



ADITYA FORGE LIMITED

DIRECTORS

SHRI NITIN R. PAREKH	Chairman & Managing Director
SHRI PANKAJ R. PAREKH	Director
SHRI MAHESH NANDANI	Director
SHRI SUBHASH DALAL	Director
SHRI VISHNUBHAI PATEL	Director

AUDITORS

M/S K J SHAH & CO.
Chartered Accountants
1st Floor, Satsang Apartment,
Kothi – Salatwada Road
BARODA – 390 001.

REGISTERED OFFICE

412 TO 415, G.I.D.C.,
RAMANGAMDI, POR – 391 243,
DIST. BARODA.

FACTORY

412 TO 415, G.I.D.C.,
RAMANGAMDI, POR – 391 243,
DIST. BARODA.

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NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the Members of the Company will be held on Saturday, the 30th day of September, 2013 at 11.00 a.m. at 415 GIDC, Ramangandi, Por , N H 8 ,Vadodara to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Accounts for the year ended 31st March, 2013 along with Auditors' and Directors' Report thereon.
2. To appoint a Director in place of Mr. Pankaj Parekh, who retires by rotation and being eligible offers himself for re- appointment
3. To appoint a Director in place of Mr. Mahesh Nandani, who retires by rotation and being eligible offers himself for re- appointment.
4. To appoint M/s, K J Shah & CO Chartered Accountants, Vadodara the retiring auditors as auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of next annual general meeting of the company and to fix their remuneration.

By Order of the Board,
For Aditya Forge Limited

Place : Vadodara.
Date: 08.09.2013

Mr . Nitin Parekh
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME SCHEDULED FOR HOLDING THE MEETING.
2. Members/ proxies are requested to bring their copies of Annual Report along with duly filed and signed attendance sheets attached with it for attending the meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members are requested to notify the Company of any change in their address (in full) with the postal area pin code number, quoting their folio numbers.
5. The Register of Members and Share Transfer Register of the Company will remain closed from 22nd September, 2013 to 28th September, 2013.
6. Sharepro Services India Pvt Ltd 416-420, 4th Floor, Devnandam Mall, Opp. Sanyas Ashram, Ashram Road, Ellishbridge, Ahmedabad, Gujarat, 380006 are Registrars and Share Transfer Agents for Company's shares in Demat and Physical Form. The members are requested to please ensure that their shares are converted into Demat Form.
7. Additional information as required in terms of paragraph 3 of the Clause 49 of the Listing Agreement on Director seeking re-appointment at the ensuing Annual General Meeting is as under:

Mr. Mahesh Nandani is Non-Executive Independent Director of the Company. He has rich experience in the field of Finance and HR. He has been associated with the Company w.e.f. 29th March, 2010. He is Member of the Audit Committee and Share Transfer and Grievances Committee of the Company. Mr. Pankaj Parekh retires by rotation and being eligible offers himself for re-appointment.

DIRECTORS' REPORT

Dear Members,

We are pleased to present the Twenty Second Annual Report of ADITYA FORGE LTD together with Audited Financial Statements and Auditor's Report for the Financial Year ended as on 31st March 2013. The Financial Highlights for the year under review are given below:

(1) FINANCIAL AND WORKING RESULTS:

Particulars	2012-2013 (Rs.)	2011-2012 (Rs.)
TOTAL INCOME	186763976	271615106
TOTAL EXPENSES	213277338	259819285
GROSS PROFIT/(LOSS) BEFORE DEPRECIATION	-11027770	11795821
(Less): Depreciation	7742796	7730922
PROFIT / (LOSS) BEFORE TAXATION	-18770566	4064899
(Less): Provision for Deferred Tax	-	-
(Less): Provision for Fringe Benefit Tax	-	-
(Less): Tax Adjustments for prior year	620154	505507
NET PROFIT/(LOSS) AFTER TAX	-18150412	4570406
EARNING PER SHARE		
Basic	-4.21	1.06
Diluted	-4.21	1.06

Previous years figures have been re-grouped wherever necessary

FINANCIAL PERFORMANCE :

During the year under review, your Company has recorded a turnover of Rs. 18.67 Crore as against Rs. 27.16 Crore in the previous year. The Net loss (after tax and extra ordinary items) for the financial year ended 31st March 2013 is Rs.1.87 Crore as against Net Profit of Rs. 40.67 lacs in the previous year.

(2) DEPOSITS:

The Company has not accepted deposits from the public.

(3) DIVIDENDS:

In view of carried forward losses and current losses, your Directors do not recommend any dividend for the financial year under review.

(4) PARTICULARS OF EMPLOYEES:

There was no employee drawing remuneration of Rs. 60.00 lac p.a. or Rs. 5.00 Lac p.m. for part of the year or more and hence no particulars are required to be furnished under Section 217(2A) of the Companies Act, 1956.

(5) PARTICULARS RELATING TO CONSERVATION OF ENERGY:**A. CONSERVATION OF ENERGY:**

The information required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Board of Directors) Rules, 1988 is annexed hereto and forms part of this Report.

B. FOREIGN EXCHANGE EARNINGS & OUTGO :

During the year, the Company has neither earned nor spent any foreign exchange.

(6) DIRECTORS' RESPONSIBILITY STATEMENT:

- i) Your Directors have followed the applicable Accounting standards along with proper explanation relating to material departures if any, while preparing the annual accounts;
- ii) Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the period;
- iii) Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) Your Directors have prepared the annual accounts on a going concern basis.

(7) DIRECTORATE:

Mr. Pankaj Parekh and Mr. Mahesh Nandani who retire by rotation from the Directorship at the ensuing Annual General Meeting and being eligible offer himself for retirement.

(8) AUDITORS:

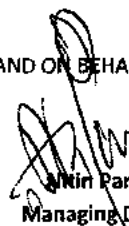
M/s K.J Shah & Co, Chartered Accountants, Auditors of the Company retires at the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment. You are requested to appoint Auditors and fix their remuneration.

(9) ACKNOWLEDGEMENTS:

Your Directors take opportunity to express their gratitude to government, employees and shareholders for their valuable support and co-operation.

FOR AND ON BEHALF OF THE BOARD

Place : Vadodara
Date : 08th September ,2013


Pankaj Parekh
Managing Director

INFORMATION AS PER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013.

I. CONSERVATION OF ENERGY:

- a) Energy conservation measures taken:
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:
- c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:
- d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure in respect of Industries specified in the schedule thereto:

**ANNEXURE
FORM A**

Form for disclosure of particulars with respect of conservation of energy

(A) Power and Fuel consumption:	<u>2012-2013</u>	<u>2011-2012</u>
1. Electricity:		
(a) Purchased:		
Units (HT Line)		
Total Amount [Rs.]		
Rate [Rs./unit]		
(b) Own Generation:		
(i) Through Diesel Generation	N.A	N.A
Units		
Qty. Purchased (Ltrs.)		
Total Amount [Rs.]		
Units per Ltr. of Diesel Oil		
Cost/Unit		
(ii) Through steam turbine /Generator	N.A	N.A
Units		
Units per Litre. of Fuel Oil/Gas		
Cost/Units		
2. Coal (specify quality and where used):	N.A	N.A
(Agro Waste for Boiler)		
Quantity (Tonnes)		
Total Cost [Rs.]		
Average Rate [Rs./MT]		
3. Furnace Oil:	N.A	N.A
Quantity (K. Ltrs.)		
Total Amount		
Average Rate		
4. Others/internal generation (please give details)	N.A	N.A
Quantity		
Total Cost		
Rate/unit		

(B) Consumption per unit of production: N.A

	Standard (if any)	Current year	Previous year
Products (with details) unit			
Electricity			
Furnace Oil			
Coal (specify quality)			
Others (specify)			

NOTES:

- (1) Please give separate details for different products/items produced by the company and covered under these rules.
- (2) Please give reasons for variation in the consumption of power and fuel from standards of previous year.
- (3) In case of production of different varieties/specifications consumption details may be given for equivalent production.

FORM B**Form for disclosure of particulars with respect to absorption.**

Research & Development (R&D):

- (1) Specific areas in which R&D carried out by the Company :
- (2) Benefits derived as a result of the above R&D :
- (3) Future Plan of Action :
- (4) Expenditure on R&D :
 - (a) Capital
 - (b) Recurring
 - (c) Total
 - (d) Total R&D expenditure as a Percentage of total turnover.

Technology absorption, adaptation and innovation: N.A

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:
2. Benefits derived as a result of the above efforts e.g. products improvement, cost reduction, product development, import substitution, etc.:
3. In case of imported technology (imported during the last 5 years from the beginning of the financial year), following information may be furnished:
 - (a) Technology imported.
 - (b) Year of import.
 - (c) Has technology been fully absorbed?
 - (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action.

II FOREIGN EXCHANGE EARNINGS & OUTGO

- a) Foreign Exchange Earned : NIL
- b) Foreign Exchange Used : NIL

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED ON 31st MARCH, 2013**1. THE CORPORATE GOVERNANCE PHILOSOPHY**

Corporate Governance at the Company is by the need to "enhance shareholder value, keeping in view the interests of other stakeholders". This definition places emphasis on the need to strike a balance at all times between the need to enhance shareholders' wealth whilst not being detrimental to other stakeholders' interests. The imperative for Corporate Governance lies not merely in drafting a code of Corporate Governance, but in practicing it to achieve desired results.

It is evident that real onus of achieving the desired level of Corporate Governance, lies in the proactive initiatives taken to achieve desired results and not in the external measures like breadth and depth of a code or stringency of enforcement of norms.

2. BOARD OF DIRECTORS

The Board of Directors is having non-executive and independent directors as on 31st March, 2012. The Board of Directors is consisting of Three Directors. The Directors manages the day to day affairs of the Company. Non-executive and independent directors do not have any pecuniary relationship of transactions with the company during the period under review. There are no material transactions where they have had personal interests that conflict with that of the Company.

Numbers of Board Meetings held and the dates on which such meetings were held: During the financial year 2012-13 the Board met 06 (Six) times on 30.04.2012, 28.07.2012, 25.08.2012, 22.11.2012, 25.01.2013, 15.03.2013. The maximum gap between two meetings was not more than 4 months.

Attendance record of Directors attending the Board meetings and Annual General Meetings during the year 2012-13

Name of the Director	Designation/ Category	No. of Board Meetings		Last AGM attendance
		Held	Attended	
Shri Nitin R Parekh	Managing Director –Promoter	06	04	Yes
Shri Pankaj R Parekh	Director- Promoter	06	06	Yes
Shri Mahesh Nandani	Independent Director	06	06	Yes
Shri Subhash Dalal	Independent Director	06	06	Yes
Shri Vishnu Patel	Independent Director	06	06	Yes

None of the Director is a member in more than 10 Companies and Act as Chairman in more than 5 Companies across all Companies in which he is a Director.

3. AUDIT COMMITTEE

The Audit committee consists of three members including two Non-executive Directors viz. Mr.Mahesh Nandani and Shri Vishnubhai Patel independent Directors and Shri Nitin R Parekh, Managing Director. In addition to the Audit committee members, head of accounts and the Statutory Auditors attend the meetings.

The role, terms of reference, authority and powers of the audit committee are in conformity with the requirement of Companies Act, 1956, and Listing Agreement.

Role/ Functions of the Committee:

- Reviewing with management the annual financial statements before submission to the Board.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Review of policies relating to risk management – operational and financial.
- Reviewing with the management, external auditors and the adequacy of the internal control system.

Powers of the Committee:

- To investigate any activity within its terms of reference.
- To secure attendance of and seek any information from any employee including representative of the prime shareholders (subject to their internal approvals).
- Compliance with accounting standards.
- To obtain outside legal or other professional advice, if necessary.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

- Compliance with Stock Exchange and legal requirements concerning financial statements.

Attendance at the Audit Committee Meetings- 2012

During the year under review, Audit committee meetings were held five times on 30.04.2012, 28.07.2012, 25.08.2012, 23.11.2012, 18.02.2013 under the Chairmanship of Mr. Mahesh Nandani , attendance of the members as under.

Name	Designation/Category	No. of Meeting attended	
		Held	Attended
Shri Subhash Dalal	Independent Director	05	05
Shri Vishnubhai Patel	Independent Director	05	05
Shri Nitin R Parekh	Managing Director –Promoter	05	05

4. REMUNERATION COMMITTEE

The committee comprises of all independent non-executive Directors with Shri Vishnubhai Patel as Chairman, Shri Subhash Dalal and Shri Mahesh Nandani as other members of the committee. The remuneration policy aims at rewarding performance, based on systematic and periodic review of achievements. The remuneration policy is in consonance with the prevailing industrial practices and laws.

During the year under review, no meeting of Remuneration Committee was held.

5. SHAREHOLDERS TRANSFER AND GRIEVANCES COMMITTEE

Investors' Grievance committee is headed by Mr. Pankaj Parekh, an Independent Director, Shri Nitin Parekh and Mr. Mahesh Nandani as members of the committee. The committee supervises and transfer /transmission/ transposition/ issue of duplicate share certificates in lieu of lost /misplaced/ worn out etc. Share certificate, issue of fresh share certificate in view of rematerialization of shares, consolidation and division and incidental matters relating to shares.

6. GENERAL BODY MEETINGS:

Location and time for last 3 years Annual General Meetings:

Details of AGM	Location	Date & Time	No. of Special Resolution passed
Eighteenth	Regd. Office of the Company at 415, GIDC, Ramangamdi, N.H. No. 8, Por, dist. Vadodara	29/09/2010 At 12.00 Noon	NIL
Nineteenth	-do-	30/09/2011 11: 00 AM	NIL
Twentieth	-do-	29/09/2012 11: 00 AM	NIL

7. DISCLOSURES

- No penalties or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markers, during the last three years.
- The Company has complied with various rules and regulations prescribed by the Stock Exchange and SEBI during the last three years. No penalties or strictures have been imposed by them on the Company.

8. MEANS OF COMMUNICATION

The Company has submitted its quarterly, half yearly and yearly financial results to the Stock Exchanges as well as website of the company immediately after its approval by the Board. The Company did not send the half yearly report to the Shareholders of the Company.

9. GENERAL SHAREHOLDERS INFORMATION

Financial Year	1st April, 2012 to 31st March, 2013.
Date and time of Annual General Meeting	30 th September, 2013, and 11:00 A.M.
Venue of Annual General Meeting	415, GIDC, Ramangamdi, N.H. No. 8, Por, dist. Vadodara.
Dates of Book Closure	22 nd September, 2013 to 28 th September, 2013
Listing on Stock Exchange	BSE Limited, Mumbai
Stock Code and Scrip ID	522150(BSE) and ADTYFRG (BSE)
Demat ISIN No.	INE281H01013
Financial calendar	
Unaudited results for the quarter ending on 30th June, 2012	Mid August, 2013
Unaudited results for the quarter ending on 30th September, 2012	Mid November, 2013
Unaudited results for the quarter ending on 31st December, 2012	Mid February, 2014
Unaudited results for the quarter ending on 31st March, 2013	Mid May, 2014

10. CATEGORIES OF SHAREOWNERS AS ON 31-03-2013

Category	No. of Shares Held	Voting Strength (%)
Promoters	1488100	34.54
Resident Individuals	2441761	56.67
Financial Institutions/ Banks	--	--
Bodies Corporate	335415	7.78
NRIs/ OCBs	36312	0.84
Directors Relatives	--	--
Others	7012	0.16
Total	4308600	100.00

11. Registrar and share transfer Agent: Sharepro Services India Pvt Ltd
416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashtram,
Ashtram Road, Ellisbridge, Ahmedabad - 380 006.

Share transfer, transmission and dematerialization of shares are registered and returned well within the stipulated period.

12. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2013:

Sl. No.	Category (Shares)	Holders	Shares	% to total shares
1	1-500	3364	869118	20.17
2	501-1000	425	379101	8.80
3	1001-2000	196	322284	7.48
4	2001-3000	65	168885	3.92
5	3001-4000	32	115356	2.68
6	4001-5000	46	223698	5.20
7	5001-10000	43	308690	7.17
8	10001-20000	17	245700	5.70
9	Above 20000	14	1675770	38.90
	TOTAL	4202	4308600	100.00

13. STOCK MARKET DATA

The monthly movement of Equity Share prices on BSE during the year is summarized below:

Month	Highest (Rs)	Lowest (Rs)
April, 2012	7.40	6.42
May, 2012	6.11	5.81
June, 2012	8.11	6.10
July, 2012	8.56	6.45
August, 2012	7.19	5.91
September, 2012	7.49	5.82
October, 2012	7.01	5.97
November, 2012	7.51	5.90
December, 2012	7.89	5.70
Jan, 2013	6.61	5.43
Feb., 2013	6.59	5.02
March, 2013	5.79	4.31

16. Address for communication:

Sharepro Services India Pvt Ltd
416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashtram, Ashtram Road, Ellisbridge, Ahmedabad - 380 006.

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY

In the above regards, I declare as follows:

1. The company does have a code of conduct approved by its board of directors, which would be posted on its website shortly.
2. All the members of the board of directors and all the members of the Senior Management of the Company have individually submitted statements of affirmation of compliance with the code of conduct as applicable to the financial year ended on March 31st 2013.

Date : 08/09/2013

Place: Vadodara

For Aditya Forge Limited,


Nitin Rashtlal Parekh
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian Forging Industry has emerged as a major contributor to the manufacturing sector of the Indian Economy. The Industry was previously more labour intensive, but now with increasing globalization it is becoming more capital intensive. The small scale units too are increasing their capital investment to keep pace with the increasing demand especially in the global markets as also broadening the areas of demand for forgings. Many of them are now suppliers to Original Equipment Manufacturers (OEMs) in the automobile sector also, which speaks volumes about efforts at technology and quality up gradation.

OPPORTUNITIES, OUTLOOK AND THREATS

The Board of Directors of the Company have been negotiating with the Madhavpura Mercantile Bank for One Time Settlement (OTS). Accordingly, acceptance, in principle is conveyed to the Bank for repayment of dues.

In order to bail out, the Company from its financial ill health, promoters have consented to pump in funds up to Rs. 6 Crore. This would help the Company to improve its financial position.

The future looks encouraging for the forging industry in terms of the expected surge in global demand. As a result of liberalization, more MNCs have entered the domestic automobile market. This has opened up more business opportunities for the forging industry. Our products, being major components of Auto industries, your Directors are optimistic for bright prospects in the years to come.

THREATS AND RISKS

Stiff competition, increasing input costs and delay in the sanction of the scheme has worsened the financial position of the company.

However, Promoters of your Company have been putting their best efforts to tide over the situation by injecting their funds.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance during the year has been satisfactory.

INTERNAL CONTROL SYSTEM AND THEIR EFFICACY

The Company has adequate internal control system in various operational areas of the Company to ensure that the system is being properly observed for better results.

QUALITY

The Company has been focusing on up gradation of quality and innovation.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Industrial Relations remained cordial throughout the year under review.

CAUTIONARY STATEMENT

Statement in this management analysis detailing the Company's objectives, projections, estimates, expectations, or predictions may be "forward looking" statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that may influence your Company's operations include Global and domestic supply and demand conditions affecting selling prices, input availability and prices, changes in Government policies, regulations, tax regimes, economic development within and outside the country and other allied factors. The Company assumes no responsibility to publicly amend, modify or revise the forward looking statement on the basis of subsequent developments, information or events

CEO/CFO CERTIFICATE

I **Nitin Rasiklal Parekh**, Managing Director of **Aditya Forge Limited**, to the best of my knowledge and belief certify that:

1. I have reviewed the Balance Sheet, Profit & Loss Account and its schedules & notes on accounts as well as the Cash Flow Statement and Directors' Report for the year ended 31st March, 2013 and that to the best of my knowledge and belief.
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 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.
2. I also certify that to the best of my knowledge and the information provided to me, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the Auditors and the Audit Committee:
 - significant changes in internal control, if any, over financial reporting during the year;
 - significant changes, if any, in accounting policies during the year and that the financial statements; and
 - Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system.
5. I further declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended on 31st March, 2012.

Place: Vadodara
Date: 08.09.2013

Sd/-
Nitin Rasiklal Parekh
Managing Director & Chairman



CERTIFICATE OF CORPORATE GOVERNANCE

To,

The Members,

Aditya Forge Limited,

We have examined all relevant records of Aditya Forge Limited as made available to us for the purpose of certifying compliance under Clause 49 of the Listing Agreement of the said Company with Stock Exchanges of India for the financial year ended on 31st March, 2013.

The Compliance of condition of corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof.

The Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanation given to me, we certify that the Company has complied with all the mandatory conditions of the said Clause 49 of the Listing Agreement.

We state that in respect of investor Grievances received during the year ended on 31st March, 2012, no Investor Grievances are pending against the Company for period exceeding one month as per records maintained by the Company.

Dated: 08th September 2013

Place: Vadodara

For, KH & Associates,
Practicing Company Secretary

Sd/-

Hemant Valand

PCS No.24697

Kamlesh Shah
B.Com.F.C.A



K. J. Shah & Co.
Chartered Accountants

Independent Auditor's Report

To the Member of
Aditya Forge Limited

Report on the Financial Statements

We have audited the accompanying statements of Aditya Forge Limited ("the company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 management 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.

Opinion

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 Act in the

manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet of the state of affairs of the Company s at March 31,2013;
- (b) In the case of the Statement of Profit and Loss Account, of the 'Losses' for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the 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 2003 ("the Order") issued by the Central Government of India in terms of Section 227 (4 A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act , we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.



Date: 30/04/2013
Place: Vadodara

For, K.J. Shah & Co.,
Chartered Accountants
Registration No. 132369W


(Kamlesh J Shah)
Proprietor
Membership No. 042390

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

1. **In respect of its fixed assets:**
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. Such Records are kept under updation at Registered Office.
 - (b) Fixed assets have been physically verified by the management during the year and as informed, no material discrepancies were identified on such verification.
 - (c) No substantial part of fixed assets has been disposed off during the year, and it has not affected the going concern.

2. **In respect of its inventories:**
 - (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
 - (b) Procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. There are no inadequacies in such procedures that should be reported.
 - (c) In Our Opinion, the Company is maintaining proper records of inventory. Discrepancies noticed on Physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of accounts.

3. **In respect of loans granted and taken to / from parties covered in the register maintained u/s 301 of the Companies Act, 1956.**
 - (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, clause (iii)(b) to (iii)(d) of paragraph 4 of the Order are not applicable to the Company for the Current year.
 - (b) The Company has taken loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, clause (iii)(f) and (iii)(g) of paragraph 4 of the Order are not applicable to the Company for the Current year.
 - (c) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.
 - (d) The loans taken are re-payable on demand.

4. **In respect of internal control**

In our opinion and according to the information and explanations given to us there is adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, We have not observed continuing failure to correct major weaknesses in internal control system.

5. **In respect of contracts or arrangements need to be entered into a register maintained u/s 301 of the Companies Act, 1956**
 - (a) According to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the companies Act 1956 have been entered in the register required to be maintained under that section.
 - (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies Act 1956 are made at price which are reasonable having regard to prevailing market prices at the relevant time.



6. **In respect of deposits from public**
No deposits within the meaning of Sections 58A and 58AA or any other relevant provision of the Act and rules framed there under have been accepted by the Company.
7. **In respect of internal audit system**
In our opinion, the Company has an internal audit system commensurate with its size and nature of business.
8. **In respect of maintenance of cost records**
The Company is required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1)(d) of the Act.
9. **In respect of statutory dues**
(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it.
(b) According to the records of the Company, there are no dues of Income tax, sales tax, customs duty, wealth tax, service tax, excise duty, sales tax and cess that have been not been deposited on amount of any dispute.
10. **In respect of accumulated losses and cash losses**
There are accumulated losses of Rs.460.98 Lacs [Previous Year 273.28 Lacs] of the Company at the end of the financial year. There are cash losses of Rs.110.27 lacs in the financial year (in the immediately preceding financial year there was cash Profit of Rs.117.96 Lacs). In the current year company's Net-Worth has exceeded Accumulated Losses. The Company has become Sick Industrial Company within the meaning of Sick Industrial Company (Special Provisions) Act, 1985 as the accumulated losses were more than net worth of the Company. A reference to BIFR is recommended by the Board.
11. **In respect of dues to financial institution / banks / debentures**
The company is not making payments to the Madhavpura Mercantile Co-op Bank Limited(MMCB). The bank has filed a case against the company in the Court of Board of Nominees. The company has provided for Interest of Rs.1,92,11,140 to arrive at the figure for which case is filed by the Bank with the Court of Board of Nominees as per the Notice No. MMCB/HO/44/229/2011-12 dated 4th January, 2012 issued to the company by MMCB. Interest from the date of decree on the outstanding amount of the suit is yet to be charged to the Profit and loss account. The Company had shown their willingness to settle the account as per OTS offered to them by the Bank (MMCB) vide their letter No. MMCB/SHB/43/10/11 Dated 19/06/2010. The request of Company is pending.
12. **In respect of loans and advances granted on the basis of security**
According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares debentures and other securities.
13. **In respect of provisions applicable to Chit fund**
In our opinion and according to information and explanations given to us the company is not chit fund or a nidhi or mutual benefit fund/society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable to the company.



14. **In respect of dealing or trading in shares, securities, debentures and other investment**
In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provision of clause 4(xiv) of the Companies (Auditors Report) order 2003 are not applicable to the company.
15. **In respect of guarantee given for loans taken by others**
According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. **In respect of application of term loans**
According to the information and explanations given to us, in our opinion, the term loans were applied for the purpose for which they were obtained.
17. **In respect of fund used**
According to the information and explanations given to us and on overall examination of the balance sheet and cash flow statement of the company, we report that no funds raised on short-term basis have been used for long-term investment.
18. **In respect of preferential allotment of shares**
The company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Act, during the year.
19. **In respect of securities created for debentures**
The company has not issued any debentures during the year. Therefore provisions of clause 4(xix) of the Order are not applicable to the company.
20. **In respect of end use of money raised by public issues**
The company has not raised any money from the public during the year under audit.
21. **In respect of fraud**
Based upon the audit procedures performed for the purpose of recording the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud or by the company has been noticed or reported during the course of our audit.

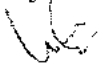



FOR :K. J. SHAH & CO.
(Chartered Accountants)
Firm Reg No. :132369W



Kamlesh J. Shah
(Proprietor)
Membership No : 042390

Place : Vadodara
Date : 30/04/2013



Aditya Forge Limited					
Balance Sheet as at 31 March, 2013					
Particulars	Note No.	As at 31 March, 2013		As at 31 March, 2012	
		₹	₹	₹	₹
A EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	3	43,086,000		43,086,000	
(b) Reserves and surplus	4	(45,478,108)		(27,327,696)	
(c) Money received against share warrants		-	(2,392,108)	-	15,758,304
2 Share application money pending allotment					
3 Non-current liabilities					
(a) Long-term borrowings	5	83,345,476		64,134,336	
(b) Deferred tax liabilities (net)	22.1	-		-	
(c) Other long-term liabilities		-		-	
(d) Long term provisions		-		-	
4 Current liabilities					
(a) Short-term borrowings	6	5,170,406		5,424,758	
(b) Trade payables	7	17,608,523		68,026,529	
(c) Other current liabilities	8	27,969,707		18,433,878	
(d) Short-term provisions	9	1,108,425		2,514,527	
		51,877,061		94,399,692	
TOTAL		132,830,429		174,292,333	
B ASSETS					
1 Non-current assets					
(a) Fixed assets					
(i) Tangible assets	10	109,458,312		114,167,018	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress	10	-		-	
(iv) Intangible assets under development		-		-	
(v) Fixed assets held for sale		-		-	
		109,458,312		114,167,018	
(b) Non-current investments		-		-	
(c) Deferred tax assets (net)	22.1	995,551		375,397	
(d) Long-term loans and advances		-		-	
(e) Other non-current assets		-		-	
		110,453,864		114,542,415	
2 Current assets					
(a) Current investments	11	1,631,600		1,631,600	
(b) Inventories	12	10,413,360		43,055,597	
(c) Trade receivables	13	2,060,838		4,982,866	
(d) Cash and cash equivalents	14	853,003		625,353	
(e) Short-term loans and advances	15	7,417,765		9,454,501	
(f) Other current assets	15a	-		-	
		22,376,566		59,749,917	
TOTAL		132,830,429		174,292,333	
See accompanying notes forming part of the financial statements					
In accordance of our report of even date					
For K. J. Shah & Co. Chartered Accountants Firm Reg. No. 132365W			For and on behalf of the Board of Directors Aditya Forge Limited		
					
Kamlesh J. Shah Proprietor Membership No. 042390 Place, Vadodara Date 30th April 2013					
			Place: Vadodara Date 30th April 2013		
					
			Director		

Aditya Forge Limited					
Profit and Loss Statement for the year ended as on 31 March, 2013					
Particulars	Note No.	As at 31st March, 2013		As at 31st March, 2012	
		₹	₹	₹	₹
1	Revenue from operations (net)	16	186,543,198		271,169,766
2	Other income	17	220,778		445,320
3	Total revenue (1+2)		186,763,976		271,615,106
4	Expenses				
	(a) Cost of materials consumed	18.a	137,486,440		208,809,912
	(b) Purchases of stock-in-trade		-		-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18.b	6,617,724		7,051,446
	(d) Employee benefits expense	19	13,941,641		21,597,387
	(e) Finance costs	20	22,905,118		1,542,795
	(f) Depreciation and amortisation expense	10	7,742,795		7,730,822
	(g) Other expenses	21	14,638,825		20,817,745
5	Total expenses		205,534,542		267,850,207
6	Profit before exceptional and extraordinary items and tax (3-5)		-18,770,566		4,064,899
7	Exceptional items		-		-
8	Profit before Extraordinary items and Tax (6+7)		-18,770,566		4,064,899
9	Extraordinary items		-		-
10	Profit/(Loss) before tax (8+9)		-18,770,566		4,064,899
11	Tax expense:				
	(a) Current tax expense for current year		-		-
	(b) (Less) MAT credit (where applicable)		-		-
	(c) (Less) Current tax expense relating to prior years		-		35,174
	(d) Net current tax expense		-		-
	(e) Add-Deferred tax		620,154		540,681
12	Profit/(Loss) for the year (10+11)		-18,150,412		4,570,496
13	Earnings per share (of ₹ 10/- each):				
	(a) Basic	22.2.a	-4.21		1.06
	(b) Diluted	22.2.b	-4.21		1.06

See accompanying notes forming part of the financial statements.

In accordance of our report of even date.

For K. J. Shah & Co
Chartered Accountants
Firm Reg. No. 132369W

Kamlesh J. Shah
Proprietor
Membership No. 042390
Place: Vadodra
Date: 30th April 2013.

For and on behalf of the Board of Directors
Aditya Forge Limited

Director
Place: Vadodra
Date: 30th April 2013



Aditya Forge Limited
Notes forming part of Financial Statements

Note 1 : Corporate Information :

Aditya Forge Limited is a Public Limited Company engaged in the business of Manufacturing and Trading of Forged Flanges and Pipe Fittings.

Note 2 : Statement of Significant Accounting Policies :

2.1 Basis of Preparation :

The Financial statements have been prepared to comply in all material respects with the notified Accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those applied in the previous year.

2.2 Fixed assets :

Fixed assets are stated at Cost less accumulated depreciation, if any. Cost comprises purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

2.3 Depreciation :

Depreciation is provided on straight line method at the rates prescribed in schedule XIV of the Companies Act, 1956. While providing depreciation it is assumed that on day of the receipt of assets they are put to use.

2.4 Inventories :

Stock in Trade comprising of Raw Material, Component and Semi-finished goods are stated at cost (arrived at on the first in first out method with the inclusion of appropriate manufacturing overheads where applicable) or net realizable value whichever is less. Finished Goods are valued at cost or market value whichever is lower.

2.5 Unsecured Loans :

It comprises of Business Loans taken from members. The said loans are as such not secured hence the same are shown under the head Unsecured Loans.

2.6 Revenue Recognition :

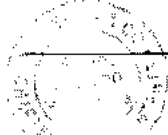
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

2.7 Retirement and other Employee benefits:

a. Retirement Benefits in the form of Provident Fund are charged to the profit and loss account of the period when the contributions to the respective funds are due and thereafter the same are deposited under the scheme framed under the Employees Provident Fund and Misc. Provision Act, 1952. There are no obligations other than contribution payable to the respective fund.

b. Gratuity- the company follows cash system of accounting of gratuity and leave encashment and has not obtained actuarial valuation of the present value of gratuity liability & unutilized leave benefit. Hence Liability for the same is not quantified and provided for.

2.8 Income Taxes :



Aditya Forge Limited
Notes forming part of Financial Statements

(i) Income Tax: Tax expenses comprise of Current Tax and are measured at the amount expected to be paid to the tax authorities in accordance with the income Tax Act, 1961.

(ii) Deferred Taxes : As per the requirements of the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Asset is created for the excess amount to be deferred. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years, if any.

2.9 Provisions :

A provision is recognized when an enterprise has a obligation as a result of past events and its probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present values and are determined based on best estimate required to settle the obligations at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

2.10 Contingent Liabilities:

We have been informed by the management that, their banker namely Madhavpura Mercantile Co-operative Bank Ltd. has gone into liquidation. The MNCB Ltd had offered the settlement under OTS for an amount of Rs.4.75 Crores (against outstanding of the Term Loan facility amounting to Rs. 4.19 Cr. and Cash Credit facility of Rs. 2.22 Cr.) The matter is under re-consideration by the bank. The management has provided for interest based on communication from Bank dated 04/01/2012. Based on legal opinions taken by the Company's Lr. Solicitors the Company believes that it has good cases in respect of the settlement of account under OTS offered in 2008-2009. To the extent of un-provided interest the Losses are under stated. The portion of un-provided interest Liability shall stand as contingent liability.

2.11 Cash and Cash Equivalents :

Cash and Cash Equivalent comprises of Cash on hand, Cash at Bank and Cheques in Hand.

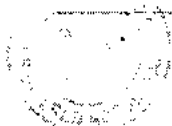
2.12 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :

Micro, Small & Medium Enterprise on Terms & Section 22 of the Micro, Small and Medium enterprise development Act, 2006 have been determined to the exiting parties have been identified on the basis of information available with the company and relied upon by the auditors. the company has not received information from the suppliers regarding the status under the Micro, Small and Medium Enterprise Development Act 2006 and hence Disclosure if any relating to amount unpaid as the year and together with interest payable as required under the said act hence not been given.

2.13 Secured loans:

We have been informed by the management that, their bankers namely Madhavpura Mercantile Co-operative bank ltd has gone into liquidation. Due to non - availability of foreign L.C. facilities and additional working capital facility from this bank, the company had incurred huge losses on account of cancellation of export sales. Company had filed suit against the Bank. The management has requested to revalidate earlier offered OTS Scheme. The matter is under consideration by the bank. The management has provided for interest partly taking the base of communication received from Bank as referred in Audit Report.

The accounts have been prepared on "Going concern Concept". Since, the company do not have intention to suspend the operational activities.



Aditya Forge Limited

Notes forming part of the Financial Statements

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	No. of shares	₹	No. of shares	₹
Note 3 Share capital :				
(a) Authorised				
Equity shares of ₹ 10 each with voting rights	6,000,000	<u>60,000,000</u>	6,000,000	<u>60,000,000</u>
(b) Issued, Subscribed & Fully paid up				
Equity shares of ₹ 10 each with voting rights	4,308,600	43,086,000	4,308,600	43,086,000
Refer Notes as below:				
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:				
At the beginning of the reporting period	4,308,600	43,086,000	4,308,600	43,086,000
Issued during the reporting period	-	-	-	-
Bought back during the reporting period	-	-	-	-
At the close of the reporting period	4,308,600	<u>43,086,000</u>	4,308,600	<u>43,086,000</u>
Total		<u>43,086,000</u>		<u>43,086,000</u>
(ii) Particulars of equity share holders holding more than 5% of the total number of equity share capital:				
(a) Nilin Parekh	1,120,400	10,828,000	1,082,800	10,828,000



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Note 4 Reserves and surplus :		
(a) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(27,327,696)	(31,898,102)
Add: Profit / (Loss) for the year	-18,150,412	4,570,406
Amounts allocated / transferred from / to		
Closing balance	(45,478,108)	(27,327,696)
Note 5 Long-term borrowings :		
(a) Term loans		
From banks		
Secured	63,345,476	64,134,336
Unsecured		
	<u>63,345,476</u>	<u>64,134,336</u>
From other parties		
Secured		
Unsecured		
Total	63,345,476	64,134,336

Refer Notes:

(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings

Particulars	Terms of repayment	Security Provided	As at 31 March, 2013 Secured ₹	As at 31 March, 2012 Secured ₹
Term loans from banks				
Madhavpura Mercantile Co-op Bank Ltd (Equipment Finance)*	Monthly Repayment	Secured against Hypothecation of Plant and Machinery	20,980,255	10,019,685
Madhavpura Mercantile Co-op Bank Ltd (Term Loan)*	Monthly Repayment	Secured against Hypothecation of Plant and Machinery	31,929,316	31,829,316
Madhavpura Mercantile Co-op Bank Ltd (CC)*		First exclusive charge on the entire Current Assets for the Company	30,455,905	22,185,334
			<u>63,345,476</u>	<u>64,134,336</u>

* Since, March 2001 the bank is not functioning and the proposal of OTS is under discussion hence in the uncertain circumstances the amount is treated as long term liability irrespective whether it is Equipment loan or Cash Credit.

(ii) Details of long-term borrowings guaranteed by some of the directors or others:

All the above mentioned loans are additionally guaranteed by Director. The Details of the same are as per above notes (i).



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
Note 6 Short-term borrowings :		
(a) Loans and advances from related parties		
Secured	-	-
Unsecured	5,170,406	5,424,758
Total	5,170,406	5,424,758
Refer Notes (i) & (ii)		
Note 7 Trade payables :		
Trade payables:		
Acceptances	17,608,523	68,026,529
Other than Acceptances	-	-
Total	17,608,523	68,026,529
Note 8 Other current liabilities :		
(a) Other payables		
(i) Statutory remittances (Contributions to PF & ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, TDS etc.)	9,017,154	5,046,091
(ii) Advances from Customers	18,947,094	13,387,787
(iii) Other Current Liabilities	25,459	-
Total	27,989,707	18,433,878
Note 9 Short-term provisions		
(a) Provision for employee benefits:		
(i) Provision for Salary & Wages	984,518	2,411,750
	984,518	2,411,750
(b) Provision - Others:		
(i) Provision for Current tax	-	-
(ii) Provision for expenses	123,907	102,777
	123,907	102,777
Total	1,108,425	2,514,527



Aditya Forge Limited

Notes forming part of the Financial Statements

Note 6 Short Term Borrowings: Cont...(i) Details of security for the secured short-term borrowings.

Particulars	Nature of security	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
<u>(i) Loans and advances from related parties:</u>			
Nitin Raskiaji Parekh	Unsecured	2,620,406	5,374,758
Rekhaben Parekh	Unsecured	50,000	50,000
Total - Loans and advances from related parties		<u>2,670,406</u>	<u>5,424,758</u>

(ii) Details of short-term borrowings guaranteed by some of the directors or others:a. Loans repayable on demand from banks

The Loan mentioned at Notes 6 (i) is Unsecured and having no back up guarantee. The Details of the same are as per above notes (i).



Aditya Forge Limited
Notes forming part of the Financial Statements
Note 10

a. Schedule of Tangible Assets

Particulars	Gross Block			Depreciation		As at 31/03/2013	Net Block 31/03/2013	Net Block 31/03/2012
	As at 31/03/2012	Additions	Dis. / Anj.	As at 31/03/2013	As at 31/03/2012			
(i) Tangible Assets:								
Leasehold Land	3,090,144	-	-	3,090,144	-	-	3,090,144	3,090,144
Building	29,430,427	71,700	-	29,502,127	12,859,793	852,071	18,642,334	16,534,134
Furniture & Fixtures	1,841,805	-	-	1,841,609	667,066	116,261	762,357	1,076,252
Plant & Machinery	82,587,312	2,918,080	506,150	84,999,242	29,828,624	1,959,401	55,074,420	52,707,690
Electrical Installations	7,337,654	184,984	-	7,522,638	3,104,773	358,563	4,183,676	5,349,267
Tools	1,457,138	-	-	1,417,135	622,607	134,878	499,256	758,692
Computer	42,365,277	-	-	42,365,277	6,703,656	2,612,348	3,715,896	33,546,336
Office Equipment	2,047,116	40,100	34,600	2,052,616	1,084,387	131,693	1,361,658	766,760
Leasehold Right of Use Assets	841,152	870,300	377,325	1,334,127	214,436	82,804	1,140,485	1,227,078
Others	1,236,310	71,140	-	1,307,450	1,455	14,455	1,692,066	87,352
Total	174,890,383	4,792,004	919,456	179,762,931	57,443,261	7,742,796	100,016,312	114,167,018
Previous Year	155,146,163	8,437,141	-	171,583,304	48,082,369	7,136,922	87,413,285	114,567,018

b. Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Depreciation and amortisation for the year on tangible assets as per the schedule of tangible assets	7,742,796	7,736,922
Depreciation and amortisation relating to continuing operations	7,742,796	7,736,922



Aditya Forge Limited

Notes forming part of the Financial Statements

Particulars	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
Note 11 Current Investments		
(a) Madhavpura Mercantile Co-op Bank Ltd. (16,250 shares @ Rs.100 each)	1,625,000	1,625,000
(b) Baroda City Co-op Bank Ltd (660 shares @ Rs.10 each)	8,600	8,600
Total	<u>1,631,600</u>	<u>1,631,600</u>
Note 12 Inventories : (As certified by the Management) (Valued at cost)		
(a) Finished Goods (Other than those acquired for trading)	-	8,614,688
(b) Scrap	-	208,192
(c) Consumables	-	66,430
(d) Raw Material	-	24,024,513
(e) Work In Progress	10,413,360	10,142,764
Total	<u>10,413,360</u>	<u>43,055,587</u>
Note 13 Trade Receivables :		
(i) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	1,231,309	1,231,309
Doubtful	-	-
	<u>1,231,309</u>	<u>1,231,309</u>
Less: Provision for doubtful trade receivables	-	-
	<u>1,231,309</u>	<u>1,231,309</u>
(ii) Other Trade receivables :		
Secured, considered good	-	-
Unsecured, considered good	829,529	3,751,557
Doubtful	-	-
	<u>829,529</u>	<u>3,751,557</u>
Less: Provision for doubtful trade receivables	-	-
	<u>829,529</u>	<u>3,751,557</u>
Total	<u>2,060,838</u>	<u>4,982,866</u>
Note:		
(i) Trade receivables include debts due from:		
Directors	N.A.	N.A.
Other officers of the Company	N.A.	N.A.
Firms in which any director is a partner	N.A.	N.A.
Private companies in which any director is a director or member	N.A.	N.A.
Note 14 Cash and cash equivalents :		
(a) Cash on hand	795,858	28,209
(b) Balances with banks	-	-
(i) In current accounts	57,145	597,144
Total	<u>853,003</u>	<u>625,353</u>



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
Note 15 Short-term loans and advances :		
(a) Security deposits		
Unsecured, considered good	1,551,339	1,551,339
Doubtful	-	-
	<u>1,551,339</u>	<u>1,551,339</u>
Less: Provision for doubtful deposits	-	-
	<u>1,551,339</u>	<u>1,551,339</u>
(b) Advances to Suppliers		
Unsecured, considered good	1,320,456	3,728,218
Doubtful	-	-
	<u>1,320,456</u>	<u>3,728,218</u>
Less: Provision for doubtful loans and advances	-	-
	<u>1,320,456</u>	<u>3,728,218</u>
(c) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT Receivable	194,186	890,462
(ii) VAT Receivable	1,057,039	185,753
(iii) Service Tax Credit Receivable	474,644	615,968
(iv) MAT Deposit Receivable	742,769	742,769
(v) TDS Receivable	1,474,001	1,011,005
(vi) Income Tax Refund	130,457	-
	<u>4,073,096</u>	<u>3,445,957</u>
(d) Prepaid expenses		
Unsecured, considered good	39,774	138,801
	<u>39,774</u>	<u>138,801</u>
(e) Other advances		
Secured, considered good	-	-
Unsecured, considered good	433,100	590,187
Doubtful	-	-
	<u>433,100</u>	<u>590,187</u>
Less: Provision for other doubtful loans and advances	-	-
	<u>433,100</u>	<u>590,187</u>
Total	<u>7,417,765</u>	<u>9,454,502</u>

Note:

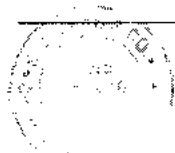
(i) Short-term loans and advances include amounts due from:

Directors	N.A	N.A
Other officers of the Company	26,500	N.A
Firms in which any director is a partner	N.A	N.A
Private companies in which any director is a director or member	120,246	N.A

Note 15a Other current Assets

- (a) Share Issue Exps.
(b) Preliminary Exps

Total	<u>-</u>	<u>-</u>
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Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	For the year ended 31 March, 2013 ₹	For the year ended 31 March, 2012 ₹
Note 16 Revenue from operations :		
(a) Sale of products @ (Refer Note (i) below)	156,980,947	288,912,094
(b) Sale of services @ (Refer Note (ii) below)	29,562,251	2,257,692
Total	186,543,198	271,169,786
Notes:		
(i) Sale of products comprises (As per Note 21 Additional Information to Financial Statements)		
(ii) Sale of Services comprises		
(a) Jobwork Income	29,562,251	2,257,692
	<u>29,562,251</u>	<u>2,257,692</u>
Note 17 Other income :		
(a) Interest income (Refer Note (i) below)	91,462	144,312
(f) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (iii) below)	129,316	301,008
Total	220,778	445,320
Notes:		
(i) Interest income comprises:		
Other interest	91,462	144,312
Total - Interest income	91,462	144,312
(iii) Other non-operating income comprises:		
a. Miscellaneous income	-	-
b. Sundry balances w/off	129,316	301,008
Total - Other non-operating income	129,316	301,008
Total	220,778	445,320



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Note 18.a Cost of materials consumed :		
Opening stock	24,024,513	-
Add: Purchases	113,463,927	232,834,425
	<u>137,488,440</u>	<u>232,834,425</u>
Less: Closing stock	-	24,024,513
Cost of material consumed	<u>137,488,440</u>	<u>208,809,912</u>
Material consumed comprises (Under Broad Head) (As per Note 21 Additional information to Financial Statements)		
Note 18.b Changes in inventories of finished goods, work-in-progress and stock-in-trade :		
Inventories at the end of the year		
Finished goods	-	8,614,698
Scrap	-	208,192
Consumables	-	65,430
Work in progress	10,413,360	10,142,764
	<u>10,413,360</u>	<u>19,031,084</u>
Inventories at the beginning of the year		
Finished goods	8,614,698	25,547,630
Scrap	208,192	450,000
Consumables	65,430	84,900
Raw Materials	-	-
Work in progress	10,142,764	-
	<u>19,031,084</u>	<u>26,082,530</u>
Net (increase) / decrease	<u>8,617,724</u>	<u>7,051,446</u>
Note 19 Employee benefits expense :		
Salaries, wages & Bonus	13,708,871	21,389,710
Contributions to provident and other funds	172,198	93,799
Staff welfare expenses	60,572	113,878
Total	<u>13,941,641</u>	<u>21,597,387</u>
Note 20 Finance Cost :		
(a) Interest expense on:		
(i) Borrowings	22,506,576	1,465,145
(ii) Others		
- Interest on CENVAT	296,089	4,946
- Interest on VAT	59,874	1,412
- Interest on Loans & Advances	-	35,000
- Interest on Service Tax	2,898	-
- Interest on TDS	25,365	-
(b) Other borrowing costs	14,314	36,292
Total	<u>22,905,116</u>	<u>1,542,795</u>



Aditya Forge Limited

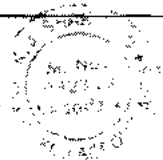
Notes forming part of the Financial Statements

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
Note 21 Other expenses :		
Administrative Exps.	4,747,068	4,909,914
Selling & Distribution Exps.	324,587	2,693,081
Manufacturing & Others	1,131,753	6,864,790
Directors Remuneration	1,080,000	900,000
Electricity Charges	5,968,556	4,001,531
Rates & Taxes	284,498	1,234,355
Misc. Exps	31,286	295,612
Professional Tax	2,400	2,400
CENVAT not available	247,342	
Excise duty no more Recoverable	463,498	
Loss on Fixed assets	482,034	
Prior Period Expense	73,432	
Service Tax	2,371	(83,938)
Total	14,838,825	20,817,745



Aditya Forge Limited
Notes forming part of the Financial Statements

Note	Particulars	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
Note 22 Disclosures under Accounting Standards :			
22.1	Deferred tax (liability) / asset :	375,397	(165,284)
	<u>Tax effect of items constituting deferred tax liability :</u>		
	On difference between book balance and tax balance of fixed assets	-	-
	Tax effect of items constituting deferred tax liability	-	-
	<u>Tax effect of items constituting deferred tax assets :</u>		
	On difference between book balance and tax balance of fixed assets	2,006,972	1,749,777
	Tax effect of items constituting deferred tax assets	820,154	540,681
	Net deferred tax (liability) / asset	995,551	375,397
	The Company has recognised deferred tax asset on depreciation to the extent of the difference between the book balance and the written down value of fixed assets under Income Tax.		
22.2	Earnings per share :		
22.2.a	Basic		
	Net profit / (loss) for the year	-18,150,412	4,570,406
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	-18,150,412	4,570,406
	Weighted average number of equity shares	4,308,600	4,308,600
	Par value per share	10	10
	Earnings per share - Basic	-4.21	1.06
22.2.b	Diluted		
	The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.(to the extent applicable)		
	Net profit / (loss) for the year	-18,150,412	4,570,406
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	-18,150,412	4,570,406
	Add: Interest exp. and exchange fluctuation on convertible bonds (net)	-	-
	Profit / (loss) attributable to equity shareholders (on dilution)	-18,150,412	4,570,406
	Weighted average number of equity shares for Basic EPS	4,308,600	4,308,600
	Add: Effect of warrants, ESOPs & Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares - for diluted EPS	4,308,600	4,308,600
	Par value per share	10	10
	Earnings per share - Diluted	-4.21	1.06



Aditya Forge Limited

Notes forming part of the Financial Statements

Note	Particulars
Note 22 Disclosures under Accounting Standards (contd.)	
22.3 a Related party transactions	
Details of related parties:	
Description of relationship	
Key Management Personnel (KMP)	1. Nitin Parekh
Relatives of KMP	1. Rekha Parekh
Company / Firm in which KMP / Relatives of KMP can exercise significant influence	1. Aditya Exim Ltd 2. Harilal & Sons 3. Delta Stainless Pvt. Ltd 4. Amolee Valves & Filing Mfg. Co. 5. Sun Precision Cast Pvt. Ltd

Note: Related parties have been identified by the Management.

22.3 b Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013:

	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
Purchase of goods		
1. Harilal & Sons	23,036	58,465
2. Delta Stainless Pvt. Ltd.	17,309,929	-
3. Aditya Exim Ltd	74,814,612	50,519,243
Sale of goods		
1. Sun Precision Cast Pvt. Ltd	-	164,979
2. Delta Stainless Pvt. Ltd	31,281,036	11,264,902
3. Aditya Exim Ltd.	140,553,863	249,631,933
Receiving of services		
1. Remuneration Paid to Nitin Parekh	960,000	960,000
Rendering Service		
1. Aditya Exim Ltd.	27,343,537	-
Balances outstanding at the end of the year		
Trade receivables		
1. Harilal & Sons	120,246	143,966
2. Sun Precision Cast Pvt. Ltd.	-	250,079
3. Delta Stainless Pvt. Ltd	-	510,962
Loans and advances		
Trade payables		
1. Sun Precision Cast Pvt. Ltd	6,291	-
2. Delta Stainless Pvt. Ltd.	1,110,991	-
3. Aditya Exim Ltd.	17,714,837	13,287,800
Borrowings		
1. Nitin Parekh	2,620,406	5,374,758
2. Rekha Parekh	50,000	50,000

Note 23 Previous year figures :

Previous year's figure has been regrouped /rearrange whenever considered necessary.



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :

I. Registration details :

Registration No.

		1	7	1	9	6
--	--	---	---	---	---	---

State Code

	0	4
--	---	---

Balance sheet Date

31	3	20	11
----	---	----	----

II. Capital raised during the year :

Public Issue

		N	I	L
--	--	---	---	---

Right Issue

	N	I	L
--	---	---	---

Bonus Issue

		N	I	L
--	--	---	---	---

Private Placements

		N	I	L
--	--	---	---	---

III. Position of mobilization and deployment of funds : (Amounts in Thousands)

Total liabilities

		1	9	7	2	6	4
--	--	---	---	---	---	---	---

Total Assets

1	9	7	2	6	4
---	---	---	---	---	---

Source of Fund
Paid-Up-Capital

		4	3	0	8	6
--	--	---	---	---	---	---

Reserve and Surplus

		N	I	L
--	--	---	---	---

Secured Loans

		8	3	3	4	5
--	--	---	---	---	---	---

Unsecured Loans

		5	1	7	0
--	--	---	---	---	---

Application of Funds
Net Fixed Assets

		1	0	9	4	5	8
--	--	---	---	---	---	---	---

Investments

		1	6	3	2
--	--	---	---	---	---

Net Current Asstes

	-	2	4	3	3	0
--	---	---	---	---	---	---

Miscellaneous Expenditure

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

Accumulated Loss

		4	5	4	7	8
--	--	---	---	---	---	---

Deferred Tax Asset

		9	9	5
--	--	---	---	---

Performance of the Company
: (Rs. In Thousands)

IV. Turnover, including other income

		1	8	6	7	6	4
--	--	---	---	---	---	---	---

Total Expenditure

		2	0	5	5	3	4
--	--	---	---	---	---	---	---

Profit/Loss before Tax

	-	1	8	7	7	1
--	---	---	---	---	---	---

Profit/Loss after Tax

	-	1	8	1	5	0
--	---	---	---	---	---	---

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

V. Generic names of Principal Products/Services of the Company:

Item Code No. (ITC Code)	7307.00
Product Description	Tube of Pipe Fittings
Item Code No. (ITC Code)	7326.90
Product Description	Forged Fittings

All debit & credit balances are subject to confirmations and reconciliation.

Previous year figures have been regrouped wherever necessary to make them comparable with the current year's figures.

As per our report attached of even date

For, K. J Shah & Co,
Chartered Accountants

For & On Behalf Of Board
Aditya Forge Limited

Kamlesh J. Shah
Proprietor
Membership No. 042390


Pankaj R. Parekh
Managing Director

Pankaj R. Parekh
Director

Place : Vadodara

Place : Vadodara

ADITYA FORGE LTD

Regd. Office: 415 G.I.D.C. Ramangamdi Por – 391243 N. H. 8, Dist. Baroda.

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL JOINT SHAREHOLDERS MAY OBTAIN ADDITIONAL SLIP ON REQUEST.

Name & Address of the Share Holder (IN BLOCK LETTER)

No. of Share Held : _____ Regd. Folio No. _____ I hereby record my presence at the 21st Annual General Meeting of the Company held on Monday the 30th September, 2013 at 415,G.I.D.C., Ramangamdi, Por – 391243, N. H. 8, Dist. Baroda, the Registered Office of the Company.

Signature of the Shareholder / Proxy

------(TEAR HERE)-----

PROXY**ADITYA FORGE LTD**

Regd. Office: 415 G.I.D.C. Ramangamdi Por – 391243 N. H. 8, Dist. Baroda.

Regd. Folio No. _____

I/We _____ being a member/members of _____ Aditya Forge Ltd, hereby appoint _____ of _____ as my/our proxy to vote for me/us at 19th Annual General Meeting of the Company to be held on 30.09.2013 at the Registered Office of the Company and at any adjournment thereof.

Signed _____ Day of _____ 2011 the said.

<p>AFFIX 1/- Re. REVENUE STAMP</p>
--

Note: This instrument of Proxy, duly completed, must be deposited at the Registered Office of the Company at Baroda, not less than 48 hours before the time for holding the meeting. The proxy need not be a member of the Company.

BOOK POST

To,

If undelivered please return to:

**ADITYA FORGE LTD
415, G.I.D.C.,
RAMANGAMDI, POR – 391 243,
DIST.BARODA**



ISO 9001:2008 Certified
With Certificate
Registration No.
01.100 106688

AD 2000-MERITORIAL W.D.
PEDIP/2008EC Certified
with Certificate
Registration No.
01 202 0000-71-0000



FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the company	ADITYA FORGE LIMITED
2	Annual financial statements for the year ended	31 ST MARCH 2013
3	Type of Audit observation Un-qualified / Matter of Emphasis	UN-QUALIFIED
4	Frequency of observation Whether appeared first time...../ repetitive...../ since how long period.....	N.A
5	<input checked="" type="checkbox"/> CEO/Managing Director <input type="checkbox"/> CFO <input type="checkbox"/> Auditor of the company <input type="checkbox"/> Audit Committee Chairman	