

PRICOL LIMITED

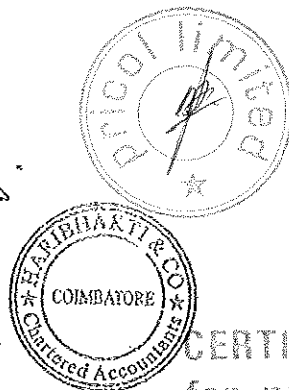
## BALANCE SHEET AS AT 30th SEPTEMBER 2013

	Note No.	30-9-2013 ₹ Million	31-3-2013 ₹ Million
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	2.1	94.500	90.000
(b) Reserves and Surplus	2.2	2,964.776	2,455.275
(c) Money received against Share Warrants	2.3	-	20.250
<b>(2) Non Current Liabilities</b>			
(a) Long Term Borrowings	2.4	-	-
(b) Deferred Tax Liabilities (Net)	2.5	50.000	40.000
(c) Long Term Provisions	2.6	32.623	39.243
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	2.7	612.964	502.619
(b) Trade Payables	2.8	1,359.144	1,628.816
(c) Other Current Liabilities	2.9	473.202	839.492
(d) Short Term Provisions	2.10	77.258	75.138
<b>Total</b>		<b>5,664.467</b>	<b>5,690.833</b>
<b>II. ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Fixed Assets	2.11		
(i) Tangible Assets		1,668.837	1,738.012
(ii) Intangible Assets		80.167	69.447
(iii) Capital Work-in-progress		53.401	26.048
(b) Non Current Investments	2.12	436.550	388.050
(c) Long Term Loans and Advances	2.13	50.740	55.151
(d) Other Non-Current Assets	2.14	682.083	578.693
<b>(2) Current Assets</b>			
(a) Inventories	2.15	891.711	1,062.456
(b) Trade Receivables	2.16	1,624.751	1,639.844
(c) Cash and Cash Equivalents	2.17	24.186	22.092
(d) Short Term Loans and Advances	2.18	246.100	102.004
(e) Other Current Assets	2.19	5.941	9.236
<b>Total</b>		<b>5,664.467</b>	<b>5,690.833</b>

Significant Accounting Policies &amp; Notes form an integral part of the Financial Statements

For Haribhakti & Co.  
Chartered Accountants  
Firm Regn. No. 103523W

C.S. Sathyanarayanan, Partner  
Membership No. 028328



*Vijay Mohan*  
Vijay Mohan  
Chairman

*J. Sridhar*  
J. Sridhar  
Chief Financial Officer

*T.G. Thamizhanban*  
T.G. Thamizhanban  
Company Secretary

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for pricol limited

*T.G. Thamizhanban*  
T.G. Thamizhanban  
Company Secretary

PRICOL LIMITED

STATEMENT OF PROFIT & LOSS FOR THE SIX MONTHS ENDED 30TH SEP 2013

	Note No.	2013 - 14 ₹ Million	2012 - 13 ₹ Million
<b>INCOME</b>			
Revenue from Operations (Gross)	2.20	4,632.202	9,452.386
Less : Excise Duty		351.649	713.443
Revenue from Operations (Net)		4,280.553	8,738.943
Other Income	2.21	12.033	15.160
Total Revenue		4,292.586	8,754.103
<b>EXPENSES</b>			
Cost of Materials Consumed	2.22	2,671.736	5,447.852
Purchases of Stock-in-Trade		205.653	435.182
Changes in Inventories of Work-in-progress & Finished Goods	2.23	15.970	73.640
Employee Benefits Expense	2.24	636.595	1,278.735
Finance Costs	2.25	30.699	163.307
Depreciation & Amortisation Expense		168.524	319.501
Other Expenses	2.26	462.990	899.169
Total Expenses		4,194.067	8,617.386
Profit from operations before Exceptional Items and Tax		98.519	136.717
Add : Exceptional Items (Net)		516.334	-
Profit Before Tax		614.853	136.717
Less : Tax expense			
Current Tax		129.000	32.811
Deferred Tax		10.000	(11.000)
MAT Credit		(18.140)	(32.086)
For earlier years		16.498	(10.432)
Profit for the year		477.495	167.404
<b>Earnings per Equity Share (Face Value of ₹ 1/-) In Rupees</b>			
Basic		5.16	1.75
Diluted		5.16	1.67

Significant Accounting Policies & Notes form an integral part of the Financial Statements

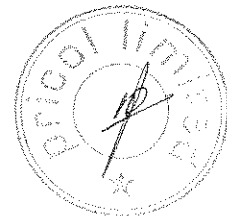
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th SEPTEMBER 2013

<b>2.1. SHARE CAPITAL</b>	<b>30-9-2013</b>	<b>31-3-2013</b>
	<b>₹ Million</b>	<b>₹ Million</b>
<b>AUTHORISED</b>		
100,000,000 Equity Shares of ₹1/- each	<u>100.000</u>	<u>100.000</u>
<b>Issued, Subscribed and Paid-up</b>		
94,500,000 Equity Shares of ₹1/- each fully paid-up (Previous year 90,000,000 Equity Shares of ₹1/- each fully paid-up)	<u>94.500</u>	<u>90.000</u>

Reconciliation of the Shares Outstanding at the beginning and at the end of the reporting period :

<b>Equity Shares</b>	<b>30-9-2013</b>		<b>31-3-2013</b>	
	No. of Shares (In Million)	₹ Million	No. of Shares (In Million)	₹ Million
At the beginning of the period	90.000	90.000	90.000	90.000
Add : On Issue of Shares	4.500	-	-	-
At the closing of the period	<u>94.500</u>	<u>90.000</u>	<u>90.000</u>	<u>90.000</u>

Terms / rights attached to equity shares :

The company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

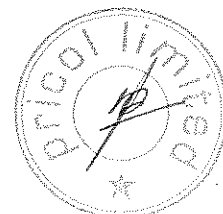
Details of Shareholders holding more than 5% shares in the company :

	<b>30-9-2013</b>		<b>31-3-2013</b>	
	No. of Shares	% held	No. of Shares	% held
<b>Equity Shares of ₹1/- each fully paid</b>				
- Vijay Mohan	9,544,440	10.10%	9,544,440	10.60%
- Viren Mohan	6,522,615	6.90%	6,522,615	7.25%
- Precot Meridian Limited	<u>5,462,250</u>	<u>5.78%</u>	<u>5,462,250</u>	<u>6.07%</u>

<b>2.2. RESERVES &amp; SURPLUS</b>	<b>30-9-2013</b>	<b>31-3-2013</b>
	<b>₹ Million</b>	<b>₹ Million</b>
<b>Securities Premium Account</b>		
Opening Balance	181.000	181.000
Add : On Issue of Shares	<u>76.500</u>	<u>-</u>
<b>General Reserve</b>		
Opening Balance	2,088.909	2,013.909
Add : Transfer from Surplus in the Statement of Profit & Loss	<u>45.000</u>	<u>75.000</u>
<b>Surplus in the Statement of Profit &amp; Loss</b>		
Opening Balance	185.368	145.080
Add : Profit for the year	477.495	157.404
Less : Appropriations :-		
: Interim Dividend - 40% (Previous year - 40%)	37.800	36.000
: Tax on Dividend	6.694	6.118
: Transfer to General Reserve	<u>45.000</u>	<u>75.000</u>
	<u>2,964.776</u>	<u>2,455.275</u>

**2.3. MONEY RECEIVED AGAINST SHARE WARRANTS**

The company had issued 4,500,000 Share Warrants of ₹ 1/- each on preferential basis with each warrant convertible into one equity share of the company, for a price of ₹ 18/- per share (including a premium of ₹ 17/-). The share warrants are convertible into equity shares of the company within eighteen months from the date of allotment. As per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the company has received 25% of value of the warrants on allotment. As per the terms of issue the warrants, the said warrants were converted into Equity Shares in June 2013.



2.4. LONG TERM BORROWINGS

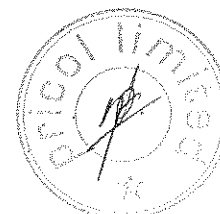
	Non-current portion		Current Maturities	
	30-9-2013 ₹ Million	31-3-2013 ₹ Million	30-9-2013 ₹ Million	31-3-2013 ₹ Million
<b>Secured Loans :</b>				
a. Rupee Term Loans From Banks	-	-	-	508.400
b. Rupee Term Loan from Others	-	-	-	2.810
<b>Unsecured Loans :</b>				
Rupee Term Loan from Others	-	-	-	35.411
	<u>-</u>	<u>-</u>	<u>-</u>	<u>546.621</u>

2.5. DEFERRED TAX

		30-9-2013 ₹ Million	31-3-2013 ₹ Million
<b>Deferred Tax Liability</b>			
Fixed Assets		101.662	110.656
	A	<u>101.662</u>	<u>110.656</u>
<b>Deferred Tax Asset</b>			
Disallowance under the Income Tax Act		51.662	70.656
	B	<u>51.662</u>	<u>70.656</u>
<b>Net Deferred Tax Liability</b>	A - B	<u>50.000</u>	<u>40.000</u>

2.6. LONG TERM PROVISIONS

For Gratuity (Refer Note No. 2.44)	-	6.620
For Central Excise Demands	32.289	32.289
For Other Taxes	0.334	0.334
	<u>32.623</u>	<u>39.243</u>



**2.7. SHORT TERM BORROWINGS****Secured Loans****Working Capital Facilities from Banks**

- In Rupee

612.964	502.619
<u>612.964</u>	<u>502.619</u>

Working Capital Facilities from Andhra Bank, State Bank of India, Indian Overseas Bank, ICICI Bank, The Bank of Nova Scotia and IDBI Bank, are secured by pari-passu first charge on the current assets of the company. Working Capital Facilities from Andhra Bank, State Bank of India, and ICICI Bank are further secured by pari-passu second charge on the immovable properties situated at Plant I - Perianaickenpalayam, Coimbatore District, Udhamandalam, Nilgiris District, Tamilnadu.

Working Capital Facilities from Indian Overseas Bank is further secured by pari-passu second charge on the immovable properties situated at Plant - I, Perianaickenpalayam, Coimbatore District.

Working Capital Facilities from The Bank of Nova Scotia and IDBI Bank are further secured by pari-passu second charge on the immovable properties situated at Plant III - Billichi Village, Coimbatore District, Tamilnadu.

Working Capital Facilities from Banks are repayable on demand and carries interest rates varying from 10.50% to 13.25% p.a.

**2.8. TRADE PAYABLES****Trade Payables \***

1,359.144	1,628.816
<u>1,359.144</u>	<u>1,628.816</u>

\* Trade Payables includes Dues to Micro, Small and Medium Enterprises amounting to ₹ 25.223 Million. (Previous year - ₹ 29.603 Mn.)

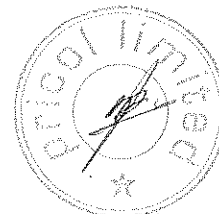
There are no interest amounts paid / payable on account of overdue payments to Micro, Small and Medium Enterprises. The information in relation to dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company, which has been relied upon by the auditors.

**2.9. OTHER CURRENT LIABILITIES**

Current Maturities of Long Term Debt (Refer to Note No. 2.4)	-	546.621
Interest Accrued but not due on loans	0.966	6.586
Unclaimed Dividend	6.264	5.493
Unclaimed Deposits Including Interest	0.018	0.023
Statutory Dues Payable	104.970	27.407
Other Payables	360.994	253.362
	<u>473.202</u>	<u>839.492</u>

**2.10. SHORT TERM PROVISIONS**

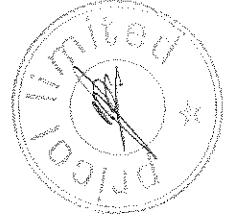
For Leave Encashment	7.295	17.477
For Gratuity (Refer to Note No.2.44)	7.963	15.543
For Dividend	-	38.000
For Tax on Dividend	-	6.118
For Taxation (Net)	62.000	
	<u>77.258</u>	<u>75.138</u>



2.11. FIXED ASSETS

	₹ Million									
	Gross Block				Depreciation / Amortisation				Net Block	
	Cost as on 1-4-2013	Additions during 2013-14	Sales/transfer during 2013-14	Balance as on 30-9-2013	Upto 31-3-2013	For 2013-14	Withdrawn during 2013-14	Total upto 30-9-2013	Written down as on 30-9-2013	as on 31-3-2013
<b>Tangible Assets</b>										
Freehold Land	99.344	15.658	-	115.002	-	-	-	-	115.002	99.344
Leasehold Land	26.879	-	-	26.879	1.511	0.136	-	1.647	25.232	25.368
Buildings	994.530	1.039	5.205	990.364	315.749	16.384	0.011	332.122	658.242	678.781
Leasehold Buildings	8.065	-	-	8.065	1.344	0.674	-	2.018	6.047	6.721
Plant & Machinery	3,351.845	99.019	117.388	3,333.476	2,537.797	125.119	72.108	2,590.808	742.668	814,048
Computer Equipments	374.237	24.072	4.323	393.986	305.130	7.804	0.204	312.730	81.256	69.107
Furniture and Fittings	52.917	0.649	2.271	51.295	28.336	1.359	0.010	29.685	21.610	24.561
Office Equipments	3.818	1.066	0.066	4.820	2.202	0.096	0.024	2.274	2.546	1.616
Vehicles	46.887	1.977	7.473	41.191	28.241	1.571	4.855	24.957	16.234	18.446
<b>Total Tangible Assets</b>	<b>4,958.322</b>	<b>143.482</b>	<b>136.726</b>	<b>4,965.078</b>	<b>3,220.310</b>	<b>153.143</b>	<b>77.212</b>	<b>3,296.242</b>	<b>1,668.837</b>	<b>1,738.012</b>
<b>Intangible Assets</b>										
Computer Software	143.177	25.521	-	168.698	87.764	8.774	-	96.538	72.160	55.413
Technical Knowhow	53.092	0.580	1.140	52.532	39.058	6.607	1.140	44.525	8.007	14.034
<b>Total Intangible Assets</b>	<b>196.269</b>	<b>26.101</b>	<b>1.140</b>	<b>221.230</b>	<b>126.822</b>	<b>15.381</b>	<b>1.140</b>	<b>141.063</b>	<b>80.167</b>	<b>69.447</b>
<b>Total</b>	<b>5,154.591</b>	<b>169.585</b>	<b>137.867</b>	<b>5,186.308</b>	<b>3,347.132</b>	<b>168.524</b>	<b>78.352</b>	<b>3,437.304</b>	<b>1,749.004</b>	<b>1,807.459</b>
<b>Previous year</b>	<b>5,028.368</b>	<b>257.019</b>	<b>130.796</b>	<b>5,154.591</b>	<b>3,130.629</b>	<b>319.501</b>	<b>102.998</b>	<b>3,347.132</b>		
Capital Work-in-progress									53.401	26.048
<b>Total Assets</b>									<b>1,802.405</b>	<b>1,833.507</b>

Note : Additions to Fixed Assets includes Capital Expenditure on Research & Development of ₹ 68.360 Million (Previous year 2012-13 - ₹ 83.120 Million)



2.12. NON CURRENT INVESTMENTS

30-9-2013  
₹ Million

31-3-2013  
₹ Million

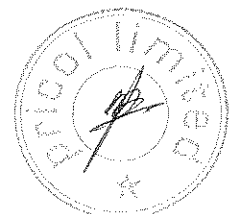
1. Shares in Subsidiary Company - Non Trade - Unquoted : 2,250,000 Equity Shares of ₹ 10/- each fully paid-up in Integral Investments Limited	22.500	22.500
2. Shares in Subsidiary Company - Trade - Unquoted :		
a) 17,798,200 Equity Shares of ₹ 10/- each fully paid-up in Pricol Castings Limited	191.145	191.145
b) 2,500 Equity Shares of USD 1,000/- each fully paid-up in PT Pricol Surya , Indonesia (Previous year - 1,500 Equity Shares of USD 1,000/- each)	123.877	123.877
c) 500 Equity Shares of USD 1/- each fully paid up in Pricol Asia Pte Limited, Singapore	0.028	0.028
d) 50,000 Equity Shares of ₹ 10 each fully paid up in Pricol Components Limited	-	0.500
3. Shares in Joint Venture - Trade - Unquoted :		
5,000,000 Equity Shares of ₹ 10/- each fully paid up in Johnson Controls Pricol Private Limited (Extent of holding - 50% )	50.000	50.000
4,900,000 Equity Shares of ₹ 10/- each fully paid up in Denso Pricol India Limited (Extent of holding - 49% ) (Formerly Pricol Components Limited )	49.000	-
<b>Aggregate Cost of Un-Quoted Investments (long term)</b>	<u>438.550</u>	<u>388.050</u>

2.13. LONG TERM LOANS AND ADVANCES

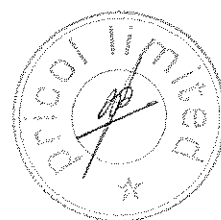
Unsecured considered good			15.407
Capital Advances		28.074	39.744
Deposits		22.666	
Unsecured considered doubtful	1.305		1.305
Less : Provision for Doubtful Deposits	<u>1.305</u>	-	<u>1.305</u>
		<u>50.740</u>	<u>55.151</u>

2.14. OTHER NON CURRENT ASSETS

Unsecured Considered Good			362.511
Long Term Trade Receivables		361.849	0.566
Loans to Employees		0.479	0.763
Balances with Government Authorities		-	3.578
Tax Payments Pending Adjustment (Net)		6.838	211.275
MAT Credit Entitlement		<u>212.917</u>	<u>578.693</u>
		<u>582.083</u>	

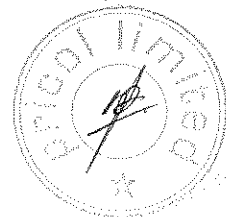


	30-9-2013 ₹ Million	31-3-2013 ₹ Million
<b>2.15. INVENTORIES</b>		
Stock of Stores & Spares	17.934	17.130
Raw Materials & Components	556.963	712.542
Work-in-progress	117.860	122.403
Finished Goods	89.151	100.579
Land - Stock in Trade	109.802	109.802
	<u>891.711</u>	<u>1,062.456</u>
<b>2.16. TRADE RECEIVABLES</b>		
a) Outstanding for a period exceeding six months		
i) Unsecured Considered Good	151.176	110.869
ii) Unsecured Considered Doubtful	43.571	58.411
Less : Provision for Doubtful Debts	<u>43.571</u>	<u>58.411</u>
b) Outstanding for a period less than six months		
i) Unsecured Considered Good	1,473.575	1,528.775
ii) Unsecured Considered Doubtful	4.026	18.363
Less : Provision for Doubtful Debts	<u>4.026</u>	<u>18.363</u>
	<u>1,624.751</u>	<u>1,639.644</u>
<b>2.17. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	1.840	0.997
Balances with Banks		
In Current Account	13.880	12.971
In Unclaimed Dividend Account	6.254	5.493
In Margin Money Account / Fixed Deposits #	<u>2.212</u>	<u>2.630</u>
	<u>24.186</u>	<u>22.092</u>
	<u>15.720</u>	<u>13.968</u>
<p># Margin Money with banks of ₹ 2.212 Mn. (Previous year - ₹ 2.630 Mn.) is towards issue of Letter of credits, Buyers Credit for Imports and Bank Guarantee.</p> <p>Of the above, the balances that meet the definition of Cash and Cash equivalent as per AS 3 Cash flow Statement is</p>		
<b>2.18. SHORT TERM LOANS AND ADVANCES</b>		
Unsecured Considered Good		
Share Application Money	34.477	-
Advances to Employees	5.423	3.734
Advance to Suppliers	54.182	35.934
Balances with Government Authorities	103.060	47.871
Prepaid Expenses	48.958	14.465
	<u>246.100</u>	<u>102.004</u>
<b>2.19. OTHER CURRENT ASSETS</b>		
Unsecured Considered Good		
Accrued Income	5.941	9.236
	<u>5.941</u>	<u>9.236</u>





	2013-14 (Apr - Sep)		2011-12	
	₹ Million		₹ Million	
<b>2.20. REVENUE FROM OPERATIONS</b>				
Sale of Products - Finished Goods				
Domestic	3,895.700		7,835.550	
Export	668.895		1,285.912	
	<u>4,364.595</u>		<u>8,921.462</u>	
Less : Excise Duty	351.649	4,012.945	713.443	8,208.019
Service Income		44.941		74.577
Other Operating Revenue :-				
Export Incentives		12.817		13.045
Sale of Traded Goods		209.850		443.302
		<u>4,280.653</u>		<u>8,738.943</u>
<b>2.21. OTHER INCOME</b>				
Interest Received		0.192		2.763
Income from Current Investments		-		0.027
Rent Received		7.122		6.835
Profit on Sale of Assets (Net)		4.714		5.116
Miscellaneous Income		0.003		0.421
		<u>12.033</u>		<u>16.160</u>
<b>2.22. COST OF MATERIALS CONSUMED</b>				
Value of Imported and Indigenous Raw Materials Consumed :				
	2013-14 (Apr - Sep)		2012-13	
	₹ Million	%	₹ Million	%
Imported	828.066	23.51	1,398.854	25.68
Indigenous	2,043.670	76.49	4,048.998	74.32
	<u>2,871.736</u>	<u>100.00</u>	<u>5,447.852</u>	<u>100.00</u>
<b>2.23. CHANGES IN INVENTORIES OF WORK-IN-PROGRESS AND FINISHED GOODS</b>				
	30-9-2013		31-3-2013	(Increase) / decrease
Inventories at the end of the year				31-3-2013
Work-in-progress	117.880		122.403	4.543
Finished Goods	89.161		100.579	11.427
	<u>207.042</u>		<u>222.982</u>	<u>15.970</u>
Inventories at the beginning of the year				31st March 2013
Work-in-progress	122.403		141.864	19.461
Finished Goods	100.679		164.758	54.179
	<u>222.982</u>		<u>296.622</u>	<u>73.640</u>
(Increase) / Decrease in Inventories of Work-in-progress and Finished Goods		<u>16.970</u>		<u>73.640</u>



<b>2.24. EMPLOYEE BENEFITS EXPENSE</b>			
a) Pay, Allowances and Bonus	550,453	1,112,227	
b) Contribution to Provident and other funds	39,160	77,361	
c) Welfare Expenses	<u>48,982</u>	<u>89,147</u>	
	<u>638,595</u>		<u>1,278,735</u>
<b>2.25. FINANCE COSTS</b>			
Interest On Loans	28,978	159,339	
Other Borrowing Costs	<u>1,724</u>	<u>3,967</u>	
	<u>30,699</u>		<u>163,307</u>
<b>2.26. OTHER EXPENSES</b>			
Power & Utilities (Refer to Note No. 2.34)	111,464		197,833
Stores & Spares Consumed	5,416		11,725
Repairs and Maintenance:			
- Machinery	48,007		88,604
- Building	3,208		15,983
- Others	4,473		9,002
Printing & Stationery	4,799		9,063
Postage & Telephone	5,886		11,396
Rent	9,708		20,405
Rates, Taxes & Licence	7,879		24,323
Insurance	14,366		25,188
Bank Charges	5,009		17,041
Travelling & Conveyance	40,187		76,948
Freight & Forwarding and Selling Expenses	66,211		161,076
Advertisement & Sales Promotion	2,084		3,376
Commission & Discount on Sales	15,281		28,580
Royalty	11,664		28,038
Bad Debts written off	33,203		-
Provision for doubtful debts (Net)	(28,177)		11,347
Commission to Non-Whole Time Directors	1,000		1,520
Auditors' Remuneration (Refer to Note No. 2.37)	2,898		4,863
Professional Charges	77,070		107,698
Exchange Fluctuation (Net)	14,539		38,017
Miscellaneous Expenses	7,678		8,144
Donations	0,261		-
	<u>482,980</u>		<u>899,189</u>

