

27TH ANNUAL REPORT
2019-20

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



ADITYA FORGE LIMITED

CIN: L27100GJ1992PLC017196

Regd. Office: 415 GIDC, RAMANGANDI, POR N H 8 VADODARA-

Email: aditya@adityaforge.com , Phone: +91-0265- 2830729 -2830731

Website: www.adityaforge.com

Dear Members,

You are cordially invited to attend the 27th Annual General Meeting of members of Aditya Forge Limited to be held at its registered office 415 GIDC, Ramangandi, Por N H 8 Vadodara, on Monday, 31st December 2020 at 4:00 p.m.

NOTICE

NOTICE is hereby given that the Twenty sixth (27th) **Annual General Meeting** of Members of ADITYA FORGE LIMITED (the Company) will be held on Monday, the 31st day of December 2020 at 4:00 p.m. at 415 GIDC, Ramangandi, Por, N H 8, VADODARA - in the State of Gujarat to transact the following business:

ORDINARY BUSINESS:

Item No. 1. Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 including the Balance Sheet as at March 31, 2020 and the Statement of Profit of Loss and Cash Flow for the year ended on that date together with and the reports of the Board of Directors and Auditors thereon.

Item No. 2. Re-Appointment of Director retiring by Rotation

To consider and, if thought fit, to pass with or without modification(s), the following resolution as ordinary Resolution:

"RESOLVED THAT Mr. VISHNUBHAI INDUBHAI PATEL (DIN: 00070985) who retire by rotation at this Annual General Meeting be and is hereby re-appointed as a Director of the Company and that his period of office be liable to determination by retirement of Directors by Rotation."

**By order of the Board of Directors
For ADITYA FORGE LIMITED**


**(NISHU RASIKLAL PAREKH)
Managing Director**

Place: Vadodara

Date: 30.11.2020



**NOTES:**

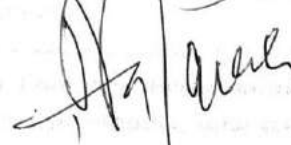
1. The Register of members and Share Transfer Books of the Company will remain closed from Tuesday, December 15th, 2020 to Monday, December 21st December, 2020 (both days inclusive) for annual closing.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The instrument appointing the proxy (duly completed, stamped and signed) must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
4. In terms of THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 details of director retiring by rotation at the ensuing annual general meeting is given in annexure to this notice.
5. Members desirous of making a nomination in respect of their shareholding, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed Form SH 13 (Nomination Form) & Form SH 14 Cancellation or Variation of Nomination, accordingly to the Secretarial Department of the Company or to the office of the Registrar & Share Transfer Agent, The said forms can be downloaded from the Company's website www.adityaforge.com under the section "Investor Relation".
6. *In respect of shares held in electronic/demat form, beneficial owners are requested to notify any change in their address, bank account, mandate, etc. to their respective Depository Participant.*

During the year under review, the Company has appointed M/s. ADROIT CORPORATE SERVICES P LTD, as its Registrar and Transfer Agent (RTA) having their administrative office situated at 18-20, JAFERBHOY INDUSTRIAL ESTATE, MAKWANA ROAD, MAROL NAKA, ANDHERI (E), Mumbai, Mumbai City, Maharashtra, 400059. The aforesaid RTA is handling registry work in respect of shares held both in physical form and in electronic/demats form. All requests for transfer of Equity Shares and allied matters along with the relevant transfer deeds and shares certificates should be sent either to the RTA or at the registered office of the Company.

- Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

- Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the annual report /notice for attending the meeting.
 - Members are requested to intimate the Company of queries, if any, regarding the accounts / notice at least ten days before the Annual General Meeting to enable the Management to keep the information ready at the meeting.
 - All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours (9.30 a.m. to 5.00 p.m.) and all working days except Sundays, upto and including the date of Annual General Meeting of the Company.
7. **GREEN INITIATIVE:** Members are requested to register/ update email address for receiving electronic communication.

By order of the Board of Directors
For ADITYA FORGE LIMITED



(NITIN RASIKLAL PAREKH)
Managing Director

Place: Vadodara
Date: 30.11.2020





INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

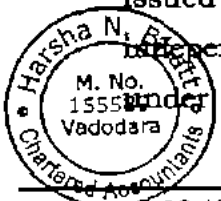
Opinion

We have audited the accompanying financial statements of **M/s. Aditya Forge Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the Losses and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and



we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of Matter

We draw your attention to Note 30 to the financial statements, which describe the management's assessment of the impact of the outbreak of Corona Virus (COVID-19) on the business operations of the Company. The management believes that no adjustments are required in the financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Due to the COVID-19 related lockdown, we were not able to observe the year-end physical verification of Inventory that has been carried out by the management. Consequently, we have performed alternate procedures to audit the existence of Inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for selected items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Financial Statements.

Our opinion is not modified in respect of above matters.

Key Audit Matters

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

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



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

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

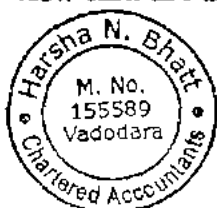
Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

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

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error;



In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so;

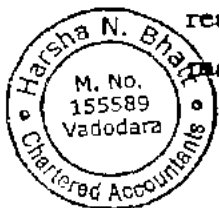
Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.



Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

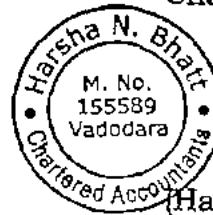
- a) We have sought and obtained most of the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable;
- e) On the basis of the written representations received from the directors as on 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and



h) 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. Subject to what is said in contingent liabilities, the Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, Harsha Nikhilchandra Bhatt,
Chartered Accountants



Harsha

Place: Vadodara

Date: 30th November, 2020

(Harsha N Bhatt)

Membership No.155589

UDIN: 20155589AAAABG8984

"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, 2020**

*(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 had maintained records showing full particulars including quantitative details and situation of the fixed assets. According to the information and explanation given to us, maintained records got affected due to weather and frequent shifting. The same requires to be regenerated/updated on the basis of available information.
- b) All the fixed assets have not been physically verified by the management during the year but there is regular program of verification, 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) According to the information and explanations given by the management the title deeds of immovable properties included in fixed assets are held in the name of the Company.

ii. In respect of its inventories:

- a) According to the information and explanation given to us, physical verification of heavy articles/ products is costly and laborious and not possible manually. In such cases no procedure of physical verification is followed. In other cases periodical test check was applied. 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 reasonable and adequate in relation to the size of the Company and nature of its business.
- b) According to the information and explanations given by the management, no material discrepancies were noticed on such physical verification.



iii. In respect of the loans, secured or unsecured, granted by the company to companies, firms or other parties.

- 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 (except NIL rate of Interest) for such loans are not prima facie prejudicial to the interest of the company.

iv. In respect Loans, Investments, Guarantees and Securities.

In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and guarantee and securities given have been complied with by the Company.

v. In respect of deposits from public

According to the information and explanation given to us, the Company has not accepted any deposit from the public. Therefore the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.

According to the information and explanation given to us, the Board has made reporting of disclosure of details of outstanding money or loan received or transactions by a company but not considered as deposits in terms of rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014 by filing e-form DPT-3 as notified by Ministry of Corporate Affairs vide Notification No. GSR 42(E) dated 22nd January, 2019.

vi. In respect of maintenance of cost records

We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the central Government under Section 148 (1) of the Companies Act, 2013 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.



- viii. According to the information and explanation given to us, following amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period more than six months from the date of becoming payable.

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,

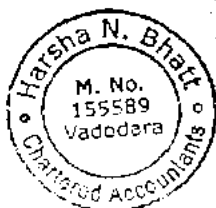
Sr. No.	Name of the Statute	Nature of the Due	Amount	Period to which the amount relates	Forum where dispute is pending
1	Central Excise	Excise Demand	36,10,204/-	F.Y. 2013-14	Appeal pending before appellate Authority
2	Income Tax	Tax & Interest	74,04,830/-	F.Y. 2012-13, 2013-14, 2014-15	Commissioner of Income Tax Appeal Baroda

ix. **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.

According to information and explanation given to us the company has 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.

Further according to the information and explanations given to us, the Company has been identified as Viable Sick Industrial Enterprise by Government of Gujarat, Industries Commissionerate, accepting the TEV Report of GITCO, vide their Communication Reference IC/IM/VSIE/SUReg/2019/154485 dated 12-06-2019 with Registration Number SU/MSME/007 dated 04/06/2019 as per scheme declared under Notification - Industries and Mines Department GR No MIS/10/2015/702426/P dated 11/09/2017. Company has approached



to Madhavapura Cooperative Bank Ltd (Under Liquidation) to consider OTS Proposal as per the Amount arrived at within TEV Report at Rs 411.00 Lakhs. According to the information and explanations given to us the Company is hopeful of favorable outcome thereof.

x. 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 fresh term loan was raised during the year. The term loans were applied for the purposes for which they were raised.

xi. In respect of Fraud.

Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanation given by the management to us, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

xii. In respect of Managerial Remuneration.

In our opinion and according to the information and explanations given to us, managerial remuneration has been provided & paid. 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) is not obtained.

xiii. In respect of Nidhi Companies

In our opinion the Company is not a Nidhi Company. Therefore the provision of clause 3 (xii) of the Order are not applicable to the Company and hence not commented upon.



xiv. In respect of Related Parties Transactions

According to the information and explanation given to us by the management transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable. The relevant details, if any, have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xv. 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.

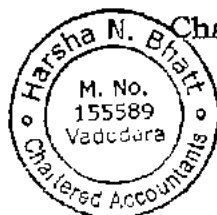
xvi. In respect of Non-Cash Transactions with Directors

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.

xvii. In respect of Registration with RBI

According to the information and explanation given to us by the management the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence not commented upon.

For, Harsha NikhilchandraBhatt,
Chartered Accountants



Harsha

Place: Vadodara

Date: 30th November, 2020

(Harsha N Bhatt)

Membership No.155589

***ANNEKURE - B* TO THE INDEPENDENT AUDITOR'S REPORT**

ADITYA FORGE LIMITED for the year ended March 31, 2020

(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 (l) 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 ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

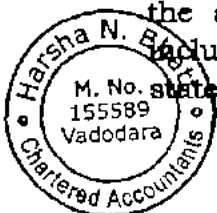
Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the 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 (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, both 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 and 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 is 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) 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.

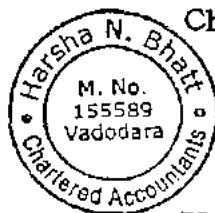
Inherent Limitations of Internal Financial Controls over Financial Reporting

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 that 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 2020, 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.

For, Harsha NikhilchandraBhatt,
Chartered Accountants



A handwritten signature in black ink, appearing to read "Harsha N. Bhatt", written over a horizontal line.

Place: Vadodara

Date: 30th November, 2020

(Harsha N Bhatt)

Membership No.155589

Aditya Forge Limited
Balance Sheet as on 31 March, 2020

(Actual Amt. in Rs.)

Sr. No.	Particulars	Note No.	As at	As at
			31 March, 2020	31 March, 2019
			₹	₹
	ASSETS			
(1)	Non-current assets			
	(a) Property, Plant and Equipment	2	2,08,61,072	2,58,62,888
	(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)	12	-	-
	(g) Other Non Current Assets		-	-
	Total Non-current Assets		2,08,61,072	2,58,62,888
(2)	Current Assets			
	(a) Inventories	3	1,97,66,298	3,19,88,668
	(b) Financial Assets			
	(i) Investments	4	16,31,600	16,31,600
	(ii) Trade Receivables	5	50,86,021	1,40,03,188
	(iii) Cash and Cash equivalents	6	17,03,338	3,16,510
	(iv) Bank balances other than (iii) above		-	-
	(v) Loans and Advances	7	1,00,27,098	1,05,66,549
	(vi) Other Financial Assets		-	-
	(c) Current Tax Assets (Net)		-	-
	(d) Other Current Assets	8	1,01,27,790	1,78,06,873
	Total Current Assets		4,83,42,144	7,63,13,378
	TOTAL ASSETS		6,92,03,216	10,21,76,264
	EQUITY AND LIABILITIES			
(1)	Equity			
	(a) Equity Share Capital	9	4,30,86,000	4,30,86,000
	(b) Other Equity	10	(15,41,17,834)	(13,97,28,259)
	Total Equity		(11,10,31,834)	(9,66,42,259)
(2)	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	11	8,15,51,930	8,08,42,461
	(ii) Others		-	-
	(b) Provisions			
	(c) Deferred Tax Liabilities (Net)	12	36,559	10,90,342
	(d) Other Non-current Liabilities			
	Total Non-current Liabilities		8,15,88,489	8,19,32,803
(3)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	13	3,13,27,731	3,25,64,915
	(ii) Trade Payables	14	4,50,98,707	6,53,33,268
	(iii) Other Financial Liabilities		-	-
	(b) Other Current Liabilities	15	1,99,08,505	2,47,24,492
	(c) Provisions	16	23,11,616	42,63,055
	(d) Current Tax Liabilities		-	-
	Total Current Liabilities		9,86,46,559	11,68,85,718
	TOTAL EQUITY AND LIABILITIES		6,92,03,216	10,21,76,264
	CONTINGENT LIABILITIES	17	5,57,22,812	5,57,22,812

See accompanying notes forming part of the financial statements

In accordance of our report of even date.

For, Harsha Nikhilchandra Bhatt
Chartered Accountant



Harsha N. Bhatt



Membership No.: 155589
UDIN: 20155589AAAAAG8984
Place: Vadodra
Date: 30/11/2020

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


Director

Relcha N. Panch
Director


Place: Vadodra
Date: 30/11/2020

Aditya Forge Limited
Profit and Loss Statement for the year ended on 31 March, 2020

(Actual Amt. in Rs.)

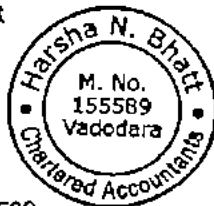
Particulars	Note No.	For the Year ended 31st March 2020		For the Year ended 31st March 2019	
		₹	₹	₹	₹
1 Revenue from operations (net)	18	18,04,98,893		20,63,10,734	
2 Other income	19	76,54,897		1,56,20,244	
3 Total revenue (1+2)			18,81,53,680		22,19,30,978
4 Expenses					
(a) Cost of materials consumed	20	12,86,40,845		16,21,24,827	
(b) Purchases of stock-in-trade		-		-	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade Add/(less)	21	80,12,238		(1,27,02,720)	
(d) Excise duty		-		-	
(e) Employee benefits expense	22	88,58,142		3,21,87,120	
(f) Finance costs	23	52,73,785		47,33,838	
(g) Depreciation and amortisation expense	2	48,69,244		47,92,938	
(h) Other expenses	24	4,81,42,784		3,50,44,074	
5 Total expenses			20,35,97,038		22,61,80,077
6 Profit before exceptional and extraordinary items and tax (3-5)			(1,54,43,359)		(42,49,099)
7 Exceptional Items			-		-
8 Profit before Extraordinary Items and Tax (6-7)			(1,54,43,359)		(42,49,099)
9 Extraordinary Items			-		-
10 Profit / (Loss) before tax (8 + 9)			(1,54,43,359)		(42,49,099)
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		10,53,784		12,24,881
12 Profit / (Loss) for the year (10 + 11)			(1,43,89,575)		(30,24,218)
13 Other Comprehensive Income			-		-
14 Total Comprehensive Income for the period			(1,43,89,575)		(30,24,218)
15 Earnings per share (of ₹ 10/- each):					
(a) Basic	25.a		(3.34)		(0.70)
(b) Diluted	25.b		(3.34)		(0.70)

See accompanying notes forming part of the financial statements

In accordance of our report of even date.

For, Harsha Nikhilchandra Bhatt
Chartered Accountant

Harsha N. Bhatt



Membership No.: 155589

UDIN: 20155589AAAABG8984

Place : Vadodara

Date : 30/11/2020

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

Director

Rekha N. Paweth

Director

Place : Vadodara

Date : 30/11/2020



Aditya Forge Limited
Cash Flow Statement for the year ended on 31st March, 2020

Particulars	2019-20 (₹)	2018-19 (₹)
A) Cash Flow from Operating Activities:		
Profit / (Loss) for the year before Tax	(15,443,359)	(4,249,099)
Adjustments for:		
Net Increase and Decrease In Accumulated Depreciation	4,669,244	4,792,939
Interest Paid (Net)	6,273,765	4,733,638
Miscellaneous Expd. W-off (Incl Deferred Revenue Expd.)	-	-
Less : Tax Adjustments For Prior Year/FBT/DTL	(5,300,330)	5,277,678
Operating Profit/(Loss) Before Working Capital Changes		
Adjustments for:		
Add : Decrease In Sundry Debtors	8,917,167	-
Add : Increase In Current Liabilities	-	9,010,521
Add : Decrease In Current Assets	7,679,083	-
Add : Decrease In Loans and Advances	539,450	-
Add : Decrease In Inventory	12,222,368	-
Less : Decrease In Current Liabilities	17,001,975	-
Less : Increase In Loans and Advances	-	3,020,593
Less : Increase In Inventory	-	17,038,182
Less : Increase In Sundry Debtors	-	57944
Cash Generated from Operations.	12,358,084	(11,106,198)
Less : Interest Paid	6,273,766	4,733,638
Cash flow before extraordinary item	1,781,969	(10,662,358)
Net Cash Generated from (used) In Operating Activities (A)	1,781,969	(10,582,358)
B) Cash Flow from Investing Activities:		
Less : Purchase or Investment In Fixed Assets (Net)	633,252	2,673,915
Add : Sale of Investment / Fixed Assets (Net)	765,824	-
Add : Reduction in Advance against Capital Goods	-	-
Less : Increase in Advance against Capital Goods	-	-
Net cash used in Investing activities (B)	132,672	(2,673,915)
C) Cash Flow from Financial Activities:		
Add: Proceeds from Long term borrowings	709,469	-
Add: Proceeds from Short term borrowings	-	11,166,381
Less : Repayment of long term borrowings	-	388908
Less : Repayment of Short term borrowings	1,237,184	-
Net Cash Generated (Used) In Financing Activities (C)	(527,715)	10,797,478
Net Increase /(Decrease) In Cash and Cash Equivalents (A+B+C)	1,386,826	(2,638,798)
Cash and Cash Equivalents at the Beginning of the Period	316,610	2,955,308
Cash and Cash Equivalents at the End of the Period	1,703,336	316,610

* 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, Harsha Nikhilchandra Bhatt
Chartered Accountant


Harsha N. Bhatt



Membership No.: 155589
UDIN: 20155589AAAABG8884
Place : Vadodara
Date : 30/11/2020

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

 Rekha N. Paulekh.
Director Director

Place : Vadodara
Date : 30/11/2020



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 1-4-2019	Additions ₹	Ded. / Adj. ₹	As at 31/03/2020	As at 1-4-2019	Additions ₹	Deduction ₹	As at 31/03/2020	31-03-2019 ₹
(I) Tangible Assets :									
Land	30,90,144	-	-	30,90,144	-	-	-	-	30,90,144
Building	3,14,57,594	-	-	3,14,57,594	2,10,24,408	11,20,233	-	2,21,44,641	1,04,33,286
Furniture & Fixture	18,88,128	5,32,558	-	24,20,686	17,36,434	1,35,630	-	18,72,094	1,51,894
Electrical Installation	74,34,188	-	-	74,34,188	70,02,550	52,594	-	70,55,144	4,31,638
Office Equipments	23,14,513	32,640	42,500.00	23,04,653	20,58,980	96,905	28,885.00	21,26,980	2,55,553
Computer & Software*	17,72,823	58,834	-	18,29,657	16,67,381	1,18,150	-	17,85,511	1,05,462
Vehicles	31,06,960	-	7,52,138	23,54,822	21,20,659	4,90,955	7,52,138	18,59,475	9,86,301
Dies & Jigs	2,75,21,063	-	-	2,75,21,063	2,20,39,645	17,55,110	-	2,37,94,755	54,81,418
Lab & Quality Control Equipment	14,03,783	11,220	-	14,15,003	12,22,308	73,298	-	12,95,806	1,81,475
Plant & Machinery	5,08,33,884	-	89,18,628	4,19,14,236	4,80,87,948	10,26,369	81,67,420	3,89,48,897	47,45,916
Total	13,08,23,160	6,33,252	97,14,266	12,17,42,146	10,49,60,273	48,69,244	89,48,443	10,08,81,074	2,68,62,887
Previous Year 2018-19	13,70,08,938	30,83,747	23,44,873	13,77,27,810	10,92,27,028	47,92,938	21,55,043	11,18,64,921	2,58,62,888

b. Depreciation and amortisation relating to continuing operations:

Particulars

For the year ended
31 March, 2020

For the year ended
31 March, 2019

₹

₹

Depreciation and amortisation for the year on tangible assets as per Note 12 A

48,69,244

47,92,938

Less: Utilised from revaluation reserve

-

-

Depreciation and amortisation relating to continuing operations

48,69,244

47,92,938



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	As at 31 March. 2020 ₹	As at 31 March. 2019 ₹
Note 3 Inventories :		
(As certified by the Management) (Valued at cost)		
(a) Finished Goods	47,35,703	1,07,93,896
(b) Scrap	5,13,759	5,85,300
(c) Consumables	5,32,750	4,85,280
(d) Raw Material	31,61,330	73,71,450
(e) Work In Progress	1,08,22,756	1,27,72,730
Total	1,97,66,298	3,19,88,856
Note 4 Investments		
(a) Madhavpura Mercantile Co-op Bank Ltd. (16,250 shares @ Rs.100 each)	16,25,000	16,25,000
(b) Baroda City Co-op Bank Ltd (660 shares @ Rs.10 each)	6,600	6,800
Total	16,31,600	16,31,800
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	43,42,258	47,49,289
Doubtful	-	-
	<u>43,42,258</u>	<u>47,49,289</u>
Less: Provision for doubtful trade receivables	-	-
	<u>43,42,258</u>	<u>47,49,289</u>
(ii) Other Trade receivables :		
Secured, considered good	-	-
Unsecured, considered good	5,52,153	92,53,899
Doubtful	1,91,810	-
	<u>7,43,763</u>	<u>92,53,899</u>
Less: Provision for doubtful trade receivables	-	-
	<u>7,43,763</u>	<u>92,53,899</u>
Total	50,86,021	1,40,03,188
Note:		
(i) Trade receivables include debts due from:		
Directors	N.A.	N.A.
Other officers of the Company	N.A.	N.A.
Firms in which any director is a partner	N.A.	N.A.
Private companies in which any director is a director or	N.A.	N.A.
Note 6 Cash and cash equivalents :		
(a) Cash on hand	11,18,076	8,422
(b) Balances with banks		
(i) In current accounts	5,85,260	3,08,088
Total	17,03,336	3,16,510



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
Note 7 Loans and Advances:		
(a) Security deposits		
Unsecured, considered good	14,14,100	14,42,100
Doubtful	-	-
	<u>14,14,100</u>	<u>14,42,100</u>
Less: Provision for doubtful deposits	-	-
	<u>14,14,100</u>	<u>14,42,100</u>
(b) Advances to Suppliers		
Unsecured, considered good	65,16,299	59,11,297
Doubtful	-	-
	<u>65,16,299</u>	<u>59,11,297</u>
Less: Provision for doubtful loans and advances	-	-
	<u>65,16,299</u>	<u>59,11,297</u>
(c) Other advances		
Secured, considered good	-	-
Unsecured, considered good	20,96,700	13,42,678
MEIS/Duty Drawback Receivable Receivable	-	18,70,476
	<u>20,96,700</u>	<u>32,13,152</u>
Less: Provision for other doubtful loans and advances	-	-
	<u>20,96,700</u>	<u>32,13,152</u>
Total	<u>1,00,27,099</u>	<u>1,05,66,649</u>

Note:

(i) Loans and advances include amounts due from:

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

Note 8 Other Current Assets:

(a) Prepaid expenses		
Advance Expenses Paid	1,21,414	1,45,291
	<u>1,21,414</u>	<u>1,45,291</u>
(b) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT Receivable	-	-
(ii) VAT Receivable	8,97,445	8,97,445
(iii) Income Tax Assessment Deposit	6,64,354	6,64,354
(iv) MAT Deposit Receivable	7,42,769	7,42,769
(v) TDS Receivable	13,82,396	13,30,306
(vi) Advance Income Tax (TDS)	8,80,548	6,80,548
(vii) Income Tax Refund	1,30,457	1,30,457
(viii) GST Receivable	6,32,508	33,47,396
(ix) I GST Receivable on export Sales	3,43,801	63,41,965
(x) Duty drawback receivable	74,620	-
(xi) MEIS Available for sales	9,28,082	-
	<u>66,78,979</u>	<u>1,43,35,240</u>
(c) The company has opted for OTS scheme of MMCBL. The company paid @ 5% of OTS amount	32,60,000	32,60,000
(d) Interest receivable	79,396	76,342
Total	<u>1,01,27,790</u>	<u>1,78,06,873</u>



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	As at 31 March, 2020		As at 31 March, 2019	
	No. of	₹	No. of	₹
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>
(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
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:				
1 At the beginning of the reporting period	43,08,600	4,30,86,000	43,08,600	4,30,86,000
2 Issued during the reporting period	-	-	-	-
3 Bought back during the reporting period	-	-	-	-
4 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>
	Total	<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



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
Note 10 Other Equity :		
(a) Surplus / (Deficit) In Statement of Profit and Loss		
Opening balance	(13,97,28,259)	(13,87,04,040)
Add: Profit / (Loss) for the year	(1,43,89,575)	(30,24,219)
Amounts allocated / transferred from /	-	-
Closing balance	(15,41,17,834)	(13,97,28,259)

Note 11 Borrowings :

(a) Term loans		
From banks		
Secured	8,02,95,476	8,02,95,476
Unsecured	-	-
	<u>8,02,95,476</u>	<u>8,02,95,476</u>
From other parties		
Secured	12,56,454	5,46,985
Unsecured	-	-
	<u>12,56,454</u>	<u>5,46,985</u>
Total	<u>8,15,51,930</u>	<u>8,08,42,461</u>

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, 2020 Secured ₹	As at 31 March, 2019 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	2,05,95,112	2,05,95,112
Madhavpura Mercantile Co-op Bank Ltd(Term Loan)*	As per Original Sanction : Monthly Repayment	Secured against Hypothecation of Plant and	3,07,12,173	3,07,12,173
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
Kotak Mahindra Prime Ltd. (Vehicle Loan)	As per Original Sanction : Monthly Repayment		5,46,985	7,49,802
Kotak Mahindra Prime Ltd. (Top Up)			7,09,459	

* 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. MM/CBL 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.

8,15,51,930

8,10,45,278

(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, 2020 ₹	As at 31 March, 2019 ₹
Note 12	Deferred tax (liability) / asset :	(10,90,342)	(23,15,223)
	<u>Tax effect of items constituting deferred tax liability :</u>		
	On difference between book balance and tax balance of fixed assets	-	-
	Tax effect of items constituting deferred tax liability	0	-
	<u>Tax effect of items constituting deferred tax assets :</u>		
	On difference between book balance and tax balance of fixed assets	40,53,014	39,64,015
	Tax effect of items constituting deferred tax assets	10,53,784	12,24,881
	Net deferred tax (liability) / asset	(36,569)	(10,90,342)

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, 2020 ₹	As at 31 March, 2019 ₹
Note 13 Borrowings :		
(a) Loans and advances from related parties		
Secured	-	-
Unsecured	2,70,96,028	2,83,33,212
(b) From bank		
Secured	-	-
Unsecured	-	-
(c) From others		
Secured	-	-
Unsecured	42,31,703	42,31,703
Total	<u>3,13,27,731</u>	<u>3,26,64,915</u>

Refer Note 13.a for Loans and advances from related parties

Note 14 Trade payables :

Trade payables:		
Acceptances	4,50,98,707	5,53,33,256
Other than Acceptances	-	-
Total	<u>4,50,98,707</u>	<u>5,53,33,256</u>

Note 15 Other current liabilities :

(a) Other payables		
(i) Statutory remittances (Contributions to PF & ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, TDS)	1,22,71,130	1,17,13,558
(ii) Advances from Customers	76,12,375	1,27,83,117
(iii) Other Current Liabilities	25,000	2,27,817
Total	<u>1,99,08,505</u>	<u>2,47,24,492</u>

Note 16 Provisions

(a) Provision for employee benefits:		
(i) Provision for Salary & Wages	20,11,616	25,64,477
	<u>20,11,616</u>	<u>25,64,477</u>
(b) Provision - Others:		
(i) Provision for Current tax	-	-
(ii) Provision for expenses	-	2,37,038
(iii) Director remuneration	-	13,11,540
(iv) Auditor remuneration	3,00,000	1,50,000
	<u>3,00,000</u>	<u>16,98,578</u>
Total	<u>23,11,616</u>	<u>42,63,055</u>



Aditya Forge Limited
Notes forming part of the Financial Statements

Note 13.a Borrowings: Cont...

Particulars	Nature of security	As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
(i) Loans and advances from related			
Nitin Rasiklal Parekh	Unsecured	1,28,23,382	74,98,382
Rekhaben Parekh	Unsecured	84,53,750	83,80,000
Nitin Rasiklal Parekh (HUF)	Unsecured	56,40,090	56,61,090
Sangita Adhvaryu	Unsecured	1,72,990	4,93,740
Purshotamdash Parikh	Unsecured	-	-
Aditya Nitin Parekh	Unsecured	5,816	63,00,000
Harilal & Sons	Unsecured	-	-
Total - Loans and advances from related parties		2,70,96,028	2,83,33,212

Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
Note 17 Contingent Liabilities :		
(a) On Failure of OTS with Madhavpura Mercantile Co Operative Bank Ltd	4,47,07,778	4,47,07,778
(b) Income tax demand outstanding for the Financial Year 2011-12, for which the company has filed an appeal.	-	-
(c) Excise demand outstanding for the Financial Year 2013-14 for which the company has filed an appeal.	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	74,04,830
Total	5,57,22,812	5,57,22,812



Note 18 Revenue from operations :

(a) Sale of products @ (Refer Note (i) below)	17,83,52,154	20,61,27,174
(b) Sale of services @ (Refer Note (ii) below)	21,46,529	1,83,560
(c) Others @ (Refer Note (iii) below)	76,54,997	1,56,20,244
Total	18,81,53,680	22,19,30,978

Notes:

(i) Sale of products comprises :

(As per Note 21 Additional Information to Financial Statements)

(a) Domestic Sales	5,85,01,568	4,68,55,881
(b) Export Sales	11,98,50,588	15,92,71,293

(ii) Sale of Services comprises :

(a) Jobwork Income	21,46,529	1,83,560
--------------------	-----------	----------

(iii) Other Income from Operation

76,54,997	1,56,20,244
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Note 19 Other income :

(a) Interest Income (Refer Note (i) below)	88,218	84,824
(b) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	75,66,779	1,55,35,420
Total	76,54,997	1,56,20,244

Notes:

(i) Interest income comprises:

Other interest

88,218	84,824	
Total	88,218	84,824

(ii) Other Income

57,46,109	1,40,48,291
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(iii) Profit/Loss on sale of assets

14,87,129

(iv) Applicable net gain/loss on foreign currency

transactions and translation

18,20,670	1,55,35,420	
Total	75,66,779	1,55,35,420



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	For the year ended	For the year ended
	31 March, 2020	31 March, 2019
	₹	₹
Note 20 Cost of materials consumed :		
Opening stock	73,71,450	30,35,988
Add: Purchases	12,44,30,725	10,04,00,288
	13,18,02,175	16,94,96,277
Less: Closing stock	31,61,330	73,71,450
Cost of material consumed	12,86,40,845	16,21,24,827

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 & stock-in-trade :

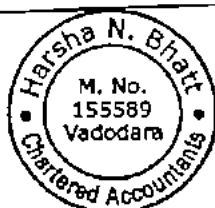
<u>Inventories at the end of the year:</u>		
Finished goods	47,35,703	1,07,93,898
Scrap	5,13,759	5,85,300
Consumables	5,32,750	4,65,280
Work in progress	1,08,22,758	1,27,72,730
	1,66,04,968	2,46,17,208
<u>Inventories at the beginning of the year:</u>		
Finished goods	1,07,93,898	10,36,001
Scrap	5,85,300	5,19,250
Consumables	4,65,280	8,93,893
Work in progress	1,27,72,730	94,65,342
	2,46,17,206	1,19,14,486
Net (Increase) / decrease	80,12,238	(1,27,02,720)

Note 22 Employee benefits expense :

Salaries, Wages & Bonus	63,10,137	3,02,55,544
Contributions to provident and other funds	8,27,607	4,48,915
Director Remuneration	12,00,000	12,00,000
Staff welfare expenses	3,20,398	2,82,661
Total	86,58,142	3,21,87,120

Note 23 Finance Cost :

(a) Interest expense on:		
(i) Borrowings MNCB		
(ii) Others	75,934	
- Bank	34,770	31,66,070
- Interest on VAT/Service Tax/Others	37,93,936	50
- Others	13,69,145	15,67,718
(b) Other (Bank Charges & Commission) costs		
Total	52,73,785	47,33,838



Aditya Forge Limited
Notes forming part of the Financial Statements

Particulars	For the year ended 31st March, 2020 ₹	For the year ended 31st March, 2019 ₹
Note 24 Other expenses :		
Manufacturing & Others	3,47,81,887	1,56,97,246
Selling & Distribution Exps.	40,38,741	83,75,863
Administrative Exps.	93,22,176	1,09,70,965
Auditor's Remuneration		
Total	<u>4,81,42,784</u>	<u>3,50,44,074</u>

Administrative Exps.	82,23,926	1,01,59,859
Selling & Distribution Exps.	40,38,741	82,10,430
Manufacturing & Others	40,61,909	65,43,054
Electricity Charges	67,04,251	66,88,012
Freight and Insurance (Import)	11,27,442	24,68,180
Rates & Taxes	5,12,296	1,65,433
Misc. Exps	9,000	73,543
Service Tax Penalty	-	1,42,000
Foreign Exchange Exp	-	-
Prior period expenses	9,35,343	4,45,563
Auditor's Remuneration	-	1,50,000
Profit/Loss on Sale of Assets	1,53,907	
Direct wages	2,21,60,151	
Import expenses	33,168	
Loading and Unloading charges	1,82,370	
Packing and Forwarding charges	6,120	
GIDC Tax	-	
Factory Licence Expense	14,160	
Total	<u>4,81,42,784</u>	<u>3,50,44,074</u>



Aditya Forge Limited

Notes forming part of the Financial Statements

Note	Particulars	As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
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Note 25 Earnings per share :**25.a Basic**

Net profit / (loss) for the year	(1,43,89,575)	(30,24,218)
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders	(1,43,89,575)	(30,24,218)
Weighted average number of equity shares	43,08,600	43,08,600
Par value per share	10	10
Earnings per share - Basic	<u>(3.34)</u>	<u>(0.70)</u>

25.b Diluted

The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored. (to the extent applicable)

Net profit / (loss) for the year	(1,43,89,575)	(30,24,218)
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders	(1,43,89,575)	(30,24,218)
Add: Interest exp. and exchange fluctuation on convertible bonds (net)	-	-
Profit / (loss) attributable to equity shareholders (on dilution)	(1,43,89,575)	(30,24,218)
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>(3.34)</u>	<u>(0.70)</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.

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

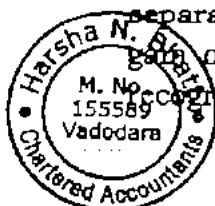
A. Property, Plant and Equipment:

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.



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. Cash and Cash Equivalents:

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

E. 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.



F. 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.

G. Other Income:

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

H. 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:

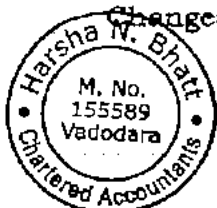
(i) Defined contribution plans

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.

I. 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.

J. 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.

K. Income tax:

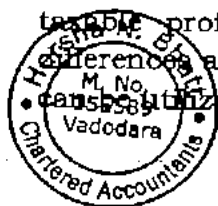
Current Income Tax

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 recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized 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 recognized 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



L. Provisions and Contingencies:

i. Provisions

Provisions are recognized 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 recognized as a finance cost.

ii. Contingent Liabilities

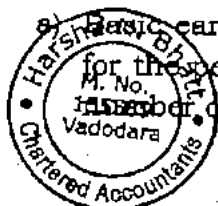
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises 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.

The Company has preferred an Appeal before Commissioner of Income Tax (Appeal-I), Baroda for Financial Year 2012-13, 2013-14 & 2014-15 The company is very sanguine about the results thereof in their favor and the same are not recognized but is worked out and disclosed in the financial statements.

The Banker Madhavpura Mercantile Co-operative Bank Ltd (The MNCB Ltd) has gone into liquidation. The MNCB Ltd had offered the settlement under OTS for an amount of Rs.4.76 Crores (against outstanding of the Term Loan facility amounting to Rs. 4.19 Cr. and Cash Credit facility of Rs. 2.22 Cr Plus due interest/disputable charges The matter is under re-consideration by the bank. The management has shown for interest based on communication from Bank dated 04/01/2012. Based on legal opinions taken by the Company's Lr. Solicitors the Company believes that it has good cases in respect of the settlement of account under OTS offered in 2008-2009. To the extent of difference of dues plus un-provided interest the Losses are under stated. The portion of un-provided interest Liability shall stand as contingent liability.

M. Earnings per Share:

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.



Aditya Forge Limited

Notes forming part of Financial Statements for the year 2019-20

- 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.

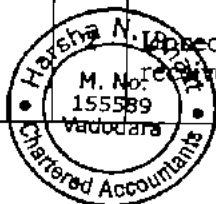
1.4 Significant Accounting Judgments, Estimates and Assumptions

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

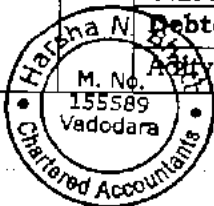
a. Name of the related party and nature of relationship: -				
Sr. No.	Particulars		Relationship	
I.	Key Managerial Personnel/Directors		Managing Director CFO (KMP) Director Director Director Director	
	1. Nitin Rasiklal Parekh			
	2. Rajiv Hemraj Suraiya			
	3. Subhash Bhagwandas Dalal			
	4. Vishnubhai Indubhai Patel			
	5. Rekhaben Parekh			
	6. Swati Rjubhai Thakrel			
II.	Relatives of Key Managerial Personnel/Directors			
	1. Aditya Nitin Parekh			
	2. Sachi Parekh			
	3. Rekha Parekh			
	4. Sangitaben Adhvaryu			
	5. Renin Piping Products			
III.	Company / Firm in which KMP / Relatives of KMP can exercise significant influence			
	1. Sun Precision cast Pvt. Ltd.			
	2. Harilal & Sons			
	3. Delta Stainless Pvt. Ltd.			
	4. Nitin Parekh (HUF)			
b. Transaction with Related Parties - Ind AS 24				
Sr. No.	Key Managerial Personnel and their relatives	Name of Parties	For the period ended 31 st March, 2020	For the period ended 31 st March, 2019
Key Managerial Personnel				
1	Remuneration	Mr. Nitin Rasiklal Parekh	12,00,000	12,00,000
	Secured Loan	Mr. Nitin Rasiklal Parekh	53,25,000	19,10,000
	Unsecured / (paid)	Ms. Sangita Nitin Adhvaryu	(3,20,750)	(20,000)



Aditya Forge Limited

Notes forming part of Financial Statements for the year 2019-20

Relatives of Key Managerial Personnel/Directors				
1	Unsecured Loan received / (paid)	Mrs. Rekhaben N. Parekh Received Paid Mr. Aditya Nitin Parekh Received Paid	4,25,000 (3,51,250) 87,18,816 (1,50,13,000)	72,80,000 63,00,000
Company / Firm in which KMP / Relatives of KMP can exercise significant influence				
1	Unsecured Loan received / (paid)	Nitin Rasiklal Parekh (HUF)	(21,000)	(16,04,369)
2	Purchases	1. Aditya Exim Limited 2. Delta Stainless Pvt. Ltd. 3. Renin Piping Products	Nil Nil 2,33,89,013	3,89,41,246 Nil Nil
3	Sale of Goods	1. Aditya Exim Limited	Nil	2,26,69,561
4	Advance against supplies	Sun Precision cast Pvt. Ltd.	Nil	Nil
5	Remuneration	1. Aditya Parekh 2. Sachi Parekh 3. Rekha Parekh	6,00,000 4,00,000 12,00,000	13,50,000 10,50,000 10,50,000
6	Consumable Purchase	Harilal & Sons	Nil	6,549
7	Professional Fees	Aditya Parekh	72,000	Nil
Sr. No.	Particulars		As at 31 st March, 2020	As at 31 st March, 2019
c.	Outstanding Balances			
1	Unsecured loan payable			
	Key Managerial Personnel			
	Mr. Nitin Rasiklal Parekh		1,28,23,382	74,98,382
	Ms. Sangita Nitin Adhvaryu		1,72,990	4,93,740
	Relatives of Key Managerial Personnel/Directors			
	Mrs. Rekhaben N. Parekh		84,53,750	83,80,000
	Mr. Aditya Nitin Parekh		5,816	63,00,000
	Company / Firm in which KMP / Relatives of KMP can exercise significant influence			
	Nitin Rasiklal Parekh (HUF)		56,40,090	56,61,090
	Creditors			
	Harilal & Sons (Agencies)		68,971	68,971
	Delta Stainless Pvt. Ltd.		25,88,094	28,15,320
	Sun Precision cast Pvt. Ltd. (Adv against supplies)		5,00,000	5,00,000
	Debtors			
	Aditya Exim Ltd.		Nil	Nil



Aditya Forge Limited

Notes forming part of Financial Statements for the year 2019-20

Note: 27 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

A. Contingent Liabilities and Capital Commitments

Sr. No.	Particulars	As at 31 st March, 2020	As at 31 st March, 2019
A.	Contingent Liabilities and Capital Commitments		
(a)	On failure of OTS with Madhavpura Mercantile	4,47,07,778	4,47,07,778
(b)	Excise demand outstanding for the Financial Year 2013-14 for which the company has filed an appeal.	36,10,204	36,10,204
(c)	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	74,04,830
	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
B.	Auditor's Remuneration		
	As Audit Fees	50,000	50,000
	Taxation Matters	1,00,000	1,00,000
	In other Capacity	--	--
	Re-imbursment of expenses	--	--

B. Fair Value Measurements

(Rupees in Lakhs)

Particulars	As at 31 st March, 2020			As at 31 st March, 2019		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investments	--	--	--	--	--	--
Trade receivables	--	--	50.86	--	--	140.03
Cash and Cash equivalents	--	--	17.03	--	--	03.17
Other Bank balances	--	--	--	--	--	--
Loans	--	--	100.27	--	--	105.66
Other Financial assets	--	--	--	--	--	--
Total Financial Assets	--	--	168.16	--	--	248.86
Financial Liabilities						
Borrowings	--	--	1128.79	--	--	1134.07
Other current financial liabilities	--	--	--	--	--	--
Trade Payables	--	--	450.98	--	--	553.33
Total Financial Liabilities	--	--	1679.78	--	--	1537.07

(i) Fair value hierarchy

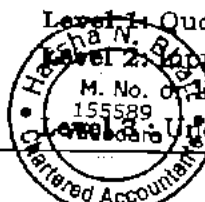
Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy.

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, 2020	As at 31 st March, 2019
	<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 a 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 minimized as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.</p>		
	Investment	16,31,600	16,31,600
	Trade receivables	50,86,021	1,40,03,188
	Cash and Cash equivalents	17,03,336	3,16,510
	Loans	1,00,27,099	1,05,66,549
	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>		
	(i) Maturities of financial liabilities		
	<p>The tables herewith analyses 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, 2020			
	Non-derivatives			
	Borrowings	5,45,384	11,23,34,277	11,28,79,661
	Trade payables	4,50,98,707	--	4,50,98,707
	Other financial liabilities	--	--	--
	Total Non-derivative liabilities	4,56,44,091	11,23,34,277	15,79,68,368
	Note: Considering MNCB OTS, Borrowing of MNCB is considered maturing after One Year			
	As at March 31, 2019			
	Non-derivatives			
	Borrowings	1,07,97,475	10,26,09,901	11,34,07,376
	Trade payables	97,96,495	4,55,36,761	5,53,33,256
	Other financial liabilities	--	--	--
	Total Non-derivative liabilities	2,05,93,970	14,81,46,662	16,87,40,632



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.
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Note 28: CAPITAL MANAGEMENT

Risk Management

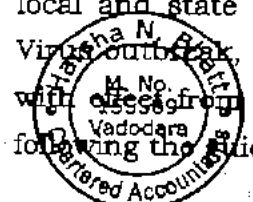
For the purpose of the company's capital management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimize returns to the shareholders and makes adjustments to it in light of changes in economic 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 maximize the shareholders value. The management and Board of Directors monitor the return on capital.

Note 29: Disclosure related to Micro, Small & Medium Enterprises.

Micro, Small & Medium Enterprise has been identified on the basis of information available with the Company. As per explanation given by the Company they have not received information from the suppliers regarding the status under the Micro, Small and Medium Enterprise Development Act 2006 and hence Disclosure if any relating to amount unpaid at the yearend together with interest payable as required under the said act has not been given. The Auditors of the Company has relied on the explanation.

Note 30: Impact of the outbreak of Corona Virus (COVID-19) on the business operations of the Company:

The Novel Corona Virus (COVID-19) is a Global Pandemic and is rapidly spreading throughout the world. This event has significantly affected the social and economic activities worldwide and, as a result, could affect the operations and results of the Company. In line with the advisories, orders and directions issued by the respective local and state government authorities to prevent and contain the spread of Corona Virus outbreak, the Company has suspended its operations at its offices and factories with effect from 23rd March 2020. The Company has resumed operations partially following the guidelines issued by the Government of India and the respective State and



Aditya Forge Limited

Notes forming part of Financial Statements for the year 2019-20

local governments, from time to time. The Management believes that it has taken into account all the possible impacts of the known events arising from COVID-19 pandemic in the preparation of the financial statements. However, the impact assessment of COVID-19 is a continuous process, given the uncertainties associated with its nature and duration. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial statements.

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:

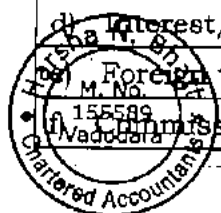
Finished Goods	2019-20	2018-19
	₹	₹
Flanges	17,83,52,154	20,61,27,174
Fittings	NIL	NIL
Total	17,83,52,154	20,61,27,174

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

Raw Material	2019-20	2018-19
	₹	₹
Opening Stock	73,71,450	30,35,988
Add: Purchase of Raw Materials	12,44,30,725	16,64,60,289
Less: Closing Stock	31,61,330	73,71,450
Total	12,86,40,845	16,21,24,827

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

Particulars	2019-20	2018-19
	₹	₹
a) Royalty	NIL	NIL
b) Know-how	NIL	NIL
c) Professional Consultation	NIL	NIL
d) Interest/Foreign Bank Charges	1,63,208	1,50,089
e) Foreign tour	10,51,437	15,74,109
f) Commission on Exports	NIL	NIL



Aditya Forge Limited

Notes forming part of Financial Statements for the year 2019-20

g) Material propaganda	NIL	NIL
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4. Amount remitted during year on account of:

Particulars	2019-20 ₹	2018-19 ₹
a) Dividend	NIL	NIL

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

Particulars	2019-20 ₹	2018-19 ₹
a) Raw Materials	2,98,40,750	4,35,76,589
b) Stores and Spares	NIL	NIL
c) Capital Goods	NIL	NIL
d) Other (Please specify)	NIL	NIL

6. Earning in Foreign Exchange Under:

Particulars	2019-20 ₹	2018-19 ₹
e) Export of Goods (F.O.B. basis)	11,98,50,586	15,92,71,294
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, Harsha Bhatt
Chartered AccountantsHarsha Bhatt
Membership No.155589
Place: Vadodara
Date: 30th November, 2020

For ADITYA FORGE LIMITED

(Director)Rekha N. Pawelek
(Director)

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415, G.I.D.C.,
RAMANGAMDI, POR - 391 243,
DIST.BARODA**