



ADITYA FORGE LIMITED

CIN : L27100GJ1992PLC017196

Plot No 412-415, GIDC NOTIFIED AREA
AT & POST POR DISTRICT VADODARA PIN 391243

PHONE 91-0265-2830729-731

WEBSITE: www.adityaforge.com EMAIL : cfo@adityaforge.com

LISTED AT BOMBAY STOCK EXCHANGE – ISIN - INE281H01013

NOTICE

Notice is hereby given that the Annual General Meeting of the Members of ADITYA FORGE LIMITED will be held at 415 GIDC, RAMANGANDI, POR N H 8 VADODARA GJ IN on 30th September, 2019 at 04.00 P.M. to transact the following business:

ORDINARY BUSINESS:

01. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2019 and the Profit and Loss Account for the year ended on that date together with the reports of the Directors' and the Auditors' thereon.
02. To take note of the appointment of Ms. Harsha Nikhilchandra Bhatt, Chartered Accountants (Firm Registration No. 155589) who are now appointed as the Statutory Auditors of the Company for a period of five years in the Annual General Meeting of the Company held on 30th September, 2019, to hold their office from the conclusion of the till the conclusion of 5th Annual General Meeting hereafter that will be held in 2024.

By the Order of Board of Directors of

ADITYA FORGE LIMITED

PLACE: VADODARA

DATE: 30.09.2019

Note:

CHAIRMAN

A MEMBER ENTITLED TO ATTEND THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE AT THE MEETING AND THE PROXY NEED NOT BE A MEMBER.

BOARDS' REPORT

Dear Members,

ADITYA FORGE LIMITED

415 GIDC, RAMANGANDI, POR N H 8 VADODARA GJ IN

Your Directors have pleasure in presenting the Annual Report together with the Audited Statement of Accounts of your Company for the Year ended March 31, 2019.

1. FINANCIAL RESULTS:

The Company's financial performance, for the year ended March 31, 2018:

PARTICULARS	YEAR ENDED 31 ST MARCH 2019.	YEAR ENDED 31 ST MARCH 2018.
Turnover	221930978	144039325
Less: Expenditure	226180078	155306407
Profit Before Tax	(4249100)	(11267082)
Less: Current Tax	0.00	0.00
Deferred Tax	1224881	1828671
Income Tax earlier years	0.00	75000
Profit /Loss For The Year	(3024219)	(9513411)
Add: Balance in P&L Account	0.00	0.00
Sub Total	(3024219)	(9513411)
Less: Appropriation	0.00	0.00
Adjustment relating to Fixed Assets	0.00	0.00
Transferred to General Reserve	0.00	0.00
Closing Balance	(3024219)	(9513411)

2. STATE OF AFFAIRS :

The Company is engaged in the business of Manufacture of Forge Components from Carbon and & Stainless Steel and Fittings from Seamless Pipes. There has been no change in the business of the Company during the financial year ended 31st March, 2019.

The company has yet not been able to come out of the financial difficulties which were largely on account of its erstwhile Banker – Madhvapura Cooperative Bank Ltd. (MMCB). MMCB collapsed financially due to Ketan Parekh Stock market Scam in 2001 and did not financed the assured Working Capital to our unit even after implementation of expansion of installed capacity through disbursement of Term Loan. The Financial blow was lethal and unit could not sustain the business and financial loss.

Reserve Bank of India suspended the license of MMCB and ultimately bank was taken to liquidation. The Official liquidator has been struggling to complete liquidation formalities.

In the process, recovery suits have been filed against the Company. Your directors have also filed damages suit for loss of export business for over Rs 20 Crores in the year 2001-02, against the Bank for non-disbursement of working capital finance. The deadlock with Madhavpura Cooperative Bank Ltd over OTS amount has not been resolved yet. However, the present liquidator has shown positive attitude and your Directors are hopeful for a favourable resolution.

The highlights of the Company's performance are as under: -

There is increase in revenue from Rs. 137.50 Lakhs to Rs. 206.31 Lakhs. There has been shift in the operations from Job Work to Manufacturing and therefore there has been an improvement in the profitability. Due to shifting to Manufacturing from Job Work business the company has incurred expenses on higher side. However, due to non-availability of working capital finance, continuous under-utilization of the installed capacity the unit has not been able to come out of loss.

3. WEB LINK OF ANNUAL RETURN

Web Link has been provided on Company's Website: www.adityaforge.com

4. MEETINGS OF BOARD OF DIRECTORS

SIX Board Meetings were held during the Financial Year ended March 31, 2019 i.e. (26.05.2018, 31.07.2018, 16.08.2018, 20.11.2018 04.02.2019, 20.02.2019). The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

The names of members of the Board, their attendance at the Board Meetings are as under:

Name of Directors	Number of Meetings attended / Total Meetings held during the F.Y. 2018-19
SUBHASH BHAGWANDAS DALAL	04
VISHNUBHAI INDUBHAI PATEL	05
NITIN RASIKLAL PAREKH	06
SANGITA NITIN ADHVARYU	06

5. DETAILS OF FRAUD REPORT BY AUDITOR:

As per auditors' report, no fraud u/s 143(12) reported by the auditor.



6. AUDITOR :

Statutory Auditors

M/s. K.J. SHAH & CO, Chartered Accountants (Firm Registration No. 132369W), who are the statutory auditors of the Company, hold office, in accordance with the provisions of the Act up to this Annual General Meeting and from whom necessary consent has been obtained under section 141 of the Companies Act, 2013 are now not eligible for re-appointment as required under the provisions of Section 139 of the Companies Act, 2013. The AGM takes a note of their valued services during the past and has now appointed Ms. Harsha Nikhilchanda Bhatt, Chartered Accountants, Vadodara, having ICAI Firm Registration No. 155589, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting to be held in the year 2024

7. BOARD'S COMMENT ON THE AUDITORS' REPORT :

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and does not call for any further comment.

8. PARTICULARS OF LOANS AND INVESTMENT

The company's books of accounts show following investments, which are on account of Purchase of Shares in accordance of Sanction Terms of Loans by these Cooperative Banks and not to be considered as Investments of business strategy:

Madhavpura Mercantile Co. op Bank Ltd. - Rs. 1625000

Baroda City Co-op Bank Ltd. - Rs. 6600

The Company has not given any corporate guarantee and/or mortgaged assets as securities during the year under review.

9. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year ended 31st March, 2018 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

10. TRANSFER TO RESERVE:

No amount was transferred to the reserves during the financial year ended 31st March, 2018.

11. DIVIDEND

No Dividend was declared for the current financial year due to conservation of Profits/due to loss incurred by the Company /due to insufficient profit.

12. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. Conservation of Energy, Technology Absorption

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

B. Foreign Exchange earnings and Outgo

Earnings	USD 23.56 Lakhs INR 1592.71 Lakhs
Outgo	USD 4.55 Lakhs INR 356.62 Lakhs

14. RISK MANAGEMENT POLICY :

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, project execution, event, financial, human, environment and statutory compliance.

15. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Venture or Associate Company.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) :

There has been no change in the constitution of Board during the year under review i.e. the structure of the Board remains the same.

In view of the applicable provisions of the Companies Act, 2013, the Company is not mandatorily required to appoint any whole time KMPs.

17. The Company has not accepted any deposits during the year under review.

18. INTERNAL FINANCIAL CONTROL

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.

19. COST RECORD

The provision of Cost audit as per section 148 doesn't applicable on the Company.

20. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

21. CONSTITUTION OF COMMITTEE – SEXUAL HARASSMENT AT WORKPLACE

The Company has constituted committee under the sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013 and However, company has complied with the provisions of the same.

22. CONSOLIDATED FINANCIAL STATEMENTS

Company doesn't have any subsidiaries so there is no need to prepare consolidated financial statement for the F. Y. 2018-19

23. DIRECTOR'S RESPONSIBILITY STATEMENT :

Pursuant to Section 134(3) (c) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date.



- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a 'going concern' basis.
- e) The Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

24. ACKNOWLEDGMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board
ADITYA FORGE LIMITED

NITIN RASIKLAL PAREKH
DIN: 00219664

Dated: 30.09.2019
Place: Vadodara

INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF –
ADITYA FORGE LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s. Aditya Forge Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statement and Auditor's Report thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon;

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. 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;

