



ADITYA FORGE LIMITED

CIN : L27100GJ1992PLC017196

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

PHONE 91-0265-2830729-731

WEBSITE: www.adityaforge.com EMAIL : cfo@adityaforge.com
LISTED AT BOMBAY STOCK EXCHANGE - ISIN INE281H01013



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With Certificate
Registration No.
01 100 106688

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Registration No.
01 202 IND/Q-11-0006



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NOTICE

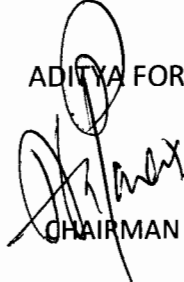
Notice is hereby given that the Annual General Meeting of the Members of ADITYA FORGE LIMITED will be held at 415 GIDC, RAMANGANDI, POR N H 8 VADODARA GJ IN on 29th September, 2018 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

01. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2018 and the Profit and Loss Account for the year ended on that date together with the reports of the Directors' and the Auditors' thereon.
02. To take note of the appointment of M/s. K.J.SHAH & CO, Chartered Accountants (Firm Registration No. 132369W), who were appointed as the Statutory Auditors of the Company for a period of five years in the Annual General Meeting of the Company held on 30th September, 2015, to hold their office from the conclusion of the till the conclusion of 5 Annual General Meeting to be held in 2019.

By the Order of Board of Directors of

ADITYA FORGE LIMITED



CHAIRMAN



PLACE:VADODARA

DATE: 31.05.2018

Note:

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



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BOARDS' REPORT

Dear Members,

ADITYA FORGE LIMITED

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

Your Directors have pleasure in presenting the Annual Report together with the Audited Statement of Accounts of your Company for the Year ended March 31, 2018.

1. FINANCIAL RESULTS:

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

PARTICULARS	YEAR ENDED 31 ST MARCH 2018.	YEAR ENDED 31 ST MARCH 2017.
Turnover	137503159	136850599
Less: Expenditure	155306407	150950341
Profit Before Tax	(11267082)	(10694998)
Less: Current Tax	0.00	0.00
Deferred Tax	1828671	2998921
Income Tax earlier years	75000	0.00
Profit /Loss For The Year	(9513411)	(13693919)
Add: Balance in P&L Account	0.00	0.00
Sub Total	(9513411)	(13693919)
Less: Appropriation	0.00	0.00
Adjustment relating to Fixed Assets	0.00	0.00
Transferred to General Reserve	0.00	0.00
Closing Balance	(9513411)	(13693919)

2. STATE OF AFFAIRS :

The Company is engaged in the business of Manufacture of Forge Components from Carbon and & Stainless Steel and Fittings from Seamless Pipes. There has been no change in the business of the Company during the financial year ended 31st March, 2018.

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





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

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

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

There is a small increase in revenue from Rs. 136.85 Lakhs to Rs. 137.50 Lakhs. There has been shift in the operations from Job Work to Manufacturing and therefore there has been an improvement in the profitability. Due to shifting to Manufacturing from Job Work business the company has incurred expenses on higher side. However, due to non-availability of working capital finance, continuous under-utilization of the installed capacity the unit has not been able to come out of loss.

3. WEB LINK OF ANNUAL RETURN

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

4. MEETINGS OF BOARD OF DIRECTORS

Five Board Meetings were held during the Financial Year ended March 31, 2018 i.e. (15.04.2017, 13.07.2017, 02.09.2017, 15.12.2018 23.02.2018). The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

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

Name of Directors	Number of Meetings attended / Total Meetings held during the F.Y. 2017-18
SUBHASH BHAGWANDAS DALAL	04
VISHNUBHAI INDUBHAI PATEL	05
NITIN RASIKLAL PAREKH	05
SANGITA NITIN ADHVARYU	04

5. DETAILS OF FRAUD REPORT BY AUDITOR:

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





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6. AUDITOR :

Statutory Auditors

M/s. K.J. SHAH & CO, Chartered Accountants (Firm Registration No. 132369W), who are the statutory auditors of the Company, hold office, in accordance with the provisions of the Act up to this Annual General Meeting and from whom necessary consent has been obtained under section 141 of the Companies Act, 2013 are eligible for re-appointment as required under the provisions of Section 139 of the Companies Act, 2013.

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

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

8. PARTICULARS OF LOANS AND INVESTMENT

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

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

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

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

9. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

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

10. TRANSFER TO RESERVE:

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

11. DIVIDEND

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





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12. MATERIAL CHANGES AND COMMITMENTS

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

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

A. Conservation of Energy, Technology Absorption

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

B. Foreign Exchange earnings and Outgo

Earnings	USD 16.39 Lakhs INR 1042.47 Lakhs
Outgo	USD 2.67 Lakhs INR 132.23 Lakhs

14. RISK MANAGEMENT POLICY :

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

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

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

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) :

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

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





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

18. INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

19. COST RECORD

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

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

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

21. CONSTITUTION OF COMMITTEE – SEXUAL HARASSMENT AT WORKPLACE

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

22. CONSOLIDATED FINANCIAL STATEMENTS

Company doesn't have any subsidiaries so there is no need to prepare consolidated financial statement for the F. Y. 2017-18

23. DIRECTOR'S RESPONSIBILITY STATEMENT :

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

- In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a 'going concern' basis.
- The Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

Manufacturers & Suppliers of Forged Flanges & Pipe Fittings





TÜV Rheinland

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ADITYA
FORGE LTD.



CIN : L27100GJ1992PLC017196

24. ACKNOWLEDGMENT

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

Dated: 31/05/2018

Place: Vadodara

**For and on behalf of the Board
ADITYA FORGE LIMITED**


NITIN RASIKLAL PAREKH
DIN: 00219664





INDEPENDENT AUDITORS' REPORT

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

Report on the Indian Accounting Standard (Ind As) Financial Statements

We have audited the accompanying Ind AS financial statements of **ADITYA FORGE LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2018; the statement of profit and loss (including other comprehensive income), the cash flows statement and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statement

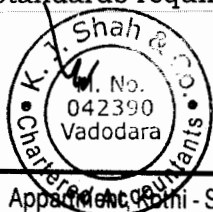
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform



the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS of the State of affairs (financial position) of the Company as at March 31, 2018; its Profit (financial performance including other comprehensive income) its Cash Flows and changes in equity for the year ended on that date.

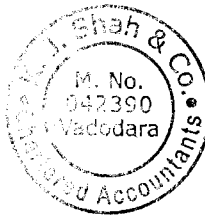
Report on Other Legal and Regulatory Requirements

1. As required by The Companies (Auditor's report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;



- e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial control over financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in "Annexure-B."
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note No. 17 to the Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Vadodara
Date: 31st May, 2018



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

A handwritten signature in black ink, appearing to be "KJ Shah".

Kamlesh J Shah
(Proprietor)
Membership No.42390

"ANNEXURE – A" TO THE INDEPENDENT AUDITOR'S REPORT

**CARO 2016 Report on the financial statement of
ADITYA FORGE LIMITED for the year ended March 31, 2018.**

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

To the Member of Aditya Forge Limited

On the basis of records produced to us for our verification/ examination as we considered appropriate and in terms of information and explanations given to us for our enquiries, we state that;

i. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.
- c) As explained to us, no substantial part of fixed assets has been disposed off *(except some part of plant which was non- functioning and as explained was not hypothecated with any FI/Bank)* during the year, and it has not affected the going concern.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. In respect of its inventories:

- a) The inventories have been physically verified at regular reasonable intervals during the year by the management.
- b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are adequate.
- c) The company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.

iii. In respect of the loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

- a) The Company has not granted loan to firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence no reporting is given on this clause.



- b) The Company has taken loan under the section 189 of companies act, 2013 & it's repayable on demand.
- c) According to the information and explanations given to us all other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.

iv. In respect of internal control.

In our opinion and according to the information and explanation given to us, the Company has an adequate internal control system commensurate with its size 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 our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.

v. In respect of deposits from public

The Company has not accepted any deposit within the meaning of Section 73 to 76 of the Companies Act 2013 and the rules framed there under.

vi. In respect of maintenance of cost records

We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for Maintenance of cost records under section 148(1) of the Act in respect of Company's product to which the said rules are made applicable and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however not made a detailed examination of the records with a view to determine whether they are accurate.

vii. In respect of statutory dues:

- a) According to the records of the Company, undisputed statutory dues including Employees' State Insurance, Sales Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues have been deposited with appropriate authorities subject to following note as per clause 7 (b).
- b) According to the information and explanation given to us, following amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period more than six months from the date of becoming payable.

Particulars	Amount (Rs.)
Tax Deducted at Source	11,67,819
Service Tax	3,06,708/-
Provident Fund of Employees & Employer	2,31,144
Professional Tax of employee	5,50,070



There were disputed statutory dues of the company that have not been deposited on account of matters pending before appropriate authorities. The same are as below;

Sr. No.	Name of the Statute	Nature of the Due	Amount	Period to which the amount relates	Forum where dispute is pending
1	Income Tax	Tax & Interest	77,51,550/-	F.Y 2010-11	The appeal was decided in favor. Against the same the revenue has preferred an appeal before Income Tax Appellate Tribunal Ahmadabad Benches.
2	Income Tax	Tax & Interest	17,50,510/-	F.Y 2011-12	Commissioner of Income Tax Appeal Baroda
3	Central Excise	Excise Demand	36,10,204/-	F.Y. 2013-14	Appeal pending for appellate Authority
4	Income Tax	Tax & Interest	74,04,830/-	F.Y 2012-13, 2013-14, 2014-15	Commissioner of Income Tax Appeal Baroda

viii. In respect of dues to financial institution /banks/debentures

Madhavpura Mercantile Co-op Bank Limited(MMCB) is under Liquidation, as the result of which the company is not able to do banking transaction with it. 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 10/06/2010. The request of Company is pending. In the meanwhile the MMCB has offered new OTS Scheme. The Company has shown their willingness subject to arriving at OTS amount which was offered to the Company vide their Letter dated 10th June 2010 for an amount of Rs. 4.76crores. The necessary discussion between the Company and MMCB is under way.



The company has also filed a counter claim of Rs. 12,16,19,311/- on account of sudden closure of Bank's Branch at Vadodara, excessive charging/ recovering of interest from working capital facilities forcing the company to face financial crunch resulting into loss of Export orders etc which is also pending before the Hon Civil Court at Vadodara

ix. In respect of application of Term loans.

- a. The company has not raised any money by way of initial public offer or further public offer (including debt Instruments) during the year. Hence, reporting on utilization of such money does not arise.
- b. The term loans raised during the year have been utilized for the purpose for which they were obtained. The term loans outstanding at the beginning of the year were applied for the purposes for which they were raised.

x. In respect of Fraud

During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. In respect of Managerial Remuneration.

In our opinion and according to the information and explanations given to us, managerial remuneration has been provided & paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 (including approval by the Central Government).

xii. In respect of Nidhi Companies

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. Therefore, paragraph 3 (xii) of the Order is not applicable to the Company.

xiii. In respect of Related Parties Transactions

- a) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013.
- b) The details of transactions during the year have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.



xiv. In respect of Preferential allotment/ Private placement

During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore paragraph 3(xiv) of the Order is not applicable to the Company.

xv. In respect of Non-Cash Transactions with Directors

According to the information and explanation given to us by the management the Company has not entered into any non-cash transactions with the directors or persons connected with them as referred to in section 192 of the Act.


xvi. In respect of Registration with RBI

According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Vadodara
Date: 31st May, 2018



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


Kamlesh J. Shah
(Proprietor)
Membership No. 42390

"ANNEXURE - B" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **"ADITYA FORGE LIMITED"** as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

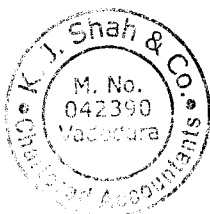
The Company's management is responsible for establishing and maintaining internal financial controls based on the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design,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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

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

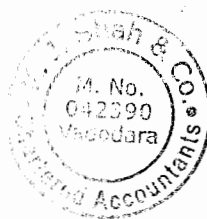
Inherent Limitations of Internal Financial Controls over Financial Reporting


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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Vadodara
Date: 31st May, 2018



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

Kamlesh J Shah
(Proprietor)
Membership No.42390

Aditya Forge Limited
Balance Sheet as at 31 March, 2018

(Actual Amt. in Rs.)

Sr. No.	Particulars	Note No.	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹	As at 01 April, 2016 ₹
ASSETS					
(1)	Non-current assets				
	(a) Property, Plant and Equipment	2	2,77,81,910	3,24,62,965	4,59,50,732
	(b) Capital work-in-progress		-	-	-
	(c) Investment Property		-	-	-
	(d) Intangible Assets		-	-	-
	(e) Financial Assets				
	(i) Investments		-	-	-
	(ii) Loans		-	-	-
	(iii) Other Financial Assets		-	-	-
	(f) Deferred Tax Assets (Net)		-	-	-
	(g) Other Non Current Assets		-	-	-
	Total Non-current Assets		2,77,81,910	3,24,62,965	4,59,50,732
(2)	Current Assets				
	(a) Inventories	3	1,49,50,474	23,44,883	1,04,57,237
	(b) Financial Assets				
	(i) Investments	4	16,31,600	16,31,600	16,31,600
	(ii) Trade Receivables	5	1,39,45,244	1,33,28,223	31,75,277
	(iii) Cash and Cash equivalents	6	29,55,309	10,10,061	4,57,491
	(iv) Bank balances other than (iii) above		-	-	-
	(v) Loans	7	75,78,945	81,40,821	91,93,699
	(vi) Other Financial Assets		-	-	-
	(c) Current Tax Assets (Net)		-	-	-
	(d) Other Current Assets	8	1,77,73,884	1,13,40,483	74,22,883
	Total Current Assets		5,88,35,456	3,77,96,071	3,23,38,186
	TOTAL ASSETS		8,66,17,366	7,02,59,036	7,82,88,918
EQUITY AND LIABILITIES					
(1)	Equity				
	(a) Equity Share Capital	9	4,30,86,000	4,30,86,000	4,30,86,000
	(b) Other Equity	10	(13,67,04,040)	(12,71,90,629)	(11,34,96,711)
	Total Equity		(9,36,18,040)	(8,41,04,629)	(7,04,10,711)
(2)	Non-current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	11	8,12,31,367	8,02,95,476	8,33,45,476
	(ii) Others		-	-	-
	(b) Provisions				
	(c) Deferred Tax Liabilities (Net)	12	23,15,223	41,43,894	11,44,973
	(d) Other Non-current Liabilities				
	Total Non-current Liabilities		8,35,46,590	8,44,39,370	8,44,90,449
(3)	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	13	2,13,78,534	72,87,300	4,02,323
	(ii) Trade Payables	14	5,10,98,268	3,40,90,632	1,88,01,664
	(ii) Other Financial Liabilities		-	-	-
	(b) Other Current Liabilities	15	2,01,60,462	2,47,91,812	4,22,49,810
	(c) Provisions	16	40,51,552	37,54,551	27,55,383
	(d) Current Tax Liabilities		-	-	-
	Total Current Liabilities		9,66,88,816	6,99,24,295	6,42,09,180
	TOTAL EQUITY AND LIABILITIES		8,66,17,366	7,02,59,036	7,82,88,918
	CONTINGENT LIABILITIES	17	1,10,15,034	36,10,204	1,31,12,264

See accompanying notes forming part of the financial statements

In accordance of our report of even date.

For, K. J. Shah & Co.

Chartered Accountants

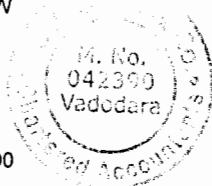
Firm Reg. No.: 132369W

Kamlesh J. Shah
Proprietor

Membership No.: 042390

Place : Vadodara

Date : 31/05/2018



For and on behalf of the Board of Directors

Aditya Forge Limited

Director

Place : Vadodara

Date : 31/05/2018

S. N. Advani

Director

Aditya Forge Limited
Profit and Loss Statement for the year ended on 31 March, 2018

(Actual Amt. in Rs.)

Particulars	Note No.	For the Year ended 31st March 2018		For the Year ended 31st March 2017	
		₹	₹	₹	₹
1 Revenue from operations (net)	18	13,75,03,159		13,68,50,599	
2 Other income	19	65,36,166		34,04,744	
3 Total revenue (1+2)			14,40,39,325		14,02,55,343
4 Expenses					
(a) Cost of materials consumed	20	10,51,32,302		10,20,94,039	
(b) Purchases of stock-in-trade		-		-	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade Add/(less)	21	(95,69,603)		81,12,354	
(d) Excise duty		-		-	
(e) Employee benefits expense	22	2,15,76,234		1,49,90,839	
(f) Finance costs	23	14,19,909		2,42,256	
(g) Depreciation and amortisation expense	2	65,70,326		1,03,24,565	
(h) Other expenses	24	3,01,77,239		1,51,86,288	
5 Total expenses			15,53,06,407		15,09,50,341
6 Profit before exceptional and extraordinary items and tax (3-5)			(1,12,67,082)		(1,06,94,998)
7 Exceptional Items			-		-
8 Profit before Extraordinary Items and Tax (6-7)			(1,12,67,082)		(1,06,94,998)
9 Extraordinary Items			-		-
10 Profit / (Loss) before tax (8 ± 9)			(1,12,67,082)		(1,06,94,998)
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			75,000		-
(d) Net current tax expense			-		-
(e) Add: Deferred tax	12		18,28,671		29,98,921
12 Profit / (Loss) for the year (10 ± 11)			(95,13,411)		(1,36,93,919)
13 Other Comprehensive Income			-		-
14 Total Comprehensive Income for the period			(95,13,411)		(1,36,93,919)
15 Earnings per share (of ₹ 10/- each):					
(a) Basic	25.a		(2.21)		(3.18)
(b) Diluted	25.b		(2.21)		(3.18)

See accompanying notes forming part of the financial statements

In accordance of our report of even date.

For, K. J. Shah & Co.

Chartered Accountants

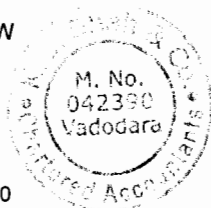
Firm Reg. No.: 132369W

Kamlesh J. Shah
Proprietor

Membership No.: 042390

Place : Vadodara

Date : 31/05/2018



For and on behalf of the Board of Directors

Aditya Forge Limited

Director

Director

Place : Vadodara

Date : 31/05/2018

Aditya Forge Limited
Cash Flow Statement for the year ended on 31st March, 2018

Particulars	2017-18 (₹)	2016-17 (₹)
A) Cash Flow from Operating Activities:		
Profit / (Loss) for the year before Tax	(1,12,67,082)	(1,06,94,998)
Adjustments for:		
Net Increase and Decrease in Accumulated Depreciation	65,70,326	(35,57,046)
Interest Paid (Net)	14,19,909	2,42,256
Miscellaneous Expd. W-off (Incl Defferred Revenue Expd.)	-	-
Less : Tax Adjustments For Prior Year/FBT/DTL	75,000	-
Operating Profit/(Loss) Before Working Capital Changes	(33,51,847)	(1,40,09,788)
Adjustments for:		
Add : Decrease in Sundry Debtors	-	-
Add : Increase in Current Liabilities	1,26,73,287	-
Add : Decrease in Loans and Advances	-	-
Add : Decrease in Inventory	-	8112354
Less : Decrease in Current Liabilities	-	11,69,862
Less : Increase in Loans and Advances	58,71,525	2864723
Less : Increase in Inventory	1,26,05,591	-
Less : Increase in Sundry Debtors	6,17,021	10152946
Cash Generated from Operations.	(64,20,850)	(60,75,177)
Less : Interest Paid	14,19,909	2,42,256
Cash flow before extraordinary item	(1,11,92,606)	(2,03,27,221)
Net Cash Generated from (used) in Operating Activities (A)	(1,11,92,606)	(2,03,27,221)
B) Cash Flow from Investing Activities:		
Less : Purchase or Investment in Fixed Assets (Net)	18,89,271	(1,70,44,813)
Add : Reduction in Advance against Capital Goods	-	-
Less : Increase in Advance against Capital Goods	-	-
Net cash used in investing activities (B)	(18,89,271)	1,70,44,813
C) Cash Flow from Financial Activities:		
Add: Proceeds from Long term borrowings	11,09,011	-
Add: Proceeds from Short term borrowings	-	7560000
Less : Repayment of long term borrowings	1,73,120	3050000
Less : Repayment of Short term borrowings	(1,40,91,234)	6,75,023
Net Cash Generated (Used) in Financing Activities (C)	1,50,27,125	38,34,977
Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)	19,45,248	5,52,569
Cash and Cash Equivalents at the Beginning of the Period	10,10,061	4,57,491
Cash and Cash Equivalents at the End of the Period	29,55,309	10,10,061

* Note : Last year comparative figure are derived from the last years Audited Cash Flow Statement.

See accompanying notes forming part of the financial statements

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

Kamlesh J. Shah
Proprietor

Membership No.: 042390

Place : Vadodara

Date : 31/05/2018

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

Director

Director

Place : Vadodara

Date : 31/05/2018

Aditya Forge Limited
Statement of Changes in Equity for the Year ended 31 March, 2018

A. Equity Share Capital

Particulars	Opening Balance as at 01 April, 2017	Changes in equity share capital during the year	Closing Balance as at 31 March, 2018
	₹	₹	₹
Equity shares of Rs. 10 each	4,30,86,000	-	4,30,86,000
	4,30,86,000	-	4,30,86,000

Statement of changes in equity for the year ended March 31, 2017

Particulars	Opening Balance as at 01 April, 2016	Changes in equity share capital during the year	Closing Balance as at 31 March, 2017
	₹	₹	₹
Equity shares of Rs. 10 each	4,30,86,000	-	4,30,86,000
	4,30,86,000	-	4,30,86,000

B. Other Equity

Particulars	Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings	Total Equity
Balance at 01 April, 2016	-	-	-	(11,34,96,710)	(11,34,96,710)
Loss for the year 2016-17	-	-	-	(1,36,93,919)	(1,36,93,919)
Total comprehensive Income for the year	-	-	-	-	-
Dividends	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-
Balance as at 31 March 2017	-	-	-	(12,71,90,629)	(12,71,90,629)
Loss for the year 2016-17	-	-	-	(95,13,411)	(95,13,411)
Total comprehensive Income for the year	-	-	-	-	-
Dividends	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-
Balance as at 31 March 2018	-	-	-	(13,67,04,040)	(13,67,04,040)

See accompanying notes forming part of the financial statements

In accordance of our report of even date.

For, K. J. Shah & Co.

Chartered Accountants

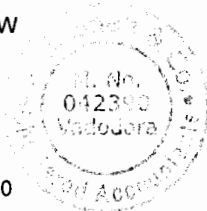
Firm Reg. No.: 132369W

Kamlesh J. Shah
Proprietor

Membership No.: 042390

Place : Vadodara

Date : 31/05/2018



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

[Signature]
Director

[Signature]
Director

Place : Vadodara
Date : 31/05/2018

Aditya Forge Limited

Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS at 01 April, 2016

(Actual Amt. in Rs.)

Sr. No.	Particulars	Note No.	Amount as per GAAP	Adjustments		Amount as per Ind AS
				Reclassification	Remeasurement	
ASSETS						
(1)	Non-current assets					
	(a) Property, Plant and Equipment	2	4,59,50,732	-	-	4,59,50,732
	(b) Capital work-in-progress		-	-	-	-
	(c) Investment Property		-	-	-	-
	(d) Intangible Assets		-	-	-	-
	(e) Financial Assets					
	(i) Investments		-	-	-	-
	(ii) Loans		-	-	-	-
	(iii) Other Financial Assets		-	-	-	-
	(f) Deferred Tax Assets (Net)		-	-	-	-
	(g) Other Non Current Assets		-	-	-	-
	Total Non-current Assets		4,59,50,732	-	-	4,59,50,732
(2)	Current Assets					
	(a) Inventories	3	1,04,57,237	-	-	1,04,57,237
	(b) Financial Assets					
	(i) Investments	4	16,31,600	-	-	16,31,600
	(ii) Trade Receivables	5	31,75,277	-	-	31,75,277
	(iii) Cash and Cash equivalents	6	4,57,491	-	-	4,57,491
	(iv) Bank balances other than (iii) above		-	-	-	-
	(v) Loans	7	91,93,699	-	-	91,93,699
	(vi) Other Financial Assets		-	-	-	-
	(c) Current Tax Assets (Net)		-	-	-	-
	(d) Other Current Assets	8	74,22,883	-	-	74,22,883
	Total Current Assets		3,23,38,187	-	-	3,23,38,187
	TOTAL ASSETS		7,82,88,919	-	-	7,82,88,919
EQUITY AND LIABILITIES						
(1)	Equity					
	(a) Equity Share Capital	9	4,30,86,000	-	-	4,30,86,000
	(b) Other Equity	10	(11,34,96,711)	-	-	(11,34,96,711)
	Total Equity		(7,04,10,711)	-	-	(7,04,10,711)
(2)	Non-current Liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	11	8,33,45,476	-	-	8,33,45,476
	(ii) Others		-	-	-	-
	(b) Provisions		-	-	-	-
	(c) Deferred Tax Liabilities (Net)	12	11,44,973	-	-	11,44,973
	(d) Other Non-current Liabilities		-	-	-	-
	Total Non-current Liabilities		8,44,90,449	-	-	8,44,90,449
(3)	Current Liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	13	4,02,323	-	-	4,02,323
	(ii) Trade Payables	14	1,88,01,664	-	-	1,88,01,664
	(ii) Other Financial Liabilities		-	-	-	-
	(b) Other Current Liabilities	15	4,22,49,810	-	-	4,22,49,810
	(c) Provisions	16	27,55,383	-	-	27,55,383
	(d) Current Tax Liabilities		-	-	-	-
	Total Current Liabilities		6,42,09,180	-	-	6,42,09,180
	TOTAL EQUITY AND LIABILITIES		7,82,88,918	-	-	7,82,88,918



Aditya Forge Limited

Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS at 31 March, 2017

(Actual Amt. in Rs.)

Sr. No.	Particulars	Note No.	Amount as per GAAP	Adjustments		Amount as per Ind AS
				Reclassification	Remeasurement	
	ASSETS					
(1)	Non-current assets					
	(a) Property, Plant and Equipment	2	3,24,62,965	-	-	3,24,62,965
	(b) Capital work-in-progress		-	-	-	-
	(c) Investment Property		-	-	-	-
	(d) Intangible Assets		-	-	-	-
	(e) Financial Assets					
	(i) Investments		-	-	-	-
	(ii) Loans		-	-	-	-
	(iii) Other Financial Assets		-	-	-	-
	(f) Deferred Tax Assets (Net)		-	-	-	-
	(g) Other Non Current Assets		-	-	-	-
	Total Non-current Assets		3,24,62,965	-	-	3,24,62,965
(2)	Current Assets					
	(a) Inventories	3	23,44,883	-	-	23,44,883
	(b) Financial Assets					
	(i) Investments	4	16,31,600	-	-	16,31,600
	(ii) Trade Receivables	5	1,33,28,223	-	-	1,33,28,223
	(iii) Cash and Cash equivalents	6	10,10,061	-	-	10,10,061
	(iv) Bank balances other than (iii) above		-	-	-	-
	(v) Loans	7	81,40,821	-	-	81,40,821
	(vi) Other Financial Assets		-	-	-	-
	(c) Current Tax Assets (Net)		-	-	-	-
	(d) Other Current Assets	8	1,13,40,483	-	-	1,13,40,483
	Total Current Assets		3,77,96,071	-	-	3,77,96,071
	TOTAL ASSETS		7,02,59,036	-	-	7,02,59,036
	EQUITY AND LIABILITIES					
(1)	Equity					
	(a) Equity Share Capital	9	4,30,86,000	-	-	4,30,86,000
	(b) Other Equity	10	(12,71,90,629)	-	-	(12,71,90,629)
	Total Equity		(8,41,04,629)	-	-	(8,41,04,629)
(2)	Non-current Liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	11	8,02,95,476	-	-	8,02,95,476
	(ii) Others		-	-	-	-
	(b) Provisions		-	-	-	-
	(c) Deferred Tax Liabilities (Net)	12	41,43,894	-	-	41,43,894
	(d) Other Non-current Liabilities		-	-	-	-
	Total Non-current Liabilities		8,44,39,370	-	-	8,44,39,370
(3)	Current Liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	13	72,87,300	-	-	72,87,300
	(ii) Trade Payables	14	3,40,90,632	-	-	3,40,90,632
	(ii) Other Financial Liabilities		-	-	-	-
	(b) Other Current Liabilities	15	2,47,91,812	-	-	2,47,91,812
	(c) Provisions	16	37,54,551	-	-	37,54,551
	(d) Current Tax Liabilities		-	-	-	-
	Total Current Liabilities		6,99,24,295	-	-	6,99,24,295
	TOTAL EQUITY AND LIABILITIES		7,02,59,036	-	-	7,02,59,036



Aditya Forge Limited
Reconciliation of Statement Profit and Loss for the year ended on 31 March, 2017

(Actual Amt. in Rs.)

Sr. No.	Particulars	Note No.	Amount as per GAAP	Adjustments		Amount as per Ind AS
				Reclassification	Remeasurement	
1	Revenue from operations (net) Less: Excise Duty	18	13,68,50,599 -	- -	- -	13,68,50,599 -
2	Other income	19	13,68,50,599 34,04,744	- -	- -	13,68,50,599 34,04,744
3	Total revenue (1+2)		14,02,55,343	-	-	14,02,55,343
4	Expenses					
	(a) Cost of materials consumed	20	10,20,94,039	-	-	10,20,94,039
	(b) Purchases of stock-in-trade		-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade Add/(less)	21	81,12,354	-	-	81,12,354
	(d) Excise duty		-	-	-	-
	(e) Employee benefits expense	22	1,49,90,839	-	-	1,49,90,839
	(f) Finance costs	23	2,42,256	-	-	2,42,256
	(g) Depreciation and amortisation expense	2	1,03,24,565	-	-	1,03,24,565
	(h) Other expenses	24	1,51,86,288	-	-	1,51,86,288
5	Total expenses		15,09,50,341	-	-	15,09,50,341
6	Profit before exceptional and extraordinary items and tax (3-5)		(1,06,94,998)	-	-	(1,06,94,998)
7	Exceptional Items		-	-	-	-
8	Profit before Extraordinary Items and Tax (6-7)		(1,06,94,998)	-	-	(1,06,94,998)
9	Extraordinary Items		-	-	-	-
10	Profit / (Loss) before tax (8 ± 9)		(1,06,94,998)	-	-	(1,06,94,998)
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		-	-	-	-
	(d) Net current tax expense		-	-	-	-
	(e) Add: Deferred tax	12	29,98,921	-	-	29,98,921
12	Profit / (Loss) for the year (10 ± 11)		(1,36,93,919)	-	-	(1,36,93,919)
13	Other Comprehensive Income		-	-	-	-
14	Total Comprehensive Income for the period		(1,36,93,919)	-	-	(1,36,93,919)



Aditya Forge Limited

Notes forming part of the Financial Statements

Note 2 :

A. Property, Plant and Equipment :

Particulars	Gross Block				Depreciation				Net Block	
	As at 1/4/2017	Additions ₹	Ded. / Adj. ₹	As at 31/03/2018	As at 1/4/2017	Additions ₹	Deduction ₹	As at 31/03/2018	31/03/2018 ₹	31/03/2017 ₹
(i) Tangible Assets :										
Land	30,90,144	-	-	30,90,144	-	-	-	-	30,90,144	30,90,144
Building	2,85,05,127	7,84,450	-	2,92,89,577	1,87,43,780	11,24,317	-	1,98,68,097	94,21,480	97,61,347
Furniture & Fixture	18,41,609	-	-	18,41,609	16,35,717	86,388	-	17,22,105	1,19,504	2,05,892
Electrical Installation	74,34,188	-	-	74,34,188	68,22,823	97,542	-	69,20,365	5,13,823	6,11,365
Office Equipments	21,08,819	49,195	-	21,58,014	20,02,352	9,071	-	20,11,423	1,46,591	1,06,467
Computer & Software*	16,40,328	-	-	16,40,328	16,36,228	-	-	16,36,228	4,100	4,100
Vehicles	14,17,138	11,96,311	-	26,13,449	12,70,060	2,61,513	-	15,31,573	10,81,876	1,47,078
Dies & Jigs	3,18,70,062	2,42,000	-	3,21,12,062	2,26,38,249	24,49,298	-	2,50,87,547	70,24,515	92,31,813
Lab & Quality Control Equipment	13,39,127	29,397	-	13,68,524	9,97,330	1,43,609	-	11,40,939	2,27,585	3,41,797
Plant & Machinery	5,77,09,870	6,11,137	28,59,966	5,54,61,041	4,87,46,908	23,98,588	18,36,747	4,93,08,749	61,52,292	89,62,962
Total	13,69,56,412	29,12,490	28,59,966	13,70,08,936	10,44,93,447	65,70,326	18,36,747	10,92,27,026	2,77,81,910	3,24,62,965
Previous Year 2016-17	15,40,01,225	11,17,114	1,81,61,927	13,69,56,412	10,80,50,493	1,03,24,565	1,38,81,611	10,44,93,447	3,24,62,965	
Previous Year 2015-16	15,39,26,822	3,30,375	2,55,972	15,40,01,225	9,73,92,227	1,09,07,906	2,49,640	10,80,50,493	4,59,50,732	

b. Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31 March, 2018 ₹	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
Depreciation and amortisation for the year on tangible assets as per Note 12 A	65,70,326	1,03,24,565	1,09,07,906
Less: Utilised from revaluation reserve	-	-	-
Depreciation and amortisation relating to continuing operations	65,70,326	1,03,24,565	1,09,07,906



Aditya Forge Limited**Notes forming part of the Financial Statements**

Particulars	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹	As at 01 April, 2016 ₹
Note 3 Inventories : (As certified by the Management) (Valued at cost)			
(a) Finished Goods	10,36,001	15,10,339	1,04,57,237
(b) Scrap	5,19,250	51,480	-
(c) Consumables	8,93,893	1,75,960	-
(d) Raw Material	30,35,988	-	-
(e) Work In Progress	94,65,342	6,07,104	-
Total	1,49,50,474	23,44,883	1,04,57,237
Note 4 Investments			
(a) Madhavpura Mercantile Co-op Bank Ltd. (16,250 shares @ Rs.100 each)	16,25,000	16,25,000	16,25,000
(b) Baroda City Co-op Bank Ltd (660 shares @ Rs.10 each)	6,600	6,600	6,600
Total	16,31,600	16,31,600	16,31,600
Note 5 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	34,66,996	27,33,922	14,31,306
Doubtful	-	-	-
	34,66,996	27,33,922	14,31,306
Less: Provision for doubtful trade receivables	-	-	-
	34,66,996	27,33,922	14,31,306
(ii) Other Trade receivables :			
Secured, considered good	-	-	-
Unsecured, considered good	1,04,78,248	1,05,94,301	17,43,971
Doubtful	-	-	-
	1,04,78,248	1,05,94,301	17,43,971
Less: Provision for doubtful trade receivables	-	-	-
	1,04,78,248	1,05,94,301	17,43,971
Total	1,39,45,244	1,33,28,223	31,75,277
Note:			
(i) Trade receivables include debts due from:			
Directors	N.A.	N.A.	N.A.
Other officers of the Company	N.A.	N.A.	N.A.
Firms in which any director is a partner	N.A.	N.A.	N.A.
Private companies in which any director is a director or member:	N.A.	N.A.	N.A.
Note 6 Cash and cash equivalents :			
(a) Cash on hand	20,77,102	8,61,518	6,26,767
(b) Balances with banks			
(i) In current accounts	8,78,207	1,48,543	(1,69,276)
Total	29,55,309	10,10,061	4,57,491



Aditya Forge Limited
Notes forming part of the Financial Statements

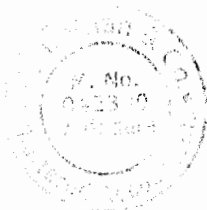
Particulars	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹	As at 01 April, 2016 ₹
Note 7 Loans :			
(a) Security deposits			
Unsecured, considered good	14,87,389	15,00,967	15,00,967
Doubtful	-	-	-
	14,87,389	15,00,967	15,00,967
Less: Provision for doubtful deposits	-	-	-
	14,87,389	15,00,967	15,00,967
(b) Advances to Suppliers			
Unsecured, considered good	39,26,570	43,70,999	72,11,132
Doubtful	-	-	-
	39,26,570	43,70,999	72,11,132
Less: Provision for doubtful loans and advances	-	-	-
	39,26,570	43,70,999	72,11,132
(c) Other advances			
Secured, considered good	-	-	-
Unsecured, considered good	7,25,325	11,60,568	4,81,600
MEIS Receivable	14,39,661	11,08,287	-
	21,64,986	22,68,855	4,81,600
Less: Provision for other doubtful loans and advances	-	-	-
	21,64,986	22,68,855	4,81,600
Total	75,78,945	81,40,821	91,93,699
Note:			
(i) Loans and advances include amounts due from:			
Directors	N.A	N.A	N.A
Other officers of the Company	N.A	N.A	N.A
Firms in which any director is a partner	N.A	N.A	N.A
Private companies in which any director is a director or member	N.A	N.A	N.A
Note 8 Other Current Assets:			
(a) Prepaid expenses			
Advance Expenses Paid	55,754	986	41,964
	55,754	986	41,964
(b) Balances with government authorities			
Unsecured, considered good			
(i) CENVAT Receivable	6,012	35,63,402	5,70,150
(ii) VAT Receivable	8,97,445	7,59,349	-
(iii) Service Tax Credit Receivable	-	6,09,011	5,40,617
(iv) MAT Deposit Receivable	7,42,769	7,42,769	7,42,769
(v) TDS Receivable	13,18,457	13,09,296	20,43,100
(vi) Advance Income Tax (TDS)	8,80,548	8,80,548	-
(vii) Income Tax Refund	1,30,457	1,30,457	1,30,457
(viii) GST Receivable	17,10,710	-	-
(iv) IGST Receivable on export Sales	86,99,282	-	-
	1,43,85,680	79,94,832	40,27,093
(c) The company has opted for OTS scheme of MMCBL. The company paid @ 5% of OTS amount	32,50,000	32,50,000	32,50,000
(d) Interest receivable	82,450	94,665	1,03,826
Total	1,77,73,884	1,13,40,483	74,22,883



Aditya Forge Limited

Notes forming part of the Financial Statements

Particulars	As at 31 March, 2018		As at 31 March, 2017		As at 01 April, 2016	
	No. of shares	₹	No. of shares	₹	No. of shares	₹
Note 9 Share capital :						
(a) Authorised						
Equity shares of ₹ 10 each with voting rights	60,00,000	<u>6,00,00,000</u>	60,00,000	<u>6,00,00,000</u>	60,00,000	<u>6,00,00,000</u>
(b) Issued , Subscribed & Fully paid up						
Equity shares of ₹ 10 each with voting rights	43,08,600	4,30,86,000	43,08,600	4,30,86,000	43,08,600	4,30,86,000
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	43,08,600	4,30,86,000	43,08,600	4,30,86,000	43,08,600	4,30,86,000
Issued during the reporting period	-	-	-	-	-	-
Bought back during the reporting period	-	-	-	-	-	-
At the close of the reporting period	43,08,600	<u>4,30,86,000</u>	43,08,600	<u>4,30,86,000</u>	43,08,600	<u>4,30,86,000</u>
Total		<u>4,30,86,000</u>		<u>4,30,86,000</u>		<u>4,30,86,000</u>
(ii) Particulars of equity share holders holding more than 5% of the total number of equity share capital:						
(a) Nitin Parekh	11,20,400	1,12,04,000	11,20,400	1,12,04,000	10,82,800	1,08,28,000



Aditya Forge Limited

Notes forming part of the Financial Statements

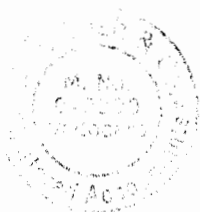
Particulars	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹	As at 01 April, 2016 ₹
Note 10 Other Equity :			
(a) Surplus / (Deficit) in Statement of Profit and Loss			
Opening balance	(12,71,90,629)	(11,34,96,710)	(9,45,78,863)
Add: Profit / (Loss) for the year	(95,13,411)	(1,36,93,919)	(1,89,17,848)
Amounts allocated / transferred from / to:	-	-	-
Closing balance	(13,67,04,040)	(12,71,90,629)	(11,34,96,711)
Note 11 Borrowings :			
(a) Term loans			
From banks			
Secured	8,12,31,367	8,02,95,476	8,33,45,476
Unsecured	-	-	-
	8,12,31,367	8,02,95,476	8,33,45,476
From other parties			
Secured	-	-	-
Unsecured	-	-	-
Total	8,12,31,367	8,02,95,476	8,33,45,476

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, 2018 Secured ₹	As at 31 March, 2017 Secured ₹	As at 01 April, 2016 Secured ₹
Term loans from banks:					
Madhavpura Mercantile Co-op Bank Ltd (Equipment Finance)*	As per Original Sanction :Monthly Repayment	Secured against Hypothecation of Plant and Machinery	2,05,95,112	2,05,95,112	2,09,60,255
Madhavpura Mercantile Co-op Bank Ltd(Term Loan)*	As per Original Sanction :Monthly Repayment	Secured against Hypothecation of Plant and Machinery	3,07,12,173	3,07,12,173	3,19,29,316
Madhavpura Mercantile Co-op Bank Ltd (CC)*	* As per note below	First exclusive charge on the entire Current Assets for the Company	2,89,88,191	2,89,88,191	3,04,55,905
Kotak Mahindra Prime Ltd. (Vehicle Loan)	As per Original Sanction :Monthly Repayment		9,35,891	-	-
* 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. MMCBL has proposed a scheme of OTS. In response to the same payment of Rs. 32,50,000/-has been made towards the OTS Scheme as 5% of OTS amount.					
			8,12,31,367	8,02,95,476	8,33,45,476

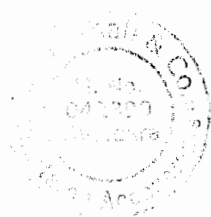
(ii) Details of long-term borrowings guaranteed by some of the directors or others:



Aditya Forge Limited**Notes forming part of the Financial Statements**

Note	Particulars	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹	As at 01 April, 2016 ₹
Note 12	Deferred tax (liability) / asset :	(41,43,894)	(11,44,973)	19,26,364
	<u>Tax effect of items constituting deferred tax liability :</u>			
	On difference between book balance and tax balance of fixed assets	-	97,05,246	99,39,603
	Tax effect of items constituting deferred tax liability	0	29,98,921	30,71,337
	<u>Tax effect of items constituting deferred tax assets :</u>			
	On difference between book balance and tax balance of fixed assets	59,18,029	-	-
	Tax effect of items constituting deferred tax assets	18,28,671	-	-
	Net deferred tax (liability) / asset	<u>(23,15,223)</u>	<u>(41,43,894)</u>	<u>(11,44,973)</u>

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.



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹	As at 01 April, 2016 ₹
Note 13 Borrowings :			
(a) Loans and advances from related parties			
Secured	-	-	-
Unsecured	1,43,46,831	72,87,300	4,02,323
(b) From bank			
Secured	-	-	-
Unsecured	-	-	-
(c) From others			
Secured	-	-	-
Unsecured	70,31,703	-	-
Total	2,13,78,534	72,87,300	4,02,323
Refer Note 13.a for Loans and advances from related parties			
Note 14 Trade payables :			
Trade payables:			
Acceptances	5,10,98,268	3,40,90,632	1,88,01,664
Other than Acceptances	-	-	-
Total	5,10,98,268	3,40,90,632	1,88,01,664
Note 15 Other current liabilities :			
(a) Other payables			
(i) Statutory remittances (Contributions to PF & ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, TDS etc.)	1,12,09,711	93,14,776	69,58,806
(ii) Advances from Customers	89,08,080	1,54,51,709	3,52,65,677
(iii) Other Current Liabilities	42,671	25,327	25,327
Total	2,01,60,462	2,47,91,812	4,22,49,810
Note 16 Provisions			
(a) Provision for employee benefits:			
(i) Provision for Salary & Wages	16,40,169	15,70,828	6,31,931
	16,40,169	15,70,828	6,31,931
(b) Provision - Others:			
(i) Provision for Current tax	-	-	-
(ii) Provision for expenses	33,743	30,594	-
(iii) Director remuneration	20,91,291	20,16,780	19,87,103
(iv) Auditor remuneration	2,86,349	1,36,349	1,36,349
	24,11,383	21,83,723	21,23,452
Total	40,51,552	37,54,551	27,55,383



Aditya Forge Limited

Notes forming part of the Financial Statements

Note 13.a Borrowings: Cont...

Particulars	Nature of security	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹	As at 01 April, 2016 ₹
<u>(i) Loans and advances from related parties:</u>				
Nitin Rasiklal Parekh	Unsecured	55,88,382	37,10,580	(1,61,417)
Rekhaben Parekh	Unsecured	11,00,000	-	-
Nitin Rasiklal Parekh (HUF)	Unsecured	72,65,459	30,50,000	50,000
Sangita Adhvaryu	Unsecured	3,92,990	5,13,740	5,13,740
Purshotamdash Parikh	Unsecured	-	-	-
Aditya Nitin Parekh	Unsecured	-	12,980	-
Harilal & Sons	Unsecured	-	-	-
Total - Loans and advances from related parties		<u>1,43,46,831</u>	<u>72,87,300</u>	<u>4,02,323</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 13 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

Particulars	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹	As at 01 April, 2016 ₹
Note 17 Contingent Liabilities :			
(a) Income tax demand outstanding for the Financial Year 2010-11, for which the company has filed an appeal.	-	-	77,51,550
(b) Income tax demand outstanding for the Financial Year 2011-12, for which the company has filed an appeal.	-	-	17,50,510
(c) Excise demand outstanding for the Financial Year 2013-14 for which the company has filed an appeal.	36,10,204	36,10,204	36,10,204
(d) Income tax demand outstanding for the Financial Year 2012-13 , 2013-14 & 2014-15 for which the company has filed an appeal.	74,04,830	-	-
Total	1,10,15,034	36,10,204	1,31,12,264



Aditya Forge Limited**Notes forming part of the Financial Statements**

Particulars	For the year ended 31 March, 2018 ₹	For the year ended 31 March, 2017 ₹
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Note 18 Revenue from operations :

(a) Sale of products @ (Refer Note (i) below)	13,74,43,841	12,25,46,470
(b) Sale of services @ (Refer Note (ii) below)	59,318	1,43,04,129
(c) Others @ (Refer Note (iii) below)	65,36,166	34,04,744
Total	14,40,39,325	14,02,55,343

Notes:

(i) Sale of products comprises :

(As per Note 21 Additional Information to Financial Statements)

(a) Domestic Sales	3,54,67,374	8,05,35,859
(b) Export Sales	10,19,76,467	4,20,10,611
(ii) Sale of Services comprises :		
(a) Jobwork Income	59,318	1,43,04,129
(iii) Other Income from Operation	65,36,166	34,04,744

Note 19 Other income :

(a) Interest income (Refer Note (i) below)	91,611	1,05,183
(b) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	64,44,555	32,99,561
Total	65,36,166	34,04,744

Notes:

(i) Interest income comprises:

Other interest	91,611	1,05,183
Total	91,611	1,05,183

(ii) Other Income	57,03,068	14,51,374
(iii) Profit on sale of assets	7,41,487	18,48,187
Total	64,44,555	32,99,561



Aditya Forge Limited

Notes forming part of the Financial Statements

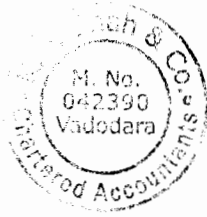
Particulars	For the year ended 31 March, 2018 ₹	For the year ended 31 March, 2017 ₹
Note 20 Cost of materials consumed :		
Opening stock	-	-
Add: Purchases	10,81,68,290	10,20,94,039
	10,81,68,290	10,20,94,039
Less: Closing stock	30,35,988	-
Cost of material consumed	10,51,32,302	10,20,94,039
Material consumed comprises:(Under Broad Head) : (As per Note 32 Additional information to Financial Statements)		
Note 21 Changes in inventories of finished goods, work-in-progress and stock-in-trade :		
<u>Inventories at the end of the year:</u>		
Finished goods	10,36,001	15,10,339
Scrap	5,19,250	51,480
Consumables	8,93,893	1,75,960
Work in progress	94,65,342	6,07,104
	1,19,14,486	23,44,883
<u>Inventories at the beginning of the year:</u>		
Finished goods	15,10,339	1,04,57,237
Scrap	51,480	-
Consumables	1,75,960	-
Work in progress	6,07,104	-
	23,44,883	1,04,57,237
Net (increase) / decrease	-95,69,603	81,12,354
Note 22 Employee benefits expense :		
Salaries,Wages & Bonus	2,09,89,041	1,46,03,815
Contributions to provident and other funds	4,31,465	3,06,620
Staff welfare expenses	1,55,728	80,404
Total	2,15,76,234	1,49,90,839
Note 23 Finance Cost :		
(a) Interest expense on:		
(i) Borrowings MNCB	-	-
(ii) Others		
- Interest on VAT/Service Tax/Others	8,57,386	-
- Others	810	645
(b) Other borrowing (Bank Charges & Commission) costs	5,61,713	2,41,611
Total	14,19,909	2,42,256



Aditya Forge Limited

Notes forming part of the Financial Statements

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	₹	₹
Note 24 Other expenses :		
Administrative Exps.	75,03,765	29,93,244
Selling & Distribution Exps.	56,75,688	34,71,610
Manufacturing & Others	46,08,020	21,53,320
Directors Remuneration	12,00,000	4,00,000
Electricity Charges	45,01,866	46,88,642
Freight and Insurance (Import)	4,90,114	-
Rates & Taxes	12,91,236	12,86,766
Misc.Exps	1,72,765	1,31,167
Service Tax	10,974	21,867
Foreign Exchange Exp	42,92,621	39,672
Prior period expenses	2,80,190	-
Auditor's Remuneration	1,50,000	-
Total	3,01,77,239	1,51,86,288



Aditya Forge Limited
Notes forming part of the Financial Statements

Note	Particulars	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
Note 25	Earnings per share :		
25.a	<u>Basic</u>		
	Net profit / (loss) for the year	(95,13,411)	(1,36,93,919)
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	(95,13,411)	(1,36,93,919)
	Weighted average number of equity shares	43,08,600	43,08,600
	Par value per share	10	10
	Earnings per share - Basic	<u>(2.21)</u>	<u>(3.18)</u>
25.b	<u>Diluted</u>		
	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		
	Net profit / (loss) for the year	(95,13,411)	(1,36,93,919)
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	(95,13,411)	(1,36,93,919)
	Add: Interest exp. and exchange fluctuation on convertible bonds (net)	-	-
	Profit / (loss) attributable to equity shareholders (on dilution)	(95,13,411)	(1,36,93,919)
	Weighted average number of equity shares for Basic EPS	43,08,600	43,08,600
	Add: Effect of warrants, ESOPs & Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares - for diluted EPS	43,08,600	43,08,600
	Par value per share	10	10
	Earnings per share - Diluted	<u>(2.21)</u>	<u>(3.18)</u>



1.1 CORPORATE INFORMATION

Aditya Forge Limited is a listed Limited Company engaged in the business of Manufacturing and Trading of Forged Flanges and ancillary items.

1.2 BASIS OF PREPARATION

i. Compliance with Indian Accounting Standards

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act as applicable.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provisions of the Act as applicable.

These financial statements are the Company's first Ind AS Financial Statements and are covered by Ind AS 101- First time Adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the 'Previous GAAP' for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's financial position, financial performance and cash flows is provided in Note 29 of the financial statement.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis.

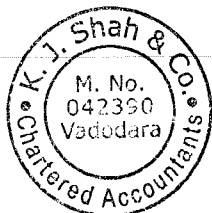
iii. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency, and all values are rounded to the nearest Rupees, except otherwise indicated.

iv. Composition of Financial Statements

The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Cash Flow
- Statement of Changes in Equity
- Notes to Financial Statements



1.3 SIGNIFICANT ACCOUNTING POLICIES

A. Property, Plant and Equipment:

i. Recognition and measurement

All items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in the Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful life, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit and Loss.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost (except to the extent of any adjustment permissible under other accounting standard) of the property, plant and equipment.

ii. Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Written Down Value Method. Depreciation on additions / deductions is calculated on pro rata basis from/up to the month of additions/deductions. The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

B. Impairment:

i. Non - financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite life may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any.



C. Inventories:

Company follows the practice of charging to revenue, the cost of various inventories, on actual consumption basis. Inventories are valued at lower of cost or net realizable value.

D. Financial Instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets**Initial recognition and measurement**

All financial assets, except investment in associates, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

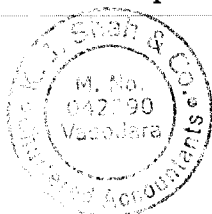
- a) Financial assets at amortised cost
- b) Financial assets at fair value through other comprehensive income (FVTOCI)
- c) Financial assets at fair value through profit or loss (FVTPL)
- d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost

A financial assets is measured at the amortised cost if:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR



amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if:

- a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has other investments at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognized in Statement of profit and loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L



Derecognition of financial assets

A financial asset is derecognised when:

- a) the contractual rights to the cash flows from the financial asset expire,
or
- b) The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

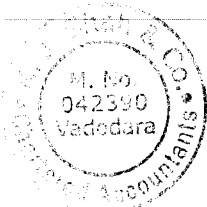
Loans and Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.



Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

E. Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise Cash on hand, Cash at banks and Cheques in Hand.

F. Foreign Currency Translation:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Indian Rupee (INR) is the functional and presentation currency of the Company.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the Statement of Profit and Loss, in the period in which they arise

G. 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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

H. Other Income:

Other Income comprises of gain or loss in Foreign exchange earnings, Interest Received and Other Miscellaneous Income.

I. Employee benefits:**a) Short term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized at actual amounts due in the period in which the employee renders the related service.



b) Post-employment Benefits:**(i) Defined contribution plans**

Defined contribution plans are Provident Fund Scheme administered by Government for eligible employees. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss.

(ii) Defined Benefit Plans

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the Projected Unit Credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

(iii) Compensated Absences:

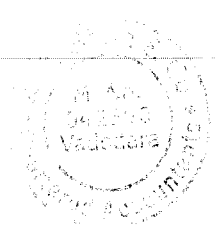
Entitlement of employees accumulating earned leave and eligibility of compensation or encashment of the same is also a defined benefit obligation and is treated as long term in nature in terms of the policies of the Company for the same. The value of obligation towards the same is provided for on the basis of actuarial valuation using projected unit credit method as at the balance sheet date. Actuarial gain / losses are immediately taken to the Statement of Profit and Loss and are not deferred.

(iv) Terminal Benefits

All terminal benefits are recognized as an expense in the period in which they are incurred.

J. Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.



K. Impairment of Assets:

An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which the assets are identified as impaired.

L. Income tax:**Current Income Tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised

M. Provisions and Contingencies:**i. Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost

ii. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events



not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

N. Earnings per Share:

- a) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.4 Significant Accounting Judgments, Estimates and Assumptions

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

Note: 26 RELATED PARTY DISCLOSURES

a.	Name of the related party and nature of relationship: -		
	Sr. No.	Particulars	Relationship
	I.	Key Managerial Personnel/Directors	
		1. Nitin Rasiklal Parekh 2. Sangita Nitin Adhvaryu 3. Rajiv Hemraj Suraiya 4. Subhash Bhagwandas Dalal 5. Vishnubhai Indubhai Patel	Managing Director Wholetime Director CFO (KMP) Director Director
	II	Relatives of Key Managerial Personnel/Directors	
		1. Rekhaben N. Parekh 2. Aditya Nitin Parekh 3. Schi Parekh 4. Rekha Parekh	
	III	Company / Firm in which KMP / Relatives of KMP can exercise significant influence	
		1. Aditya Exim Limited 2. Sun Precisioncast Pvt. Ltd. 3. Harilal & Sons 4. Delta Stainless Pvt. Ltd. 5. Nitin Parekh (HUF)	



Aditya Forge Limited

Notes forming part of Financial Statements for the year 2017-18

b. Transaction with Related Parties – Ind AS 24				
Sr. No.	Key Managerial Personnel and their relatives	Name of Parties	For the period ended 31st March, 2018	For the period ended 31st March, 2017
Key Managerial Personnel				
1	Remuneration	Mr. Nitin Rasiklal Parekh	12,00,000	4,00,000
2	Unsecured Loan received / (paid)	Mr. Nitin Rasiklal Parekh	18,77,802	38,71,997
		Ms. Sangita Nitin Adhvaryu	(1,20,750)	Nil
Relatives of Key Managerial Personnel/Directors				
1	Unsecured Loan received / (paid)	Mrs. Rekhaben N. Parekh	11,00,000	Nil
		Mr. Aditya Nitin Parekh	(12,980)	Nil
Company / Firm in which KMP / Relatives of KMP can exercise significant influence				
1	Unsecured Loan received / (paid)	Nitin Rasiklal Parekh (HUF)	42,15,459	30,00,000
2	Purchases	1. Aditya Exim Limited 2. Delta Stainless Pvt. Ltd.	75,38,108 Nil	5,54,56,042 60,90,000
3	Advance against supplies	Sun Precisioncast Pvt. Ltd.	5,00,000	Nil
4	Remuneration	1. Aditya Parekh 2. Sachi Parekh 3. Rekha Parekh	9,00,000 9,00,000 9,00,000	300000 300000 300000
5	Consumable Purchase	Harilal & Sons	8,000	Nil
Sr. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017	As on 01st April, 2016
c. Outstanding Balances				
1	Unsecured loan payable			
	Key Managerial Personnel			
	Mr. Nitin Rasiklal Parekh	55,88,382	37,10,580	(1,61,417)
	Ms. Sangita Nitin Adhvaryu	3,92,990	5,13,740	5,13,740
	Relatives of Key Managerial Personnel/Directors			
	Mrs. Rekhaben N. Parekh	11,00,000	Nil	Nil
	Mr. Aditya Nitin Parekh	Nil	12,980	Nil
	Company / Firm in which KMP / Relatives of KMP can exercise significant influence			
	Nitin Rasiklal Parekh (HUF)	72,65,459	30,50,000	50,000
	Creditors			
	Harilal & Sons (Agencies)	62,422	62,422	62,422
	Delta Stainless Pvt. Ltd.	57,432	6,46,432	38,11,266
	Sun Precisioncast Pvt. Ltd. (Advance against supplies)	5,00,000	Nil	Nil
	Debtors			
	Aditya Exim Ltd.	52,93,787	1,02,86,953	3,43,42,173

Note: 27 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS
A. Contingent Liabilities and Capital Commitments

Sr. No.	Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As on 01 st April, 2016
A.	Contingent Liabilities and Capital Commitments			
(a)	Income tax demand outstanding for the Financial Year 2010-11, for which the company has filed an appeal.	Nil	Nil	77,51,550
(b)	Income tax demand outstanding for the Financial Year 2011-12, for which the company has filed an appeal.	Nil	Nil	17,50,510
(c)	Excise demand outstanding for the Financial Year 2013-14 for which the company has filed an appeal.	36,10,204	36,10,204	36,10,204
(d)	Income tax demand outstanding for the Financial Year 2012-13 , 2013-14 & 2014-15 for which the company has filed an appeal.	74,04,830	Nil	Nil
	Particulars		Year ended 31st March, 2018	Year ended 31st March, 2017
B.	Auditor's Remuneration			
	As Audit Fees		50,000	50,000
	Taxation Matters		1,00,000	1,00,000
	In other Capacity		--	--
	Re-imbursement of expenses		--	--



Aditya Forge Limited

Notes forming part of Financial Statements for the year 2017-18

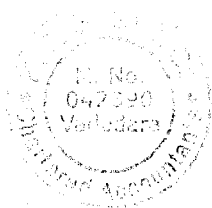
B. Fair Value Measurements

(Rupees in Lakhs)

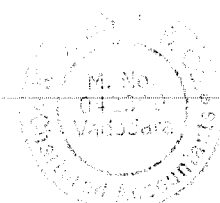
Particulars	As at 31 st March, 2018			As at 31 st March, 2017			As on 01 st April, 2016		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets									
Investments	--	--	--	--	--	--	--	--	--
Trade receivables	--	--	139.45	--	--	133.28	--	--	31.75
Cash and Cash equivalents	--	--	29.55	--	--	10.10	--	--	4.57
Other Bank balances	--	--	--	--	--	--	--	--	--
Loans	--	--	75.78	--	--	81.40	--	--	91.94
Other Financial assets	--	--	--	--	--	--	--	--	--
Total Financial Assets	--	--	244.78	--	--	224.78	--	--	128.26
Financial Liabilities									
Borrowings	--	--	1026.09	--	--	875.82	--	--	837.48
Other current financial liabilities	--	--	--	--	--	--	--	--	--
Trade Payables	--	--	510.98	--	--	340.91	--	--	188.02
Total Financial Liabilities	--	--	1537.07	--	--	1216.73	--	--	1025.50
(i) Fair value hierarchy									
Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy.									
The three Levels are defined based on the observability of significant inputs to the measurement, as follows :									
Level 1 : Quoted prices (unadjusted) in active markets for financial instruments.									
Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.									
Level 3 : Unobservable inputs for the asset or liability.									

C. Financial Risk Management

Sr. No.	Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As on 01 st April, 2016
	<p>The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.</p> <p>The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.</p>			
A.	Credit Risk			
	<p>Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, trade receivables, cash and cash equivalents, loans and other financial assets. The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.</p>			
	Investment	16,31,600	16,31,600	16,31,600
	Trade receivables	1,39,45,244	1,33,28,223	31,75,277
	Cash and Cash equivalents	29,55,309	10,10,061	4,57,491
	Loans	75,78,945	81,40,921	91,93,699
	Other Financial Assets	--	--	--



B.	Liquidity Risk <p>Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities</p> <p>(i) Maturities of financial liabilities</p> <p>The tables herewith analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:</p> <p>The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.</p>			
	Contractual maturities of financial liabilities			
Sr. No.	Particulars	Less than 1 year	More than 1 year	Total
	As at March 31, 2018			
	Non-derivatives			
	Borrowings	1,43,10,855	8,82,99,046	10,26,09,901
	Trade payables	1,82,77,466	3,28,20,802	5,10,98,268
	Other financial liabilities	--	--	--
	Total Non-derivative liabilities	3,25,88,321	12,11,19,848	15,37,08,169
	As at March 31, 2017			
	Non-derivatives			
	Borrowings	72,87,300	8,02,95,476	8,75,82,776
	Trade payables	2,23,70,362	1,17,20,270	3,40,90,632
	Other financial liabilities	--	--	--
	Total Non-derivative liabilities	2,96,57,662	9,20,15,746	12,16,73,408
	As at April 01, 2016			
	Non-derivatives			
	Borrowings	4,02,323	8,33,45,476	8,37,47,799
	Trade payables	1,78,75,355	9,26,309	1,88,01,664
	Other financial liabilities	--	--	--
	Total Non-derivative liabilities	1,82,77,678	8,42,71,785	10,25,49,463
C	Market Risk			
	(i) Price Risk			
	The Company is mainly exposed to the price risk due to its investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. The above instruments risk are arises due to uncertainties about the future market values of these investments.			
	Management Policy			
	The Company maintains its portfolio in accordance with the framework set by the Risk management Policies. Any new investment or divestment must be approved by the board of directors, chief financials officer and Risk Management committee.			
	(ii) Currency Risk			
	The Company has significant Exposure for Export's revenue and import of raw material and Property, Plant and Equipment so the company is subject to risk that changes in foreign currency value impact.			



Note 28: CAPITAL MANAGEMENT

Risk Management

For the purpose of the company's capital management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the shareholders and makes adjustments to it in light of changes in economic conditions or its business requirements. The Company's objectives are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The management and Board of Directors monitor the return on capital.

Note 29: DISCLOSURE AS REQUIRED BY IND AS 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS

Transition to Ind AS:

These are the Company's first Financial Statements prepared in accordance with Ind AS.

The accounting standards notified u/s 133 of the Companies Act, 2013 and the Accounting policies set out in note 1.2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (The Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

1. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied by the Company in the transition from previous GAAP to Ind AS.

i. Ind AS optional exemptions

Deemed Cost:

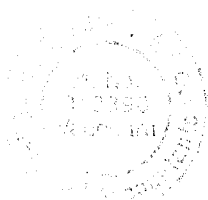
Ind AS 101 permits a first time adopter to elect to measure an item of property, plant and equipment at the transition to Ind AS at its fair value and use that fair value as its deemed cost at that date.

ii. Ind AS Mandatory Exceptions

a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made



estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

2. Reconciliations between previous GAAP and Ind AS

- Reconciliations of Balance Sheet and Total Comprehensive Income from previous GAAP to Ind AS is presented at **Annexure – C, D and E**.
- The Company does not have a significant impact on the Cash Flow statement as on 31 March, 2017.
- Reconciliation of Total Equity from previous GAAP to Ind AS is show in below table.

Reconciliation of Equity as at March 31, 2017 and April 01, 2016

(In Rupees)

Particulars	Notes	As at 31 st March, 2017	As on 01 st April, 2016
Equity under previous GAAP		(8,41,04,629)	(8,41,04,629)
Impact of fair valuation of Property, plant and equipment	i	--	--
Impact of fair valuation of Financial Instruments	ii	--	--
Proposed dividend reversed including tax on dividend	iii	--	--
Tax impact on Ind AS adjustments	iv	--	--
Equity as per Ind AS		(8,41,04,629)	(8,41,04,629)

Notes to the reconciliations:-

i. Fair Valuation of Property, plant and equipment

The Company has not elected to measure certain items of Property, Plant and Equipment (PPE) at fair value at the date of transition to Ind AS and decided to use the present book value as cost on the date of transition.

ii. Impact of fair valuation of Financial Instruments

Under previous GAAP, the long-term investments were measured at cost less permanent diminution in value, if any and current investment were measured at cost and fair value whichever is lower. Ind AS requires all investments to be measured at fair value at the reporting date and all changes in the fair value subsequent to the transition date to be recognised either in the Statement of profit and loss or Other Comprehensive Income (based on the category in which they are classified).

iii. Proposed Dividend and tax thereon

Since the Company is suffering loss hence no dividend declared and thus the said clause is not applicable.

iv. Tax impacts on Ind AS adjustments

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach under previous GAAP) for computation of deferred tax has resulted in adjustment to Reserves, with consequential impact in the subsequent periods to the Statement of profit and loss or Other comprehensive income, as the case may be.

v. Retained Earnings

Retained earnings as at 01-April-2016 has been adjusted consequent to the above Ind AS transition adjustments.

Note 30: RECENT ACCOUNTING PRONOUNCEMENTS:**Ind AS 115: Revenue from contracts with Customers**

On 28th March, 2018, Ministry of Corporate Affairs (MCA), has issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115 'Revenue from contracts with Customers', which replaces Ind AS 11 'Construction Contracts', Ind AS 18 'Revenue'. Except for the disclosure requirements, the new standard will not materially impact the Company's financial statements, as most of the Company's sales relate to the delivery at a point in time.

Note 31: PREVIOUS YEAR'S FIGURES:

The figures as on the transition date and previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year.

Note 32: OTHER INFORMATION

1. Sale of Product Comprises: (Under Broad Head):

Manufactured Goods:

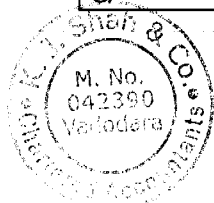
Finished Goods	2017-18	2016-17
	₹	₹
Flanges	13,74,43,841	12,25,46,470
Fittings	NIL	NIL
Total	13,74,43,841	12,25,46,470

2. Consumption of Raw material Imported & Indigenous : (Under Broad Head):

Raw Material	2017-18	2016-17
	₹	₹
Opening Stock	--	--
Add: Purchase of Raw Materials	10,81,68,290	10,20,94,039
Less: Closing Stock	30,35,988	--
Total	10,51,32,302	10,20,94,039

3. Expenses in Foreign currency during the year on Account of :

Particulars	2017-18	2016-17
	₹	₹
a) Royalty	NIL	NIL
b) Know-how	NIL	NIL
c) Professional Consultation	NIL	NIL
d) Interest/Foreign Bank Charges	9,43,169	23,175
e) Foreign tour	18,93,226	6,83,963
f) Commission on Exports	NIL	NIL
g) Material propaganda	NIL	NIL



Aditya Forge Limited**Notes forming part of Financial Statements for the year 2017-18**

4. Amount remitted during year on account of:

Particulars	2017-18 ₹	2016-17 ₹
a) Dividend	NIL	NIL

5. Value of Imports on CIF basis during the year in respect of :

Particulars	2017-18 ₹	2016-17 ₹
a) Raw Materials	1,78,81,607	86,89,478
b) Stores and Spares	NIL	NIL
c) Capital Goods	NIL	NIL
d) Other (Please specify)	NIL	NIL

6. Earning in Foreign Exchange Under:

Particulars	2017-18 ₹	2016-17 ₹
e) Export of Goods (F.O.B. basis)	9,91,96,321	4,03,67,447
f) Royalty, know how, professional & consultation fees	NIL	NIL
g) Interest and Dividend	NIL	NIL
h) Other Income	NIL	NIL

Notes forming Part of Financial Statements 1 to 32

For, K J Shah & Co.,
Chartered Accountants
FRNo.132369W

(Kamlesh J Shah)
Proprietor
Membership No.42390
Place: Vadodara
Date: 30th May 2018



For ADITYA FORGE LIMITED

(Director)

(Director)

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