rs.	Rs.
<u>I. Cash and Cash Equivalents</u>		
<u>a. Balances with Banks:</u>		
Current accounts	5,180,861	10,269,145
Short term deposits	-	-
Cheques on hand	-	-
	5,180,861	10,269,145
b. Cash on Hand	225,037	336,406
	5,405,898	10,605,551
<u>II. Other Bank Balances</u>		
Dividend accounts	418,220	544,390
Terms deposits with more than 12 months maturity	-	-
Other terms deposits	2,895,140	235,502
	3,313,360	779,892
	8,719,258	11,385,443
(Term deposits of Rs. 3,313,360 (previous year Rs. 235,502) are under lien with banks against letter of credits and bank guarantees)		

Note No. 16
Short-term Loans and Advances

Particulars	31st March 2016 Rs.	31st March 2015 Rs.
<u>Unsecured (considered good)</u>		
Trade advances to suppliers [including to companies or firms in which some of the directors are interested Rs. 8,478,698 (Rs. 7,500,000)]	72,840,661	71,395,957
Loans and advances to staff (including officers of the company Rs. 151,008; previous year Rs. 177,067)	2,160,078	2,260,049
Input credits receivable	7,489,547	10,243,844
Prepaid expenses	4,649,925	3,137,707
Loans to ancillary units	2,014,969	1,699,178
Advance payment of taxes (net of provisions)	1,860,145	1,575,117
Other loans and advances	2,436,637	3,137,001
	93,451,962	93,448,853

Note No. 17
Revenue from Operations

Particulars	2015-2016 Rs.		2014-2015 Rs.	
<u>Sale of Products</u>				
Export sales	18,324,589		22,647,214	
Domestic sales	<u>911,487,611</u>	929,812,200	<u>812,630,617</u>	835,277,831
<u>Other Operating Revenue</u>				
Foreign currency fluctuation gain	804,002		(1,500,583)	
Energy credit from windmills	23,484,998		24,102,734	
Export incentive and credits	<u>95,521</u>	24,384,521	<u>235,987</u>	22,838,138
		<u>954,196,721</u>		<u>858,115,969</u>

Note No. 18
Other Income

Particulars	2015-2016 Rs.		2014-2015 Rs.	
Interest receipts	1,189,599		632,841	
Insurance claim receipts	-		3,019,416	
Profit on sale of fixed assets (net)	-		3,410,708	
Miscellaneous income	410,987		314,447	
		<u>1,600,586</u>		<u>7,377,412</u>

Note No. 19
Cost of Materials Consumed

Particulars	2015-2016 Rs.		2014-2015 Rs.	
<u>Raw Materials Consumed</u>				
Opening stock	23,136,962		23,080,705	
Purchase and direct expenses	<u>84,496,612</u>		<u>78,052,628</u>	
	107,633,574		101,133,333	
Closing stock	<u>30,557,277</u>	77,076,297	<u>23,136,962</u>	77,996,371
		<u>77,076,297</u>		<u>77,996,371</u>

Note No. 20
Changes in Inventories

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
<u>Opening Stock</u>				
Finished Goods	33,002,695		27,169,215	
Work-in-progress	<u>54,976,969</u>	<u>87,979,664</u>	<u>70,269,182</u>	<u>97,438,397</u>
<u>Closing Stock</u>				
Finished Goods	32,874,309		33,002,695	
Work-in-progress	<u>70,506,382</u>	<u>103,380,691</u>	<u>54,976,969</u>	<u>87,979,664</u>
		<u><u>-15,401,027</u></u>		<u><u>9,458,733</u></u>

Note No. 21
Employee Benefit Expenses

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
Salaries, wages, allowances and bonus	65,744,443		58,270,494	
Contribution to employee benefit funds	8,308,673		7,380,471	
Staff welfare expenses	<u>1,746,367</u>		<u>997,191</u>	
	<u><u>75,799,483</u></u>		<u><u>66,648,156</u></u>	
Includes Directors' remuneration	4,373,339		3,828,000	

Note No. 22
Finance Costs

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
<u>Interest</u>				
Working capital finance	25,997,949		27,511,485	
Term loans	9,507,476		9,881,907	
Others	<u>79,272</u>	<u>35,584,697</u>	<u>737,571</u>	<u>38,130,963</u>
Other borrowing costs	4,938,644		3,399,861	
(including guarantee commission to a director Rs. 2,916,000; previous year Rs. 2,163,500)	<u><u>40,523,341</u></u>		<u><u>41,530,824</u></u>	

Note No. 23**Manufacturing Expenses**

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
Power & Fuel	126,309,717		119,922,866	
Machinery repairs and maintenance	7,262,954		5,668,571	
Stores & spares	190,457,503		164,259,649	
Fettling and other external processing charges	178,553,902		139,161,823	
Other expenses	16,462,057	519,046,133	17,893,141	446,906,050
		<u>519,046,133</u>		<u>446,906,050</u>

Note No. 24**Other Expenses**

Particulars	2015-2016		2014-2015	
	Rs.		Rs.	
<u>Selling and Distribution Expenses</u>				
Sales commission	1,376,581		1,472,367	
Export freight and insurance	283,168		115,576	
Other selling expenses	28,192,762	29,852,511	24,432,847	26,020,790
<u>Administrative and Other Expenses</u>				
Travelling expenses	6,621,538		6,991,356	
Rent	161,320		247,800	
Rates and taxes	429,067		367,492	
Advertisement expenses	422,524		345,409	
Insurance premiums	1,229,641		926,469	
Building and other repairs	2,794,736		3,233,806	
Directors' sitting fees	382,500		378,000	
Legal and professional fees	4,397,053		3,348,524	
Payments to auditors	415,103		308,159	
Bank discount, commission and other charges	378,635		597,077	
Donations	130,500		70,500	
Corporate social responsibility expenses	125,000		-	
Bad debts and sundry balances written off	392,095		466,563	
Prior period expenses	625,890		88,485	
Loss on sale of assets	150,983			
General expenses	14,447,828	33,104,413	13,302,385	30,672,025
		<u>62,956,924</u>		<u>56,692,815</u>

25 Basis of presentation of Financial Statements:

The consolidated financial statements relate to Investment & Precision Castings Limited (“the Company”) and its wholly owned subsidiary company, I&PCL Vacuum Cast Limited.

The audited financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the parent company, i.e. year ended 31st March 2016.

26 Principles of Consolidation:

- a. The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together the book values of like items of the assets, liabilities, income and expenses, after fully eliminating there from intra-group balances and intra-group transactions as per Accounting Standard (AS) - 21 “Consolidated Financial Statements”.
- b. The financial statements of the Company and its subsidiary company have been consolidated using uniform account policies for like transactions and other events in similar circumstances.

27 Balances with sundry debtors, sundry creditors and for advances are subject to confirmations from the respective parties. In absence of such confirmations, balances as per books have been relied upon by the Auditors.

28 Deferred tax liabilities of Rs. 3,166,000 arising during the year, a major component of which is due to timing difference related to depreciation charged in the accounts and as claimed under the Income Tax Act, is credited to the profit & loss account. Details of the balance of Rs. 34,725,000 are as under:

Particulars	Rs.
Depreciation	37,383,440
Disallowance u/s 43B of the Income Tax Act	(2,658,440)
Total	34,725,000

29 The management of the Company has, during the year, carried out technological evaluation for identification of impairment of assets, if any, in accordance with the Accounting Standard AS-28 issued by the Institute of Chartered Accountants of India. Based on the judgement of the management and as certified by the Directors, no provision for impairment is found to be necessary in respect of any of the assets.

30 As the company’s business activity, in the opinion of the management, falls within a single primary segment subject to the same risks and returns, the disclosure requirements of Accounting Standard AS–17 “Segment Reporting” issued by the Institute of Chartered Accountants of India are not applicable.

31 In the opinion of the Directors, the current assets, loans and advances are approximately of the value as stated in the balance sheet, if realised in the ordinary course of the business. The provision of all known liabilities is adequate and not in excess of the amount reasonably required.

32 Details of Assets and Profits:

Name of the Entity	Net Assets		Share in Profit/(Loss)	
	As % of consolidated net assets	Amount Rs. in Lacs	As % of consolidated net profit	Amount Rs. in lacs
Parent Company:				
Investment & Precision Castings Limited	100.44	5,160.10	101.34	286.49
Wholly-owned Subsidiary Company				
I&PCL Vacuum Cast Limited	0.05	2.35	(1.34)	(3.77)
Eliminations	(0.49)	(67.12)	-	-
Total...	100.00	5,095.33	100.00	282.72

33 Contingent Liabilities:

- (i) In respect of Central Sales Tax for which 'C' forms are pending for collection Rs. 84,956,000 (76,239,000)
- (ii) In respect of disputed Value Added Tax/Central Sales Tax liabilities Rs. 1,975,449 (1,193,604).
- (iii) In respect of disputed Income Tax liabilities Rs. 312,000 (312,000)

34 Related Party Disclosures:

Associates:

- ❖ Tamboli Foundry Supplies and Services Ltd.

Nature of Transactions		2015-2016	2014-2015
		Rs.	Rs.
1.	Purchases of Materials and Services	4,303,224	6,187,900
2.	Sale of Materials and assets	-	381,000
3.	Outstanding balance: Trade receivables	22,881,000	6,378,922
	Security Deposits	10,000,000	10,000,000
	Trade Advance to suppliers	8,478,698	7,500,000

35 **Key Management Personnel & Relatives :**

Shri Piyush I. Tamboli
Shri R. K. Menon
Smt. Vishakha P. Tamboli
Shri Girish V Shah
Ms. Hetal Kapadiya

Nature of Transactions	2015-2016	2014-2015
	Rs.	Rs.
Remuneration	5,156,680	3,828,000
Guarantee Commission	2,916,500	2,163,500
Director Sitting Fees	55,000	33,000

36 Figures in the brackets are the figures for the previous year, unless otherwise stated.

37 All the amounts are stated in Indian Rupees, unless otherwise stated.

38 Previous year's figures have been regrouped and rearranged, wherever necessary.

Signatures to Note No. 1 to 38

As per our Report of even date

For and on behalf of the Board of Directors

For SANGHAVI & COMPANY
Chartered Accountants

GIRISH V SHAH
Chief Financial Officer

PIYUSH I TAMBOLI
Chairman &
Managing Director

R. K. MENON
Executive Director

MANOJ GANATRA
Partner

HETAL KAPADIYA
Company Secretary

Bhavnagar
4th May , 2016

Bhavnagar
4th May , 2016

INVESTMENT & PRECISION CASTINGS LIMITED

Reg. Office: Nari Road, Bhavnagar, Gujarat, India 364 006.

CIN: L27100GJ1975PLC002692

FORM OF PROXY (Form MGT-11)

Name of the Member(s):	
Registered Address:	
E-mail ID:	
Folio No. / Client ID:	
DP ID:	

I/We, being the member(s) of _____ shares of the Company, hereby appoint:

- Name: _____ Address: _____
Email ID: _____ Signature: _____ or failing him;
- Name: _____ Address: _____
Email ID: _____ Signature: _____ or failing him;
- Name: _____ Address: _____
Email ID: _____ Signature: _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra-ordinary General Meeting of the Company, to be held on Tuesday, 26th July, 2016 at 4.30 p.m. at Hotel Nilambaug Palace, Bhavnagar 364003 Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional*	
		For	Against
Ordinary Business:			
1	Ordinary Resolution for approval accounts for the financial year 2015-2016 ended on 31.3.2016		
2	Ordinary Resolution for recommendation/declaration of dividend for the financial year 2015-2016 ended on 31.3.2016		
3	Ordinary Resolution for re-appointment of Director Smt. Vishakha P. Tamboli(DIN 06600319)		
4	Ordinary Resolution for appointment of Auditors		

Signed this _____ day of _____, 2016

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Revenue
Stamp not less
than Re. 0.15

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of Extra-ordinary General Meeting.
- It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Proxy need not be a Member of the Company.
- Please complete all details including details of member(s) in above box before submission.
- The Company reserves the right to ask for identification of the Proxy.

INVESTMENT & PRECISION CASTINGS LIMITED

Reg. Office: Nari Road, Bhavnagar, Gujarat, India 364 006.

CIN: L27100GJ1975PLC002692

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of Meeting

DP ID*		Folio No.	
Client ID*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER:

I hereby record my presence at the **ANNUAL GENERAL MEETING** of the Company held on Tuesday, 26th July , 2016 at 4.30 p.m. at Hotel Nilambaug Palace, Bhavnagar Gujarat 364003

* Applicable for investors holding shares in electronic form

Signature of Shareholder / Proxy

ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORM**(For use by Investors holding shares in physical form)**

To,
Investment & Precision Castings Limited
C/o. MCS SHARE TRANSFER AGENT LTD, 201, Shatdal Complex,
Opp. Bata Show Room, Ashram Road
Ahmedabad, Gujarat 380 009

Dear sirs,

FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Please fill-in the information in CAPITAL LETTERS in ENGLISH ONLY

For shares held in physical formMaster Folio No. **For shares held in electronic form**DP Id Client Id

FOR OFFICE USE ONLY

ECS
Ref. No.

Name of Sole/First holder

Bank Name

Branch Name

Branch Code

(9 Digits Code Number appearing on the MICR Band of the cheque supplied by the Bank). Please attach a xerox copy of a cheque or a blank cheque of your bank duly cancelled for ensuring accuracy of the banks name, branch name and code number.

Account Type
(Please Tick (✓) wherever applicable)

→ Savings	<input type="checkbox"/>	Current	<input type="checkbox"/>	Cash Credit	<input type="checkbox"/>
-----------	--------------------------	---------	--------------------------	-------------	--------------------------

A/c No. (as appearing in the cheque book)

→

Effective date of this mandate

→

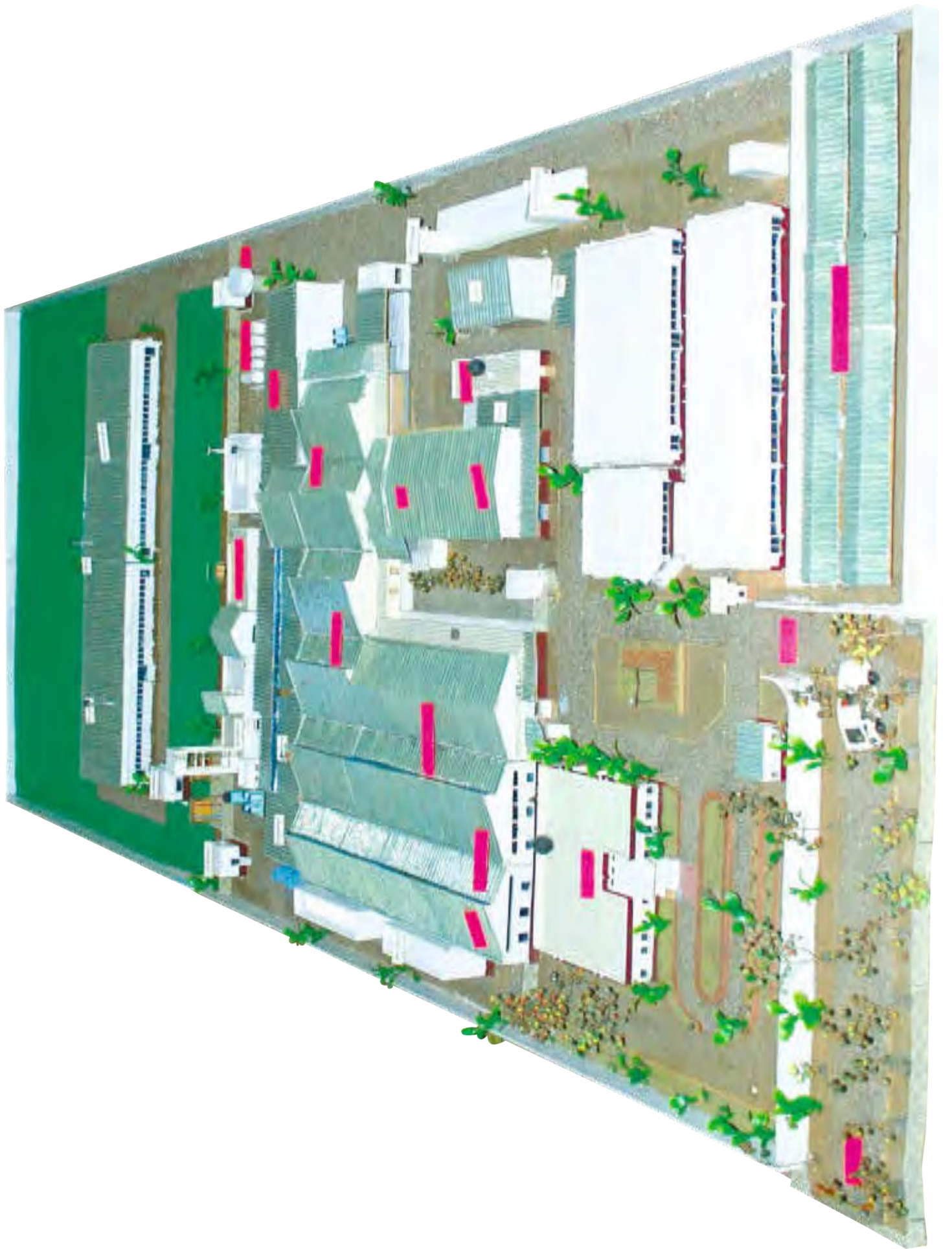
I, hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness of information supplied as above, the Company/MCS Ltd, will not be held responsible. I agree to avail ECS facility provided by RBI, as and when implemented by RBI/Investment & precision Castings Limited)

I further undertake to inform the Company any change in my Bank/branch and account number.

Dated : _____

(Signature of Sole/First holder)**Notes:**

- Whenever the Shares in the given folio are entirely dematerialised, then this ECS mandate form will stand cancelled
- For Shares held in dematerialised mode nomination is required to be filed with the Depositor Participant in their prescribed form.



Book-Post

To,

If undelivered please return to :

INVESTMENT & PRECISION CASTINGS LTD.


REGD. OFFICE : NARI ROAD, BHAVNAGAR
& WORKS GUJARAT, INDIA-364 006
TELEPHONE : (91) (0278) 252 3300 to 04
FAX : (91) (0278) 252 3500 to 02
EMAIL : direct1@ipcl.in
investor@ipcl.in
WEBSITE : www.ipcl.in