

**46TH | ANNUAL REPORT
2017-2018**



Amforge Industries Limited

CIN : L28910MH1971PLC015119

**AMFORGE INDUSTRIES LIMITED**

(CIN-L28910MH1971PLC015119)

Registered Office: 1104-A, Raheja Chambers, 11th Floor, Free Press Journal Marg, Nariman Point, Mumbai - 400021.

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Board of Directors

Shri. Puneet Yogiraj Makar

Smt. Reshma Yogiraj Makar

Shri. Hudson Joseph D 'Costa

Shri. Fali Pirojsha Mama

Shri. Sunil Kewalkishan Aggarwal

Shri. Rakesh Khanna

Shri. Sanjay Rajni Patel

Registered Office

Amforge Industries Limited
1104-A, Raheja Chambers
Free Press Journal Marg
Nariman Point
Mumbai – 400 021 (Maharashtra)

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Fax: 022-66365964

e-mail: secretarial@amforgeindustries.com

amfcosec@mtnl.net.in

web: www.amforgeindia.in

Registrar & Transfer Agents

Sharex Dynamic (India) Pvt Ltd.
Unit-1, Luthra Industrial Premises
Safed Pool, Andheri-Kurla Road
Andheri (East)
Mumbai-400 072 (Maharashtra).

Tel: 022-28515644/2851 6338

Fax: 022-28512885

e-mail : sharexindia@vsnl.com

web: www.sharexindia.com

Statutory Auditors

M/s. J Singh and Associates, Chartered Accountants
505-507, Hub Town Viva, Western Express Highway, Shankarwadi,
Andheri (West), Mumbai – 400060.

46TH ANNUAL GENERAL MEETING

on

Tuesday 18th September, 2018 at 2.30 p.m.

V E N U E

Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry and Agriculture
Oricon House, 6th Floor, 12, K. Dubash Road, Fort, Mumbai – 400 001.



NOTICE

Notice is hereby given that the 46th Annual General Meeting of Amforge Industries Limited will be held on Tuesday, 18th September, 2018 at 2.30 p.m., at Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry and Agriculture, Oricon House, 6th Floor, 12, K. Dubhash Road, Fort, Mumbai- 400001, to transact the following ordinary business:

1. To receive, consider and adopt the audited Statement of Profit and Loss for the year ended 31st March, 2018, and the Balance Sheet as at that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Puneet Yogiraj Makar (DIN: 00364000), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors of the Company from the conclusion of this meeting till the conclusion of the next Annual General Meeting, and to authorise the Board or Committee thereof to fix their remuneration in this regard, and to consider, and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014 (including any Statutory modification(s) or re-enactments thereof for the time being in force, and as recommended by the Audit Committee and the Board of Directors, the Company hereby ratifies the appointment of Messrs. J Singh and Associates, Chartered Accountants, (Firm Registration No.110266 W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting on such Remuneration as may be fixed by the Board or Committee thereof.”

By Order of the Board of Directors
Amforge Industries Limited

Hudson Joseph Dcosta
Managing Director
DIN: 07893177

Place: Mumbai
Date: 06-08-2018

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY(IES) TO ATTEND AND VOTE ON A POLL INSTEAD OF THE MEMBER AND THE PROXY(IES) NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORMS, DULY COMPLETED AND SIGNED SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 48 (FORTY-EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A person can act as a proxy on behalf of members not exceeding fifty in number and holding in aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy, and such person shall not act as a proxy for any other person or shareholder.
3. The Register of Members and Share Transfer Books will remain closed from Monday, 10th September, 2018 to Tuesday, 18th September 2018 (both days inclusive).
4. Corporate Members intending to send their authorized representatives under Section 113 of the Act are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.
5. The business set out in the notice will be transacted through electronic voting system. Instructions and other information relating to e-voting are given in this notice under Note No. 15.

6. Members are requested to notify any change in their address, transfer and transmission of shares, issue of duplicate share certificates, bank mandates, etc., to M/s. Sharex Dynamic (India) Private Limited (Registrar & Share Transfer Agent) for shares held in physical form, and to their respective Depository Participant(s) for shares held in electronic form.
7. Members are requested to quote their Registered Folio Numbers or Demat Account Numbers and Depository Participant (DP) ID Numbers on all correspondence with the Company / the Registrar & Share Transfer Agent.
8. Members/Proxy holders are requested to bring their copies of the Annual Report to the meeting.
9. Members/ Proxies should bring the Attendance slips duly filled in for attending the meeting.
10. 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 their PAN to their Depository Participants. Members holding shares in physical form can submit their PAN to the Company / the Registrar & Share Transfer Agent.
11. The Equity shares of the Company are listed on BSE Limited, Mumbai. Annual listing fee is paid for the financial year 2018-2019.
12. Relevant documents are open for inspection by the members at its registered office on all working days, except Saturdays and Sundays, during business hours up to the date of the meeting.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving paperless communication including Annual reports, notices, circulars, etc. electronically.
14. Shareholders who are holding shares in physical form are requested to update their KYC (PAN Bank details, etc.) Immediately, pursuant to SEBI Circular SEBI/HO/ MIRSD/ DOP1/ CIR/P/2018/73 dated 20th April, 2018.
15. E-VOTING:

Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) for all its shareholders to cast their votes electronically on the items mentioned in this notice.

Shri. Rajkumar R. Tiwari, Practising Company Secretary (FCS 4227) shall scrutinize the e-voting and Ballot process in a fair and transparent manner. His contact number is 9820353375 and email ID is: raj_nj13@hotmail.com.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Friday, September 14, 2018 @ 9.00 a.m., and ends on Monday, September 17, 2018 @ 5.00 p.m. During this period, shareholders holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. Tuesday, September 11, 2018 (Record Date) may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID :
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next, enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares, in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is, less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant AMFORGE INDUSTRIES LIMITED on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA), which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

The Scrutinizer's decision on the validity of the vote shall be final.

Once Members cast the vote on a resolution stated in this notice through remote e-voting, the Members shall not be allowed to change it subsequently, and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the meeting. However, such Members shall not be allowed to vote again.

The Scrutinizer, after scrutinizing the votes cast at the meeting by Ballot and through remote e-voting, will make a consolidated report, and submit the same forthwith not later than 48 hours of conclusion of the meeting to the Managing Director of the Company.

The results shall be hosted on the websites www.amforgeindia.com and on the www.evotingindia.com. The results shall simultaneously be communicated to BSE Limited.

The resolutions shall be deemed to be passed on the date of the Meeting i.e. 18/09/2018, subject to receipt of the requisite number of votes in favour of the Resolutions.

The route map of the venue of the meeting is annexed to this notice/ Annual Report.

By Order of the Board of Directors
Amforge Industries Limited

Hudson Joseph Dcosta
Managing Director
DIN: 07893177

Place: Mumbai
Date: 06-08-2018

Additional information with respect to Item No. 2 of this notice:

Shri. Puneet Yogiraj Makar, Director of the Company, is liable to retire by rotation and, being eligible, has offered himself for re-appointment.

He is a Graduate in Business Administration from the United States of America. After his graduation, he entered gradually into his family business.

He joined the Board of the Company in 2002, and since then has been contributing his dynamic leadership, experience to the growth of the Company.

He was a Promoter and Executive Director on the Board of the Company, and he resigned as Managing Director on 9th February 2017.

He is holding 2513219 shares (17.47%) in the Company.

He has interests in other companies / firms:

- (1) Viniyog Investment and Trading Company Private Limited,
- (2) Bonjur Investment Company Private Limited,
- (3) Salil Investments Private Limited
- (4) Nainesh Trading and Consultancy LLP.

None of the Directors and Key Managerial Personnel of the Company is inter-se-related to each other except Smt. Reshma Yogiraj Makar.

BOARD'S REPORT

To

Dear Shareholders,

Your Directors are pleased to present the 46th Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018.

FINANCIAL RESULTS (STANDALONE):

(Rs. 000's)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Total Income	64,424.15	24,983.67
Profit / (Loss) before Interest, Taxes, Depreciation & Amortization & Exceptional items	14,977.00	(1,601.20)
Less: Finance Cost	5,379.21	4,606.57
Less: Depreciation & Amortization	4,684.41	4,629.19
Less: Exceptional Items	(24,269.12)	38,313.05
Profit / (Loss) before Tax	29,182.46	(49,150.02)
Tax Expenses		
Current Tax	6,100.00	-
Deferred Tax	(481.00)	1,15,911.00
Profit / (Loss) for the period	23,563.46	(1,65,061.02)
Other Comprehensive Income (net of Taxes)	2,551	-
Total Comprehensive Income	26,114.46	-
Surplus / (Deficit) in statement of Profit & Loss - Beginning of the Year	(5,59,479.50)	(3,94,418.48)
Less: Adjustment for Premium paid on Buyback of Equity Shares	1,731.98	-
Add: Profit / (Loss) for the period	23,563.46	(1,65,061.02)
Surplus / (Deficit) in statement of Profit & Loss – at the end of Year	(5,37,648.02)	(5,59,479.50)

Financial Performance:

During the financial year under review, your Company registered a total income of Rs. 62,424.15 thousand as against (Rs.24,983.67 thousand) in the previous year and earning profit before interest, depreciation, exceptional items and tax Rs.14,977 as against (Rs.1601.20) thousand in the previous year. The profit before tax for the year is Rs.29,183 thousand as against loss of (Rs. 49150.02 thousand), in the previous year.

Dividend:

In view of the accumulated losses, dividend has not been declared for the Financial Year ended on 31st March, 2018.

Share Capital:

During the Financial Year under review, the paid up Equity Share Capital of the Company was Rs.28774424/-. The Company has not issued any shares with differential voting rights/ stock options. None of the Directors of the Company was holding instruments convertible into equity shares.

Extract of Annual Return:

Pursuant to Section 134 (3) (a) and Section 92(3) of the Companies Act, 2013, read with rule 12(1) of the Companies (Management & Administration) Rules, 2014, an extract of the Annual Return (MGT-9) as at 31st March, 2018, is given in Annexure –A.

Directors:

Independent Directors have submitted their declarations indicating that they meet the criteria of being independence pursuant to Section 149(6) of the Companies Act, 2013, and Regulation 16(b) of SEBI (LODR), Regulation, 2015.

Shri. Hudson Joseph D 'Costa was appointed as Managing Director of the Company with effect from 1st August, 2017 for 3 years.

Shri.Fali Pirojsha Mama resigned as a Director from the Board of the Company with effect from 8th May 2018.

Key Managerial Personnel:

Shri. Hudson Joseph Dcosta (DIN: 07893177), Managing Director has also been designated as Chief Executive Officer (CEO) of the Company, with effect from 1st August, 2017.

Shri. Ajit Pandurang Walwaikar (Membership No. F1616) resigned as Company Secretary and Compliance Officer of the Company, with effect from 30th November, 2017.

Shri. Jayesh Vinodchandra Thakkar was designated as Chief Financial Officer (CFO) of the Company with effect from 12th February, 2018.

Auditors:

Pursuant to Companies Act, 2013, the Audit Committee and the Board had recommended to ratify the appointment of M/s. J Singh and Associates, Chartered Accountants (Firm Registration No. 110266W) as Statutory Auditors of the Company to hold the office from conclusion of this Annual General Meeting ("AGM") till conclusion of the next AGM.

The Auditors' Report on the Financial Statements of the Company for the Financial Year ended 31st March, 2018, is unmodified since it does not contain any qualification, reservation or adverse remark, and notes thereto are self-explanatory, and do not require any explanations.

Secretarial Auditor:

Pursuant to the provisions of Section, 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shri. Rajkumar R. Tiwari, Practising Company Secretary (C.P.No.2400) and (FCS No.4227), Mumbai appointed as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2018. The Secretarial Audit Report is annexed to this report as Annexure-"B".

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Corporate Governance:

Pursuant to Regulation 34(3) read with Schedule-V of the SEBI (LODR) Regulations, 2015, certificates issued by the Practising Company Secretary, confirming compliance of the Corporate Governance during the financial year under review, are annexed as Annexure-"C" and Annexure-"D" respectively.

Meetings of Board of Directors:

During the Financial Year under review, six meetings of Board of Directors were held. The Details are given in the Corporate Governance.

Performance Evaluation of Board:

Pursuant to the provisions of the Companies Act, 2013, and the SEBI (LODR), Regulations, 2015, the various aspects of the Board's functioning, composition of the Board and its Committees were elaborated.

During the Financial Year under review, the Independent Directors carried out the performance evaluation of the Non-Independent Directors.

Committees of the Board:

Your Company has duly constituted the Committees required under Companies Act, 2013, read with applicable Rules made thereunder and the SEBI (LODR), Regulations, 2015.

1. Audit Committee
2. Remuneration and Nomination Committee
3. Stakeholders Relationship Committee.

The details of composition of the Committees, number of meetings and attendance are given in the Corporate Governance.

The Company does not have Corporate Society Responsibility Committee, as the Company is not falling under the provisions of sub-section 1 of Section 135 of the Companies Act, 2013, during the Financial Year, under review.

Meeting of Independent Directors:

Pursuant to Regulations of SEBI (LODR), 2015, a meeting of independent directors was held, as stated in the Regulation.

Related Party Disclosure:

There were no material transactions entered into Related Parties during the Financial Year, under review. However, some of the arm's length transactions have taken place between the related parties, which are as follows:

(Rs. 000's)

Name of the Parties / Person	Opening Balance 1st April, 2017	ICD /Loan Transaction		Closing Balance 31st March, 2018	Max amount outstanding during the year	Other Transactions		
		Received	Repaid			Payment / Provision of Interest	Payment of rent	Payment of Salary / fees
Viniyog Investment and Trading Company Private Limited	38,950	9,000	28,500	19,450	40,950	4,095	0	0
Nainesh Trading & Consultancy LLP	0	2,000	2,000	0	2,000	72	0	0
Makar Estate	0	0	0	0	0	0	120	
Sub-total (a)	38,950	11,000	30,500	19,450	42,950	4,167	120	0
Shri. Fali Phirojsha Mama	0	0	0	0	0	0	0	350
Sub-total (b)	0	0	0	0	0	0	0	350
Total (a) + (b)	38,950	11,000	30,500	19,450	42,950	4,167	120	350

Management Discussion and Analysis:

There were no manufacturing activities to report on Management Discussion and Analysis pursuant to Regulation 34(2) (e) of SEBI (LODR) Regulations, 2015.

Directors' Responsibility Statement:

Pursuant to the requirement of Section 134(5) of the Act, and based on the representations received from the Management, the directors hereby confirm that:

- In the preparation of the annual accounts for the Financial Year ended 31st March, 2018, the applicable accounting standards have been followed;
- 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 at the end of the Financial Year ended 31st March, 2018, and of the Profit and Loss of the Company for the year ended on that date;
- the directors 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;
- the directors have prepared the annual accounts on a going concern basis;
- the directors have laid down adequate Internal Financial Controls to be followed by the Company and that such Internal Financial Controls were operating effectively during the Financial Year ended 31st March, 2018.
- the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the Financial Year ended 31st March, 2018.

Particulars of Employees and Related Disclosures:

During the financial year under review, there were no employees drawing remuneration more than as prescribed under Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.