



GANGA
FORGING LIMITED



ANNUAL REPORT 2018-19

GANGA FORGING LIMITED



TABLE OF CONTENT

Sr. No.	Particulars	Page No.
1	Corporate Information	2-3
2	Chairman's Message	4
3	Letter to Shareholders	5
4	Notice of Annual General Meeting	6-9
5	Route Map to Venue of AGM	10
6	Proxy Form	11-13
7	Attendance Slip	14
8	Directors Report	15-36
9	Annual Return (MGT-9)	Annexure-1
10	Particulars of Contracts/Arrangements with Related Parties (AOC-2)	Annexure-2
11	Auditors Report and Financial Statements	Annexure-3
12	Secretarial Audit Report	Annexure-4
13	Policy on Directors Appointment & Remuneration	Annexure-5

Corporate Information

Board of Directors:

Mr. Hiralal Tilva

(Chairman and Managing Director)

Mrs. Sheetal Chaniara

(Whole Time Director)

Mr. Mayurkumar Kalaria

(Non Executive Director)

Mr. Harshad Ashar

(Independent and NonExecutive Director)

Mr. Rakesh Patel

(Managing Director)

Mrs. Parul Patel

(Whole Time Director)

Mr. Ramesh Dhingani

(Independent and Non Executive Director)

Mr. Jasubhai Patel

(Independent and Non Executive Director)

Statutory Auditors:

**M N Manvar & Co.,
Chartered Accountants**

504, Star plaza, Near Circuit House,
Phulchhab Chowk, Rajkot-360001
Tel No: 0281 6627070
Email: ca.mnmanvar@gmail.com

Secretarial Auditors:

**MJP Associates,
Practicing Company Secretaries**

110-112, Aalap B, Near Hotel Sarovar
Portico, Opp. Shastri Maidan, Rajkot.
Tel No: 0281 2461166
Email: mjpassociates@gmail.com

Registrar & Share Transfer Agent:

Link Intime India Private Limited

247 Park, C-101, LBS Marg,
Vikhroli (West), Mumbai-400 083
Phone: 022-49186270, Fax: 022-49186060
Email: rnt.helpdesk@linktime.co.in
Web: www.linkintime.co.in

Stock Exchange (SME):

National Stock Exchange of India Ltd

Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.
Tel No: (022) 26598100 - 8114
Fax No: (022) 26598120

Bankers of the Company:

Axis Bank Limited.

Kalavad Road Branch, Rajkot.

Key Managerial Personnel:

Mrs. Avni Dadhania.

(Chief Financial Officer)

Mr. Suraj Tiwari.

(Company Secretary & Compliance Officer)

Investor Relation Contact Details:

Investor Grievance Redressal Division

Plot No. 1, Survey NO. 298/30,
Rajkot-Gondal National Highway,
Shapar (Veraval)- Tal.:Kotda –Sangani,
Dist:Rajkot, Gujarat, India. Pin Code:360024.
Email: cs@gangaforging.com

Registered Office and Works Unit-I:

Ganga Forging Limited.

Plot No. 1, Survey No. 298/30,
Rajkot-Gondal National Highway,
Shapar (Veraval)- Tal.: Kotda–Sangani,
Dist:Rajkot, Pin Code:360024,
Gujarat, India.

Works Unit-II:

Ganga Forging Limited (Unit-II)

Sr No 55/1 P6/P1/P1, Near Shree Stamping,
Rajkot Gondal National highway,Pipaliya,
Tal: Gondal, Dist: Rajkot, Pin Code: 360311,
Gujarat,India.

Chairman's Message

Mr. Hiralal Tilva

(Chairman and Managing Director)

Dear shareholders,

It gives me immense pleasure to welcome you all to the Annual General Meeting of our Company and share with you the progress our Company has made, despite the several challenges posed by the National & global economy.

While the economic climate throughout the industry has remained challenging during year gone by, the period including the Fiscal Years 2017-18, and 2018-19 was a period of steady revival and consolidation for us. During this period

we faced major reforms like listing of shares on NSE emerge board, IPO and setting up our new manufacturing unit. However, learning from every situation and moving forward, we have kept up the developments in our projects and also tried to evolve with the challenging market.

I am confident that Ganga Forging Limited, with its committed associates, excellent customers, wide product range and strong and stable management team will continue to deliver significant value to all its stakeholders in the years to come and will achieve every milestone in the journey to success.

I would like to thank all our shareholders, investors, employees, customers and all other stakeholders, who have always stood by us. With our focused business strategy, dynamic management team and a pool of professional talent, we are poised for growth.

I look forward to your continued support in the coming years to take the Company to the next level of robust growth and become a Leader in manufacturing of forged components in India.

Thank you.



Letter to Shareholders

Mr. Rakesh Patel
(Managing Director)



Dear Shareholders,

We take immense pleasure by sharing with you about the performance of our company and present the Annual Report for the financial year 2018-19.

We would like to state that our company is progressing to achieve new milestones in its journey towards growth through total excellence. GANGA FORGING LIMITED has pursued business excellence through passion and expansion project successfully thereby improved its cost competitiveness and profitability.

Over the years we believe that we have established a strong customer base and good business setup. Further, our Company has sufficient marketing expertise and wide network, which is and would be channeled for our business and future expansion, if any. We have dedicated divisions for marketing of our products in all geographical locations. The sales division and export division are responsible for marketing of our products. All the divisions are well trained with adequate teams to handle daily activities and are supervised regularly.

We would like to assure that we will continuously seek opportunities and make our best efforts to contribute towards the growth and success of the organization.

We extend our sincere appreciation to our colleagues on the board for their wise and matured counsel for the smooth functioning of the company. We would like to express our profound gratitude to all our stakeholders, our customers, business associates, employees, bankers, vendors and shareholders who have reposed their trust in us and given us constant support.

Thank you.

Notice of Annual General Meeting

NOTICE is hereby given that the Annual General Meeting of the Members of the Ganga Forging Limited will be held on Tuesday, 24th September, 2019 at 11:00 a.m. at the Registered Office of the Company situated at Plot No.1 Survey No. 298 & 30, Rajkot Gondal National Highway, Veraval (Shapar), Rajkot, Gujarat, India, to transact the following businesses:

Ordinary Business:

1. To consider and adopt the audited financial result of the Company for the financial year ended March 31, 2019 and reports of Board of Directors and Auditors thereon.

Ordinary Resolution :

“RESOLVED THAT the audited financial statement of the company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint Mrs. Sheetal Chaniara, Director (DIN: 07528297), who retires by rotation as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 Mrs. Sheetal Chaniara, (DIN: 07528297), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation”

3. To appoint Statutory Auditors of the Company for a consecutive period of five years and to fix their remuneration and in this regard to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant the provisions of Sections 139, 142, and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, **M/s. Nitesh A. Joshi & Company, Chartered Accountants, Rajkot (ICAI Firm Registration Number: 127578W),** be

appointed as statutory auditors of the company, in place of retiring auditors M/s. M N Manvar & Co., Chartered Accountants (Firm Registration Number:106047W), to hold office as the New Statutory Auditors of the Company for a term of 5 years, i.e. from the conclusion of 20th Annual General Meeting i.e. for financial year 2019-20 to financial year 2023-24 (till AGM to be held in year 2024) remuneration including applicable taxes and out-of-pocket expenses, as may be mutually agreed between the Chairman of the company and the auditors upon the recommendation of the Audit Committee.”

Date : 02/09/2019

Place : Rajkot (Shapar-Veraval)

By Order of the Board of Directors
For, GANGA FORGING LIMITED,

Sd/-
(Hiralal Tilva)
Chairman & Managing Director
[DIN: 00022539]

Sd/-
(Rakesh Patel)
Managing Director
[DIN: 00510990]

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty [50] in numbers and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.

If a proxy is appointed for more than fifty Members, he shall choose any fifty Members and confirm the same to the company before the commencement of specified period of inspection. In case the proxy fails to do so, the company shall consider only the first fifty proxies received as valid.

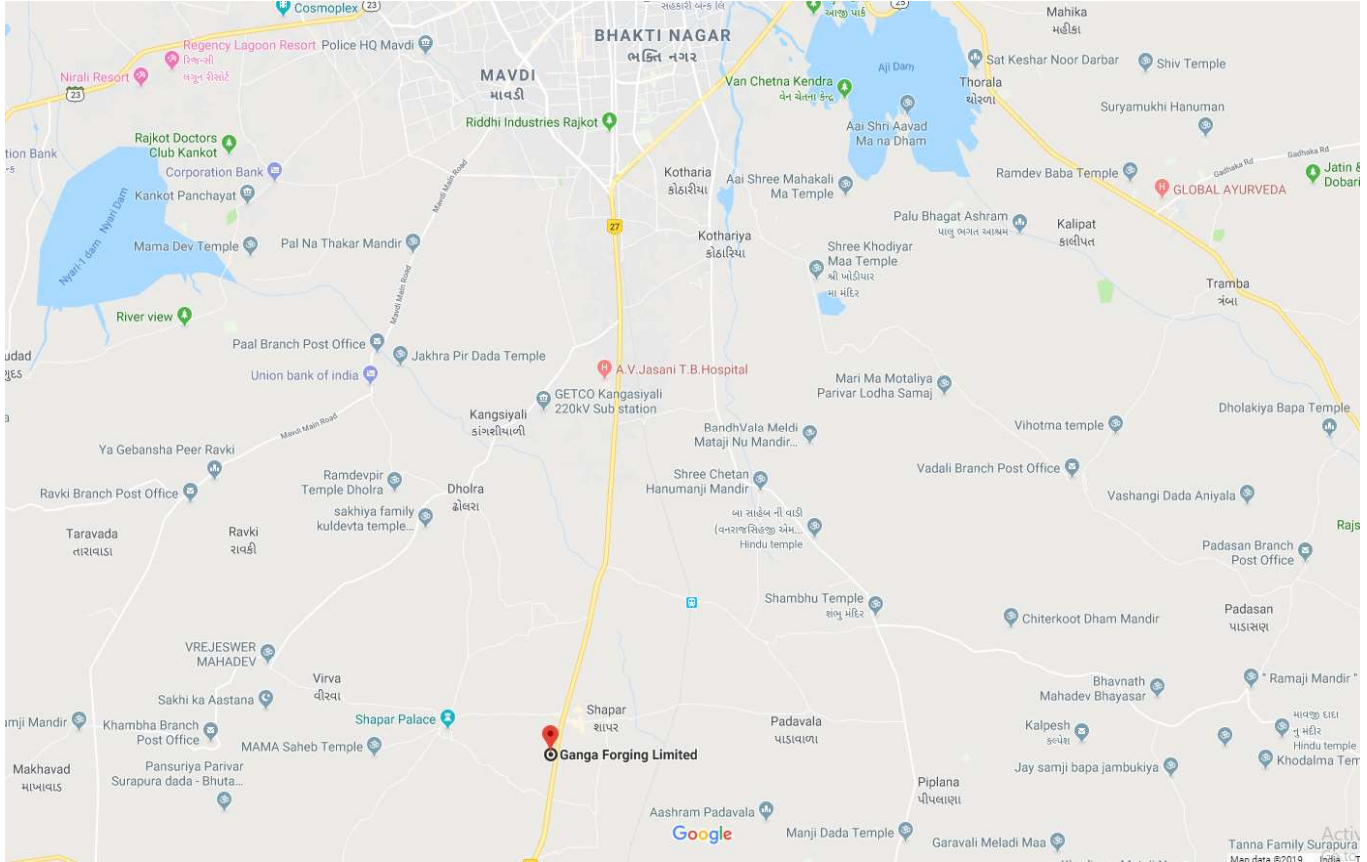
2. Attendance slip, proxy form and the route map of the venue of the meeting are annexed hereto.
3. Corporate members intending to send their authorized representative(s) to attend the meeting, pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
4. Details of the director(s) retiring by rotation / seeking re-appointment at the ensuing meeting are provided in the “Annexure” to the Notice.
5. The register of Member and Share Transfer Books will remain close from [5 Days Both day inclusive] for the purpose of Annual General Meeting. The book closure dates have been fixed in consultation with the Stock Exchange.
6. The register of Directors and Key Managerial Personnel (KMP) and their shareholding and register of Contracts and Arrangements in which Directors are interested maintained under Section 170 and Section 189 of the Companies Act, 2013 respectively will be available for inspection by the Members at the Annual General Meeting.
7. Members of the Company, Holding shares as on 30th August, 2019 [Cut-off date for receiving Notice and Annual Report], shall be entitled for receiving of the Annual Report for the period 2018-19, physically or through their registered Email-id.
8. Members / Proxies / Authorized Representatives are requested to bring to the meeting necessary details of their shareholding, attendance slip(s) and copies of Annual Report. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
9. Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (i.e. except Saturdays, Sundays and public holidays) during business hours up to the date of the meeting. The aforesaid documents will be also available for inspection by members at the Meeting.

10. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (“DPs”) with whom they are maintaining their demat accounts.

11. Members holding shares in the electronic mode:

- a. Are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
- b. Are advised to contact their respective DPs for registering the nomination.
- c. Are requested to register/update their e-mail address with their respective DPs for receiving all communications from the company electronically.

Route Map to Venue of Annual General Meeting



Registered Address:

Plot No. 1, Survey NO. 298/30, Rajkot-Gondal National Highway, Shapar (Veraval)-
Tal.:Kotda Sangani, Dist:Rajkot, Gujarat, India. Pin Code:360024.

GANGA FORGING LIMITED

30th ANNUAL GENERAL MEETING

Date: 24th September, 2019

Time: 11:00 A.M. Day: Tuesday

Venue: Plot No. 1, Survey NO. 298/30, Rajkot-Gondal National Highway, Shapar (Veraval)-
Tal.: Kotda -Sangani, Dist: Rajkot, Pin Code: 360024.

Form MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)		Email Id	
Address		Folio No./ BO Id *	

I / We, being the holder(s) of _____ equity shares of Ganga Forging Limited, hereby appoint:

Name		Signature	
Address			
Email			

or failing him / her;

Name		Signature	
Address			
Email			

or failing him / her;

Name		Signature	
Address			
Email			

and whose signature(s) is appended below as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on **Tuesday, September 24 2019 at 11:00 A.M.** at Plot No. 1, Survey NO. 298/30, Rajkot-Gondal National Highway, Shapar (Veraval)- Tal.:Kotda -Sangani, Dist: Rajkot, Pin Code:360024 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box below:

Resolution No.	Particulars	For	Against
1	Consider and adopt: The audited Financial Statements of the Company for the year ended March 31, 2019, and the report of the Board of Directors and Auditors thereon.		
2	Appointment of a Director in place of Mrs. Sheetal S. Chaniara, (DIN: 07528297), who retires by rotation and being eligible, offers herself for re-appointment.		
3	Appointment of M/s. Nitesh A. Joshi & Company, Chartered Accountants, Rajkot (ICAI Firm Registration Number: 127578W) , as statutory auditors of the Company for a consecutive period of Five years.		

* Applicable for investors holding shares in electronic form.

** This is optional.

Please affix
Revenue Stamp

Signed this _____ day of _____, 2019

Signature of Member

Signature of proxy holder

Notes:

- 1) This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than Forty-Eight Hours before the commencement of the meeting.
- 2) A proxy need not be a Member of the Company and shall prove his identity at the time of attending the meeting.
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) **this is only optional. Please put ✓ in the appropriate column against the resolutions indicated in the box. If you leave 'For' and 'Against' column blank against any or all the Resolutions, your proxy will be entitled to vote (on poll) at the meeting in the manner he/she thinks appropriate.
- 5) Appointing a proxy does not prevent a member from attending the Meeting in person if he / she so wishes. When a person appoints a proxy and both the Member and Proxy attend the meeting, the proxy will stand automatically revoked.
- 6) In case of Jointholders, the signature of any one holder will be sufficient, but names of all the Jointholders should be stated.
- 7) This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a Body Corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
- 8) This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete Form or Form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- 9) Undated proxy form will not be considered valid.
- 10) If company receives multiple proxies for the same holding of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.

GANGA FORGING LIMITED

30th ANNUAL GENERAL MEETING

Date: 24th September, 2019

Time: 11:00 A.M.

Venue: Plot No. 1, Survey NO. 298/30, Rajkot-Gondal National Highway, Shapar (Veraval)-
Tal.:Kotda –Sangani, Dist: Rajkot, Pin Code:360024

Attendance Slip

Please fill Attendance Slip and hand it over at the entrance of the Meeting Hall

Joint Shareholders may obtain additional slip at the venue of the meeting

Name of the Member			
Address of the Member			
DP Id*:		Folio No:	
Client Id*:		No of Shares:	

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company held on **Tuesday, September 24, 2019** at **11:00 A.M.** at Plot No. 1, Survey NO. 298/30, Rajkot-Gondal National Highway, Shapar (Veraval)- Tal.:Kotda –Sangani, Dist: Rajkot- 360 024, Gujarat, India.

Signature of Member/ Proxy Holder(s)

* Applicable for investors holding shares in electronic form.

Board of Directors' Report

To,
The Members,
Ganga Forging Limited,

Your Directors are pleased to present their Annual Report for the financial year ended on 31st March, 2019.

FINANCIAL RESULTS:

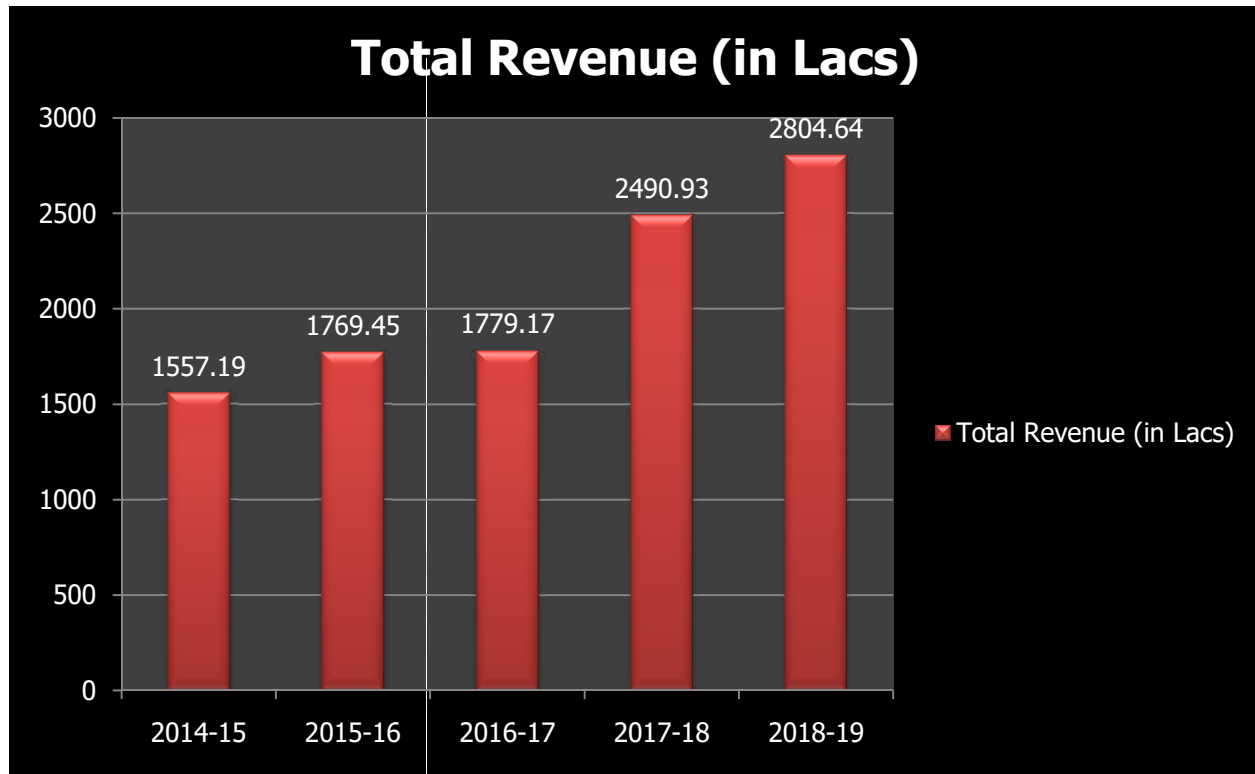
Your Company's performance for the year ended on 31st March, 2019, is summarized as under:

(Amt. in Rs.)

Sr. No.	Particular's	2018-19	2017-18
1	Revenue from Operation	27,87,53,285	24,88,41,204
2	Other Income	17,11,049	2,52,516
3	Total Revenue (1+2)	28,04,64,334	24,90,93,720
4	Employees Benefits Expense	1,98,18,791	1,80,42,295
5	Depreciation & Amortization Exp.	73,61,845	49,65,221
6	Other Expenses	6,53,49,330	5,28,81,557
7	Profit/(Loss) Before Tax	66,08,438	71,62,947
8	Current Tax	13,42,501	19,97,859
9	Deferred Tax	13,28,997	5,31,410
10	Profit / (Loss) After Tax (PAT)	52,11,511	46,33,678

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

During the year under review, the Company has earned Revenue from Operation of Rs. 27,87,53,285/- in comparison to Revenue from Operation of Rs. 24,88,41,204/- made in previous financial year 2017-18. Further, the Company has earned Net profit of Rs. 52,11,511/- during the current financial year 2018-19, in comparison to the Net Profit of Rs. 46,33,678/- made in the previous financial year 2017-18. The Management of the Company assures to maintain stability in the business operation and make expansion by enlarging their business activities in the forthcoming years.



CONVERSION OF COMPANY FROM UNLISTED TO LISTED PUBLIC COMPANY

The securities of the Company were listed on NSE Emerge Platform, on July 11, 2018 with ISIN INE691Z01015 & Symbol GANGAFORGE. The Company is regular in payment of Annual Listing Fees. The Company has paid Listing Fees upto the year 2019-20.

DECLARATION OF DIVIDEND:

With a view to plough back profits and in order to conserve resources for operational purposes, Board of Directors does not recommend any dividend for financial year under review.

CHANGE IN NATURE OF BUSINESS:

There has been no change in nature of business of the Company during the year under review.

EQUITY INFUSION:

As on March 31, 2018 was Rs. 5,56,53,310 divided into 55,65,331 equity shares of Rs. 10/- each. Company had allotted 23,82,000 shares to the public at Rs. 21 per share (Including Premium of Rs. 11) through IPO. Allotment has been made on 6th July, 2018. Total paid up Equity Share Capital as on March 31, 2019 is Rs. 7,94,73,310 divided into 79,47,331 equity shares of Rs. 10/- each.

INITIAL PUBLIC OFFER:

During the year Report, the Company had initiated process of its Initial Public Offer (IPO) on SME Platform of National Stock Exchange of India Ltd (NSE). Members had approved issue of shares through IPO vide Special Resolution passed at Extra Ordinary General Meeting held on 1st March, 2018.

The IPO was opened, after receiving approval of all authorities and compliance of applicable Regulations. Company has listed its securities on 11th July, 2018.

DETAILS OF SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANIES:

As on March 31, 2019, the Company does not have any subsidiary or joint venture and associate company.

EXTRACT OF ANNUAL RETURN:

In terms of Section 134(3)(a) of the Companies Act, 2013, the extract of Annual Return, in format MGT -9 [as specified in Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014], for the Financial Year 2018-19 has been attached to this report.

BOARD MEETINGS:

The Board meets at regular intervals to discuss and take a view on the Company's policies and strategy apart from other Board matters. The notice for Board Meetings is given well in advance to all the Directors.

The Board of Directors met 13 times during the financial year ended March 31, 2019 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The intervening gap between two board meetings was within the period prescribed under the Companies Act, 2013 and as per Secretarial Standard-1.

The prescribed quorum was presented for all the Meetings and Directors of the Company actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

Board Meetings were held as under :

02/04/2018, 21/04/2018, 21/05/2018, 16/06/2018, 06/07/2018, 10/08/2018, 24/09/2018, 02/10/2018, 11/10/2018, 01/11/2018, 17/12/2018, 15/01/2019 and 16/02/2019 and the said meetings were attended by all the Directors.

Attendance of Directors in the Board Meeting

Sr.No	Name of Director	No. of Board Held	Meeting Attended
1.	Mr. Hiralal M. Tilva (Chairman & MD)	13	12
2.	Mr. Rakesh C. Patel (Managing Director)	13	13
3.	Mrs. Sheetal S. Chaniara (Whole-Time Director)	13	13
4.	Mrs. Parulben R. Patel (Whole-Time Director)	13	13
5.	Mr. Jasubhai K. Patel (Independent Director)	13	12
6.	Mr. Harshad V. Ashar (Independent Director)	13	12
7.	Mr. Rameshbhai G. Dhingani (Independent Director)	13	12
8.	Mr. Mayurkumar M. Kalaria (Non Executive Director)	13	12

❖ NUMBER OF COMMITTEE MEETING

The Audit Committee met 4 times during the Financial Year ended March 31, 2019. The Stakeholders Relationship Committee met 4 times during the Financial Year ended March 31, 2019. The Nomination and Remuneration Committee met 4 times during the Financial Year ended March 31, 2019.

Members of the Committees discussed the matter placed and contributed their valuable inputs on the matters brought before the meetings.

Additionally, during the Financial Year ended March 31, 2019 the Independent Directors held a separate meeting on **September 5, 2018** in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Regulations 25(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

COMMITTEES OF THE BOARD

The Company has three committees viz; Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee which has established as a part of better corporate governance practices and is in compliance with the requirements of the relevant provisions of applicable laws and statutes.

I. AUDIT COMMITTEE:

The Audit Committees composition meets with the requirement of section 177 of the companies Act, 2013 and Clause 49 of Listing Agreement and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Members of the Audit Committee possesses financial / accounting expertise / exposure.

The Audit Committee comprised of 4 members as per Table here in below. The Company Secretary is the Secretary and Compliance Officer of the committee. The detail of the composition of the Audit Committee along with their meetings held/ attended is as follows:

Sr. No	Name	Designation	No. of Meetings held	No. of Meetings attended
1.	Mr. . Harshad Ashar (Independent Director)	Chairman	4	4
2.	Mr. Mayur Kalaria (Non Executive Director)	Member	4	4

3.	Mr. Ramesh Dhingani (Independent Director)	Member	4	4
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During the year under report, Meetings of the Audit Committee of the Company were held on 25/05/2018, 22/08/2018, 12/11/2018 and 21/02/2019 and the said meetings were attended by all the Committee Members.

II. COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committees composition meets with the requirement of section 178 of the companies Act, 2013 and Clause 49 of Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Members of the Nomination & Remuneration Policy possesses sound knowledge / expertise / exposure.

The Committee comprised of 4 members as per Table here in below. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of a composition of the Nomination & Remuneration Committee along with their meetings held/ attended is as follows: -

Sr. No	Name	Designation	No. of Meetings held	No. of Meetings attended
1.	Mr. Ramesh Dhingani (Non Executive & Independent Director)	Chairman	4	4
2.	Mr. Mayur Kalaria (Non Executive Director)	Member	4	4
3.	Mr. Harshad Ashar (Non Executive & Independent Director)	Member	4	4

During the year under report, Meetings of the Nomination and Remuneration Committee of the Company were held on 25/05/2018, 22/08/2018, 12/11/2018 and 21/02/2019 and the said meetings were

attended by all the Committee Members. The Company has duly formulated the Nomination & Remuneration Policy which is also available at the Company Website <https://www.gangaforging.com/>

III. COMPOSITION OF STAKEHOLDERS & RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee meets with the requirement of the Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholders Relationship Committee is mainly responsible to review all grievances connected with the Company's transfer of securities and Redressal of shareholders / Investors / Security Holders Complaints.

The Committee comprised of 4 members as per Table here in below. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of a composition of the said Committee along with their meetings held/ attended is as follows: -

Sr. No	Name	Designation	No. of Meetings held	No. of Meetings attended
1.	Mr. Harshad Ashar (Non Executive&Independent Director)	Chairman	4	4
2.	Mr. Rakesh Patel (Managing Director)	Member	4	4
3.	Mr. Ramesh Dhingani (Non Executive& Independent Director)	Member	4	4

During the year under report, Meetings of the Stakeholders Relationship Committee of the Company were held on 25/05/2018, 22/08/2018, 12/11/2018 and 21/02/2019 and the said meetings were attended by all the Committee Members

BOARD'S RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, the Directors based on the information and representations received from the operating management confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively. The Directors would like to clarify that the Company is an unlisted Company and does not require to give any statement regarding internal financial controls in terms of Section 134(5)(e). However, the Board has voluntarily laid down such financial controls to safeguard the interest of the Company.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

All the Independent Directors have confirmed to the Board that they meet the criteria of Independence as specified under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations that they qualify to be Independent Directors pursuant to Rule 5 of the Companies (Appointment and Qualification of Directors)

Rules, 2014. They have confirmed that they meet the requirements of “Independent Director” as mentioned under Regulation 16 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Therefore, Board is duly composed as per the Companies Act, 2013 provisions and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. There is no change held in the composition of Board of Directors during the Financial Year 2018-19. The confirmations were placed before and noted by the Board.

STATUTORY AUDITOR AND AUDITOR’S REPORT:

The Company’s Auditor M/s. M. N. Manvar & Co., Chartered Accountants (ICAI Firm Registration No. 106047W) were appointed as Statutory Auditors of the Company to hold office upto the conclusion of this Annual General Meeting. The term of Statutory Auditor’s Appointment is expiring on conclusion of this forthcoming Annual General Meeting.

Accordingly, on the recommendation of the Audit Committee, the Board has proposed the appointment of M/s. Nitesh A. Joshi & Co, Chartered Accountants, Rajkot, (ICAI Firm Registration Number: **127578W**) as the New Statutory Auditors of the Company for a term of 5 years, i.e. from the conclusion of 30th Annual General Meeting i.e. for financial year 2019-20 to financial year 2023-24 (i.e. till AGM to be held in year 2024) subject to approval of members in an ensuing Annual General Meeting.

The Company has also received confirmation from M/s. Nitesh A. Joshi & Co, Chartered Accountants, Rajkot, to the effect that they are eligible and not disqualified under section 141 of the Companies Act, 2013 and the Rules framed thereunder, for being appointed as the Auditors of the Company. As required under Regulation 33(1)(d) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditor’s Report for the financial year ended March 31, 2019 forms part of this Annual Report and is attached to the Director’s Report as “**ANNEXURE-3**” and same does not contain any qualification, reservation or adverse remark.

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

The observations of Auditors in their report read with the relevant notes to accounts in schedule are self-explanatory and do not require further explanation. There are no qualifications, reservations or adverse remarks made by M/s. M. N. Manvar & Co., Chartered Accountants in their Audit Report.

SECRETARIAL AUDITORS:

As required under provisions of section 204 of the Companies Act, 2013 and Rules framed thereunder, the Board has appointed the Secretarial Auditors of the Company, M/s. MJP & Associates, Practising Company Secretaries, for conducting the Secretarial Audit for the FY 2018-19.

Secretarial Audit Report in Form MR-3 issued by the Secretarial Auditor of the Company for the Financial Year ended on March 31, 2019 is attached to the Director's Report as "**ANNEXURE-4**".

Some noting by Secretarial Auditor under report for FY 2018-19 is as under :

- (a) The Company has purchased a Car against vehicle finance facility from HDFC Bank. However, the Company has not filed particulars of creation of charge with Registrar in connection with this vehicle finance.

Reply by Board: The Board would ensure compliance of all provisions of the Act in future.

- (b) The Company has filed Financial Statements and Boards Report, for year 2017-18, with the Registrar of Companies, Gujarat, after completion of 30 days with payment of additional fees on 03.08.2018.

Reply by Board: Board took the note of the same and shall take necessary steps in future for timely compliance of the same.

- (c) The Company had not appointed Internal Auditors during the year 2018-19

Reply by Board: Board took the note of the same and shall take necessary steps in future for timely compliance of the same.

- (d) As on 31st March 2019, filing of Form 22A (Active KYC), as prescribed under the Company Incorporation Rules, 2014 Was pending as on 31st March, 2019.

Reply by Board : The last date of filing of Form 22A (Active KYC) was extended by

the MCA upto 15th June 2019, and the Company had complied with filing of said Form by this extended new date.

APPOINTMENT OF COMPANY SECRETARY:

During the year under report the Company has appointed Ms. Minal Lakhani as Company Secretary and Compliance Officer w.e.f. 21st April, 2018. Further, CS Minal had resigned as Company Secretary w.e.f. 14th May, 2019. The Board had appointed Mr. Suraj Tiwari (ICSI Membership No. A52279), as the Company Secretary & Compliance Officer w.e.f. 22nd June, 2019.

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

The Company is constantly taking various steps for conservation of energy during the year under Report.

Further, during the year under review, there was no foreign earning. Company has made expenditure in the Foreign Currency for the purchase of capital goods amounting to Rs. 1,70,57,553 Company.

The Company has purchased of various latest machineries for installation at its factory, in view of technology absorption in the Company.

RELATED PARTY TRANSACTIONS:

During the year under report, the Company has entered into transactions with related parties for the payment of remuneration to Key Managerial Personnel, purchase of material, sale of finished goods as well as Job-work charges from the related party. The said transactions were carried on at arm's length price in the ordinary course of business, and hence do not fall within purview of Section 188(1) of the Act. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in "**ANNEXURE-2**" in Form AOC-2 and the same forms part of this report.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS MADE:

During the year under report, the Company has not granted any loan or provided any guarantee or made any investment exceeding the limits as specified in Section 186 (2) of

the Companies Act, 2013. Hence no approval from the shareholders in this regard was required.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company with net worth of Rs. 500 Crores or more OR an annual turnover of Rs. 1000 Crores or more OR with a net profit of Rs. 5 Crores or more, during any of the three previous year i.e. (2015-16, 2016-17, 2017-18) is required to constitute a CSR Committee. Ganga Forging Limited does not fall in any of the above criteria during the year 2018-19. Therefore, it is not required mandatorily to carry out any CSR activities or constitute any Committees under provisions of Section 135 of the Act.

We also feel strongly about giving back to our community. We believe everybody deserves to be treated with dignity and respect, regardless of their personal circumstances, and offered the skills, knowledge and assistance they need to help themselves lead healthy and productive lives.

VIGIL MECHANISM FOR THE DIRECTORS AND EMPLOYEES:

Pursuant to Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established, in order to ensure that the activities of the company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty and integrity and ethical behavior.

The Company has established a vigil mechanism through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit committee, and also to a three-member direct touch team established for this purpose. The direct touch team comprises one senior woman member so that women employees of the Company feel free and secure while lodging their complaints under the policy.

The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimization. The vigil mechanism policy has also been uploaded in the website of the company at <https://www.gangaforging.com/>

RISK MANAGEMENT:

The Board of the Company has evaluated a risk management to monitor the risk management plan for the Company. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The company has been following the principle of risk minimization as it is the norm in every industry. The Board has adopted steps for framing, implementing and monitoring the risk management plan for the company. The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to risk management, in order to guide for decisions on risk related issues.

In today's Challenging and competitive environment, strategies for mitigating inherent risk in accomplishing the growth plans of the company are imperative. The Common risks inherent are: Regulations, Competition, business risk, technology obsolescence, long term investments and expansion of facilities. Business risk, inter alia, includes financial risk, political risk, legal risk etc., As a matter of policy, these risk are assessed and steps as appropriate are taken to mitigate the same.

DETAILS OF BOARD OF DIRECTORS:

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM.

Pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013. Mrs. Sheetal Chaniara, (DIN: 07528297) though appointed as Director on the Board w.e.f01/09/2017, is liable to get retired by rotation being eligible

has offered herself for re-appointment at the ensuring 30thAGM of the Company. The Board recommends herre-appointment for consideration by the Members of the Company at the 30th Annual General Meeting. Accordingly, requisite resolution shall form part of the Notice convening the AGM.

As at 31st March, 2019, the Board of Directors comprised of the following Directors:

Sr. No.	Name	Designation
1	Mr.HiralalTilva DIN 00022539	Chairman & Managing Director
2	Mr.Rakesh C Patel DIN 00510990	Managing Director
3	Mrs. Sheetal Chhaniara DIN 07528297	Wholetime Director
4	Mrs. Parul Patel DIN 07528313	Wholetime Director
5	Mr. Harshad Ashar DIN 07928692	Independent Director
6	Mr. Ramesh Dhingani DIN 07946841	Independent Director
7	Mr. MayurkumarKalaria DIN 08099999	Director

The Company does not pay any remuneration to its Non-Executive Directors. Further, the Company had made payment of remuneration to its Executive Directors in terms of Section 196 & 197 of the Companies Act, 2013, read with Schedule V to the Act. No commission was paid to any of the Directors during the year under Report.

PARTICULARS OF EMPLOYEES:

There are no employee in the Company drawing remuneration of more than Rs. 8.5 Lacs per month or 1.02 crore per annum, as prescribed in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES:

As at 31st March, 2019, the Company doesn't have any Subsidiary, Joint Venture or Associate Companies.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Shareholders Grievance committee, experience and expertise, performance of specific duties and obligations etc. were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

The performance of each of the non-independent directors (including Chairman) was also evaluated by the independent directors at the separate meeting held of the Independent Directors of the Company.

COST AUDIT:

The provisions of Section 148(1) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable rules and provisions is not applicable on the Company. Therefore, no cost records have been maintained by the company.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with all the applicable Secretarial Standards in the Financial Year 2018-19 as issued by the Institute of Company Secretaries of India (ICSI).

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013 :

At Ganga Forging Limited, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age.

At Ganga Forging Limited, every individual is expected to treat his/her colleagues with respect and dignity. This is enshrined in values and in the Code of Ethics &

Conduct of Ganga Forging Limited. The Direct Touch (Whistle-Blower & Protection Policy) Policy provides a platform to all employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the system. The Policy also includes misconduct with respect to discrimination or sexual harassment.

The Company also has in place "Prevention of Sexual Harassment Policy". This Anti-Sexual Harassment Policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment. The following is a summary of sexual harassment complaints received and disposed off during the year:

- No. of complaints received : Nil
- No. of complaints disposed off : NA

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company is well equipped with internal financial controls. The Company has continuous monitoring mechanism which enables the organization to maintain the same standards of the control systems and help them in managing defaults, if any, on timely basis because of strong reporting mechanisms followed by the Company.

EXTRACT OF THE ANNUAL REPORT:

Extract of Annual Return in Form MGT-9 containing details as on Financial Year ended 31st March, 2019 [as required under Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014] the extract of Annual Return for the Financial Year 2018-19 is enclosed with this Board Report as "**ANNEXURE-1**" to this report.

The Company is having website at <https://www.gangaforging.com/> and annual return of the company has been published on such website. Link of the same is given below:

<https://www.gangaforging.com/InvestorsRelation/DownloadPDF/1?FileName=AnnualReports>

BOARD POLICIES AND CODE OF CONDUCTS:

A. Policy on Directors Appointment and Remuneration

The policy of the Company on director's appointment and remuneration, including the criteria for determining the qualifications, positive attributes, independence of a director and other matters, as required under sub section (3) of section 178 of the Companies Act, 2013 have been regulated by the nomination and remuneration committee and the policy framed by the company is annexed with the Board Report as "**ANNEXURE-5**" and available on our website, at <https://www.gangaforging.com/InvestorsRelation/DownloadPDF/1?FileName=PoliciesAndCodeofConduct>

There has been no change in the policy since last fiscal. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company with the Nomination and Remuneration Committee of the Company.

B. Prevention of Insider Trading:

The Board of Directors has adopted the Insider Trading Policy in accordance with the Requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company as well as consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company's Shares.

C. Other Board Policies and Conducts:

Following Board Policies have been approved and adopted by the Board, the details of which are available on the website of the company at <https://www.gangaforging.com/InvestorsRelation/PoliciesCodeofConduct> and for the convenience given herein below:

Sr. No	Name of policy	Web link
1.	Boards Diversity Policy	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/1?FileName=PoliciesAndCodeofConduct
2.	Code of Conduct for Directors And Senior Management	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/2?FileName=PoliciesAndCodeofConduct
3.	Corporate Social Responsibility Policy	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/3?FileName=PoliciesAndCodeofConduct
4.	Dividend Distribution Policy	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/4?FileName=PoliciesAndCodeofConduct
5.	Evaluation Policy	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/5?FileName=PoliciesAndCodeofConduct
6.	Policy On Determination Of Materiality Of Events	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/6?FileName=PoliciesAndCodeofConduct
7.	Policy On Material Subsidiaries And Governance Of Subsidiaries	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/7?FileName=PoliciesAndCodeofConduct
8.	Policy for Insider Trading	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/8?FileName=PoliciesAndCodeofConduct
9.	Policy On Preservation Of Documents	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/9?FileName=PoliciesAndCodeofConduct

10.	Policy on prevention of Sexual Harassment at work place	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/10?FileName=PoliciesAndCodeofConduct
11.	Related Party Transactions Policy	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/11?FileName=PoliciesAndCodeofConduct
12.	Webarchival Policy	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/12?FileName=PoliciesAndCodeofConduct
13.	Whistle Blower Policy	https://www.gangaforging.com/InvestorsRelation/DownloadPDF/13?FileName=PoliciesAndCodeofConduct

SUBSIDIARIES ASSOCIATES AND JOINT VENTURES:

As at 31st March, 2019, the Company doesn't have any Subsidiary, Joint Venture or Associate Companies.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There were no significant and material orders issued against the Company by any regulating authority or court or tribunal which could affect the going concern status and Company's operations in future.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

The information pertaining to Conservation of Energy, Technology Absorption, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 as follows:

A. Conservation of Energy: -

1. The steps taken or impact on conservation of energy:

The Company applies strict control system to monitor day by day power consumption in an effort to save energy. The Company ensures optimal use of energy with minimum extent of wastage as far as possible.

2. The steps taken by the Company for utilizing alternate source of energy:

The Company has not taken any step for utilizing alternate source of energy.

3. Capital Investment on energy conservation equipment:

During the year under review, the Company has not made any capital investment on energy conservation equipment

B. Technology Absorption:

1. The efforts made towards technology absorption:

The Company has installed one Hammer Machine and one Press Machine at new factory premises costing 5,66,40,091.00/-. These machines boosted the quality of forging products of the Company.

2. The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable.

4. The details of technology imported: Not Applicable

5. The year of import: Not Applicable

6. Whether the technology been fully absorbed: Not Applicable

7. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

8. The expenditure on Research and Development: Not Applicable

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Further, during the year under review, the Company has reported Foreign Exchange Earnings and Expenses as under:

PARTICULARS	2018-19	2017-18
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo	NIL	1,70,57,553

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

During the year under review, the provision of section 125(2) of the Companies Act, 2013 does not apply as the company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) established by Central Government of India.

CREDIT RATINGS:

Your Company being an SME Listed Company does not require to obtain credit rating for its securities. Though, Ganga Forging has received **SMERA MSE 2** from (Small and Medium Enterprise Ratings) on 27th May, 2017 which was valid till 26th May, 2018. The rating indicates levels of Financial Strength and Operating Performance.

REGISTRAR AND SHARE TRANSFER AGENT INFORMATION:**M/S. LINK INTIME INDIA PRIVATE LIMITED**

C-101, 247 Park, L.B.S Marg,
Vikhroli (West), Mumbai – 400 083,
Telephone Number: +91 22 4918 6000
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in

INDUSTRIAL RELATIONS:

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain

at the leadership position in the industry. It has taken various steps to improve productivity across organization.

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for assistance and co-operation received from the Shareholders, State Governments, Local authorities and Company's Bankers for the assistance co-operation and encouragement they extended to the Company.

Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuing and excellent all around operational performance.

Date : 02.09.2019

By Order of the Board of Directors
For, **GANGA FORGING LIMITED**

Place : Rajkot (Shapar- Veraval)

Sd/-
(Hiralal Tilva)
Chairman & Managing
Director
[DIN: 00022539]

FORM MGT 9 – EXTRACT OF ANNUAL RETURN

“ANNEXURE - A” TO DIRECTORS’ REPORT

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)

Financial Year ended on 31/03/2019

(I) REGISTRATION AND OTHER DETAILS:

(i)	CIN	L28910GJ1988PLC011694
(ii)	Registration date	29 th December, 1988
(iii)	Name of the Company	GANGA FORGING LIMITED
(iv)	Category Sub-category of the Company	Company limited by shares Indian Non- Government company
(v)	Address of the Registered Office and Contact Details	<u>Address of Registered Office:</u> Plot No 1 S No 298 & 30 Rajkot Gondal N H Veraval (Shapar) Rajkot, Gujarat, India <u>Contact Details:</u> Phone: 02827-252208/252077 E-Mail Id: gangaforging@yahoo.co.in
(vi)	Whether Listed Company? Yes / No	Yes
(vii)	Name, address and contact details of Registrar and Share Transfer Agent.	Link Intime India Private Limited, 247 Park, C-101, LBS Marg, Vikhroli (West), Mumbai-400 083 Phone: 022-49186270, Fax: 022-49186060 Email: rnt.helpdesk@linktime.co.in Web: www.linkintime.co.in

(II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name & Description of mainproducts/services	NIC Code of the Product /service	% to total turnover of the company
01	Forging of Articles	25910	100.00%

(III) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
01	NONE				

(IV) SHAREHOLDING PATTERN: (Equity Share capital Break up as % to total Equity)**(i) CATEGORY - WISE SHARE HOLDING:**

Sr. No.	Category of Shareholders	No of Shares held at the beginning of the year 01.04.2018				No of Shares held at the end of the year 31.03.2019				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A	PROMOTERS									
(1)	Indian									
(a)	Individual/HUF	53,74,903	---	53,74,903	96.59%	53,74,903	---	53,74,903	67.63%	---
(b)	Central Govt.	---	---	---	---	---	---	---	---	---
(c)	State Govt.(s)	---	---	---	---	---	---	---	---	---
(d)	Bodies Corp.	---	---	---	---	---	---	---	---	---
(e)	Banks/FIs	---	---	---	---	---	---	---	---	---
(f)	Any Other	---	---	---	---	---	---	---	---	---
	Sub - Total (A) (1)	53,74,903	---	53,74,903	96.59%	53,74,903	---	53,74,903	67.63%	---
(2)	Foreign									
(a)	NRI Individuals	---	---	---	---	---	---	---	---	---
(b)	Other - Individuals	---	---	---	---	---	---	---	---	---
(c)	Bodies Corp.	---	---	---	---	---	---	---	---	---
(d)	Banks/FI	---	---	---	---	---	---	---	---	---
(e)	Any Other	---	---	---	---	---	---	---	---	---
	Sub - Total (A) (2)	---	---	---	---	---	---	---	---	---
	TOTAL Shareholding of Promoter (A) = (A) (1) + (A) (2)	53,74,903	---	53,74,903	96.59%	53,74,903	---	53,74,903	67.63%	---
B	PUBLIC SHAREHOLDING									
1	Institutions									
(a)	Mutual Funds	---	---	---	---	---	---	---	---	---
(b)	Banks/FI	---	---	---	---	---	---	---	---	---
(c)	Central Govt.	---	---	---	---	---	---	---	---	---
(d)	State Govt.	---	---	---	---	---	---	---	---	---
(e)	Venture Capital Funds	---	---	---	---	---	---	---	---	---
(f)	Insurance Companies	---	---	---	---	---	---	---	---	---
(g)	FII's	---	---	---	---	---	---	---	---	---
(h)	Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
(i)	Others (Clearing Member)	---	---	---	---	24000	---	24000	0.30	0.30

...Continue from previous page

	Sub - Total (B) (1)		---	----	----	24000	---	24000	0.30	0.30
2	Non-Institutions									
(a)	Bodies Corporate	---	---	---	---	---	---	---	---	---
(i)	Indian	---	---	---	---	162092	---	162092	2.04	2.04
(ii)	Overseas	---	---	---	---	---	---	---	---	---
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs.1 Lakh	71,428	---	71,428	1.28%	299908	---	299908	3.77	
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	1,19,000	---	1,19,000	2.13%	1984428	---	1984428	24.97	
(c)	Others (HUF)	---	---	---	---	102000	---	102000	1.28	1.28
	Sub-total(B) (2)					2548428	---	2548428	32.07%	---
	Total Public shareholding (B)=B(1)+B(2)	---	---	---	---	---	---	---	---	---
C	Shares held by Custodian for ADRs and GDRs.	---	---	---	---	---	---	---	---	---
	GRAND TOTAL	---	35000	35000	100.00%	7947331	---	7947331	100.00%	---

(ii) **SHAREHOLDING OF PROMOTERS:**

Sr. No.	Shareholder's name	Shareholding at the beginning of the year 01.04.2018			Shareholding at the end of the year 31.03.2019			% Change (of total capital as on 31.03.2019)
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Hiralal Mahidas Tilva	12,02,047	21.6	N.A.	12,02,047	15.12	N.A.	
2	Rakesh Chhaganlal Patel	6,46,668	11.6	N.A.	6,46,668	8.13	N.A.	
3	Sheetal Sanjivkumar Chaniara	2,80,000	5.03	N.A.	2,80,000	3.52	N.A.	
4	Hetal Mayurkumar Kalaria	2,80,000	5.03	N.A.	2,80,000	3.52	N.A.	
5	Avni Nileshkumar Dadhaniya	2,80,000	5.03	N.A.	2,80,000	3.52	N.A.	
6	Daxaben Hiralal Tilva	4,55,000	8.18	N.A.	4,55,000	5.72	N.A.	
7	Manishkumar Chhaganlal Patel	6,46,666	11.62	N.A.	6,46,666	8.13	N.A.	
8	Shitalben Manishkumar Nar	7,32,761	13.17	N.A.	7,32,761	9.22	N.A.	
9	Parulben Rakeshbhai Patel	7,32,761	13.17	N.A.	7,32,761	9.22	N.A.	
10	Sanjiv Vasantkumar Chaniara	1,19,000	2.14	N.A.	1,19,000	1.49	N.A.	
GRAND TOTAL		53,74,903	96.59%		53,74,903	67.63%		

(iii) CHANGE IN PROMOTER'S SHAREHOLDING:

Sr · No	Particulars	Shareholding at the beginning of the year 01.04.2018			Increasing Decreasing in Share holding	Reason	Cumulative Shareholding during the year 01.04.2018 to 31.03.2019	
		No. of Shares	% of total shares of Company	Date			No. of Shares	% of total shares of the Company
01	Hiralal Mahidas Tilva	1202047	21.6	---	---		1202047	15.12
02	Rakesh Chhaganlal Patel	646668	11.6	---	---		646668	8.13
03	Sheetal Sanjivkumar Chaniara	280000	5.03	---	---		280000	3.52
04	Hetal Mayurkumar Kalaria	280000	5.03	---	---		280000	3.52
05	Avni Nileshkumar Dadhaniya	280000	5.03	---	---		280000	3.52
06	Daxaben HiralalTilva	455000	8.18	---	---		455000	5.72
07	Manish kumar Chhaganlal Patel	646666	11.62	---	---		646666	8.13
08	Shitalben Manishkumar Nar	732761	13.17	---	---		732761	9.22
09	Parulben Rakeshbhai Patel	732761	13.17	---	---		732761	9.22
10	Sanjiv Vasantkumar Chaniara	119000	2.14	---	---		119000	1.49

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS: (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS):

Sr. No	Particulars	Shareholding at the beginning of the year 01.04.2018			Increasing Decreasing in Share holding	Reason	Cumulative Shareholding during the year 31.03.2019	
		No. of Shares	% of total shares of Company	Date			No. of Shares	% of total shares of the Company

1	Vishalkumar Rameshbhai Dadhania	---	---		240000	IPO	240000	3.01
2	Vijaybhai Navinchandra Kaneriya	---	---		234000	IPO	234000	2.94
3	Jaysukhlal Bhimji Aghera	---	---		162000	IPO	162000	2.03
4	Nishant J Aghera	---	---		150000	IPO	150000	1.88
5	Ishita Nishant Aghera	---	---		126000	IPO	126000	1.58
6	Sadamhusen Amadbhai Kalavaniya	---	---		126000	IPO	126000	1.58
7	Sandeepkumar Vasantbhai Chaniara	119000	2.13		---	---	119000	1.49
8	Pantomath Stock Brokers Private Limited	---	---		96000	IPO	96000	1.20
9	Darshan V Zalawadia	---	---		96000	IPO	96000	1.20
10	Bhavasinhbhai Khodajibhai Gohil	---	---		72000	IPO	72000	0.90

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name	Shareholding at the beginning of the year i.e. 01/04/2018		Shareholding at the end of the year i.e. 31/03/2019	
		No. of shares	% of total shares of company	No. of shares	% of total shares of the company
A.	Director				
1.	RakeshChhaganlal Patel	6,46,668	11.62	6,46,668	8.13
2.	SheetalSanjivkumarChaniara	2,80,000	5.03	2,80,000	3.52
3.	ParulbenRakeshbhai Patel	7,32,761	13.17	7,32,761	9.22
4.	Hiralal Mahidas Tilva	1202047	21.60	1202047	15.12
5.	Mayurkumar Mansukhlal Kalaria	---	---	---	---
B.	Key Managerial Personnel				
1.	AvniNileshkumarDadhaniya	2,80,000	5.03	2,80,000	3.52
2.	MinalVinodraiLakhlani	---	---	---	---
Total		31,41,476	56.45%	31,41,476	39.51%

(V) INDEBTEDNESS:

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i)Principal Amount	1,39,62,162.00/-	1,38,53,757.34/-	---	2,78,15,919.34/-
(ii)Interest due but not paid	---	---	---	---
(iii)Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	13962162.00/-	1,38,53,757.34/-	---	2,78,15,919.34/-
Change in Indebtedness During the financial year	3,77,15,625	(70,01,110.34)		3,07,14,514.66
• Addition	3,77,15,625	---	---	3,77,15,625
• Reduction	----	(70,01,110.34)	---	(70,01,110.34)
Net Change	3,77,15,625.00/-	70,01,110.34/-	---	3,07,14,514.66/-
Indebtedness at the end of the financial year				
(i)Principal Amount	5,16,77,787	68,52,647	---	5,85,30,434
(ii)Interest due but not paid	---	---	---	---
(iii)Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	5,16,77,787.00/-	68,52,647.00/-	---	5,85,30,434.00/-

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No	Particulars of Remuneration	Managing Director		Total Amount
		HiralalTilva	Rakesh Patel	
1.	Gross Salary:	20,40,000	24,00,000	44,40,000
	(a) Salary as per provision contained in section 17(1) of the Income tax Act, 1961	---	---	---
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	---	---	---
	© Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2.	Stock option	----	---	---
3.	Sweat equity	----	---	---
4.	Commission:			
	- As % of profit	---	---	---
	- Other, specify...			
5.	Others, please specify	---	---	---
Total (A)		20,40,000	24,00,000	44,40,000

B. Remuneration Whole-time Directors:

Sr. No	Particulars of Remuneration	Whole-time Director		Total Amount
		Sheetal Chaniara	Parulben Patel	
1.	Gross Salary:	3,60,000	3,60,000	7,20,000
	(a) Salary as per provision contained in section 17(1) of the Income tax Act, 1961	---	---	---
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	---	---	---
	© Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2.	Stock option	----	---	---
3.	Sweat equity	----	---	---

4.	Commission: - As % of profit - Other, specify...	---	---	---
5.	Others, please specify	---	---	---
Total (A)		3,60,000	3,60,000	7,20,000

C. Remuneration to other Directors:

Sr No	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Director				
	Fees for attending Board/ Committee Meeting	---	---	---	---
	Commission	---	---	---	---
	Other, please specify				
	TOTAL (B) (1)				
2	Other Non-Executive Director				
-	Fees for attending Board/ committee meeting	---	---	---	---
-	Commission	---	---	---	---
-	Other, please specify				
--	TOTAL (B) (2)				
	TOTAL (B) (2)	---	---	---	---
	Total(B) = (1+2)	---	---	---	---
	Total Managerial Remuneration	---	---	---	---

D. Remuneration to Key Managerial Personnel other than as Managing Director/Manager/Whole-time Director:

Sr No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			Minal Lakhani	Avni Dadhania	
1.	Gross Salary <ul style="list-style-type: none"> Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 Value of perquisites under section 17(2) Income tax Act, 1961 Profit in lieu of salary under section 17(3) Income tax, 1961 	---	2,58,442	3,60,000	6,18,442
2.	Stock Option	---	---	---	---
3.	Sweat Equity	---	---	---	---
4.	Commission <ul style="list-style-type: none"> As % of profit Other, specify 	---	---	---	---
5.	Other, please, specify	---	---	---	---
	Total	---	2,58,442	3,60,000	6,18,442

(VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
B. DIRECTORS					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
C. OTHER OFFICERS IN DEFAULT					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---

Date: 02/09/2019
Place: Shapar (Rajkot)

By Order of the Board of Directors,
For, Ganga Forging Limited

Sd/-
(Hiralal M. Tilva)
Chairman & Managing Director
[DIN: 00022539]

Sd/-
(Rakesh C. Patel)
Managing Director
[DIN: 00510990]

“Annexure -2”

Form AOC - 2

Directors’ Report of Ganga Forging Limited

(Pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188 (1) of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm’s length basis:

Name (s) of the related party	Nature of relationship	Nature of contracts/arrangements/ transaction	Duration of the contracts/arrangements/transaction	Salient Features & value	Date of approval by the Board	Amount paid as advances, if any
---	---	---	--	--	--	--

2. Details of material contracts or arrangements or transactions at Arm’s length basis:

Name (s) of the related party	nature of relationship	Nature of contracts/arrangements/ transaction	Duration of the contracts/arrangements/transaction	Salient Features & value	Date of approval by the Board	Amount paid as advances , if any
Sandeep Enterprise	Concern in which Director is interested	Jobwork Charges paid	Ongoing	Subject to annual Review. Total value Rs. 23158/-	02/04/2018	Nil
H R Agro Products	Concern in which Director is interested	Purchase of Plant & Machinery	Ongoing	Subject to annual Review. Total value Rs35400/-	02/04/2018	Nil

Crank & Crank	Concern in which Director is interested	Jobwork Charges	Ongoing	Subject to annual Review. Total value Rs1832913/-	02/04/2018	Nil
		Sales of Finish Goods	Ongoing	Subject to annual Review. Total value Rs454536/-	02/04/2018	Nil

Date of approval by the Board: Not Applicable, since the contracts were entered into in the ordinary course of business and on arm's length basis.

Date :02/09/2019

Place :Rajkot (Shapar-Veraval)

**For & on behalf of the Board of Directors
For, Ganga Forging Limited**

Sd/-
(Hiralal Tilva)
Chairman & Managing Director
DIN: 00022539

Sd/-
(Rakesh Patel)
Managing Director
DIN: 00510990

CIN : U28910GJ1988PLC011694

30th ANNUAL REPORT
2018-2019



GANGA FORGING LIMITED

Regd. Office :

Plot No.1, Survey No.298 & 30,
Rajkot Gondal National Highway
Vill : Shapar (Veraval)
Tal : Kotda Sangani,
Dist : Rajkot.
Email: gangaforging@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

To,
The Members
Ganga Forgings Limited
Vill. Shapar (Veraval),
Rajkot-360 024

Report on the Audit of the Standalone Financial Statements:

Opinion:

We have audited the standalone financial statements of **Ganga Forgings Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss and 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2019, its profit and its cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit 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 ethical 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.

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 the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Recoverability of Trade Receivables Rs. 94.45 Lakhs classified as doubtful under Note 16 to the Audited Financial Statement.	i. Obtained an understanding of the determination of recoverability and assessed and tested the reasonableness of the significant judgements applied by the management.



M. N. Manvar & Co.
Chartered Accountants

Sr. No.	Key Audit Matter	Auditor's Response
		ii. Evaluated the design of internal controls relating to the trade receivable and also tested the operating effectiveness of the aforesaid controls. iii. Performed analytical procedure and test of details for reasonableness of efforts by the management.

Information Other than the Financial Statements and Auditor's Report Thereon:

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, for example, Corporate Overview, Key Highlights, Board's Report, Report on Corporate Governance, Management Discussion & Analysis Report, Business Responsibility Report, etc., but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Responsibilities of Management for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 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 does not have any pending litigations which would impact its financial position except Para vii(b) of Annexure "A" of our Report;
 - ii. The Company did not have any long term contracts with suppliers and customers.

GANGA FORGING LIMITED**F.Y. 2018 - 19**

Balance Sheet As on 31st March, 2019

(Amount in Rs.)

Particulars	Notes	As at	
		31st March, 2019	31st March, 2018
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital			
Reserves and Surplus	4	79473310	55653310
Money received against share warrants	5	61660057	30246545
Share application money pending allotment		0	0
		0	0
		141133367	85899855
Non-Current Liabilities			
Long Term Borrowings			
Deferred Tax Liabilities (Net)	6	48897783	17366639
Other Long Term Liabilities	7	3685451	2356454
Long Term Provisions	8	17000	0
		0	0
		52600234	19723092
Current Liabilities			
Short Term Borrowings			
Trade Payables	9	68170910	50408253
Other Current Liabilities	10	63334012	70374776
Short Term Provisions	11	19747617	18632624
	12	6080815	6656295
		157333354	146071949
		157333354	146071949
		351066955	251694896
ASSETS			
Non-current assets			
Property, Plant & Equipment			
Non-current investments	12	156831596	93427978
Long term loans and advances		0	0
Other non-current assets	13	591364	591364
	14	4869771	11818413
		162292731	105837755
Current assets			
Current investments			
Inventories		0	0
Trade receivables	15	87559080	57420643
Cash and cash equivalents	16	91526394	81252242
Short-term loans and advances	17	860331	188271
Other current assets	18	5125230	6403786
	19	3703189	592200
		188774223	145857142
		351066955	251694896

The accompanying Notes to Accounts are an integral part of the financial Statements
As per our report of even date

For and on behalf of the Board

For, M N Manvar & Co.
Chartered Accountants
FRN : 106047W

T. Man N. 6

(M. N. Manvar)
Proprietor
MRN : 036292

Hiralal M. Tilva
(Hiralal M. Tilva)
Chairman & Managing Director
DIN : 00022539

Avni N. Dadhaniya
(Avni N. Dadhaniya)
Chief Financial Officer

R.C. Patel
(Rakesh C. Patel)
Managing Director
DIN : 00510990



Date : 29.05.2019
Place : Shapar (Veraval)



GANGA FORGING LIMITED

F.Y. 2018 - 19

Profit and Loss Accounts for the period ended on 31st March, 2019

PARTICULARS	Notes	(Amount in Rs.)	
		As at 31st March, 2019	As at 31st March, 2018
INCOME			
Revenue from operations			
Other Income	20	278753285	248841204
Total Income	21	1711049	252516
EXPENSES			
Cost of Material Consumed			
Purchase of Finished Goods	22	189902613	179732126
Changes in Inventories of Finished Goods		0	0
Employee Benefits Expense	23	-19758152	-21571233
Finance Costs	24	19818791	18042295
Depreciation / Amortisation of Expense	25	11181469	7880807
Other Expenses	12	7361845	4965221
Total Expenses	26	65349330	52881557
Profit Before exceptional and extraordinary item and Tax		273855896	241930773
Exceptional Items		6608438	7162947
Profit Before extraordinary item and Tax		6608438	7162947
Extraordinary Items			
Profit Before Tax		6608438	7162947
Tax Expenses			
Current Tax		1342501	1997859
Mat Credit Entitlement		-1274572	0
Deferred Tax		1328997	531410
Profit (Loss) for the period		5211511	4633678
Earnings per Equity Share :			
Basic		0.71	1.14
Diluted		0.71	1.14

The accompanying Notes to Accounts are an integral part of the financial Statements
As per our report of even date



For, M N Manvar & Co.
Chartered Accountants
FRN : 106047W

M. N. Manvar

(M. N. Manvar)
Proprietor
MRN : 036292

Date : 29.05.2019
Place : Shapar (Veraval)

Hiralal M. Tilva
(Hiralal M. Tilva)
Chairman & Managing Director
DIN : 00022539

Avni N. Dadhaniya
(Avni N. Dadhaniya)
Chief Financial Officer

For and on behalf of the Board

R.C. Patel
(Rakesh C. Patel)
Managing Director
DIN : 00510990



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS**1. Company Information**

Ganga Forging Limited (Formerly known as Ganga Forging Private Limited and converted to Public Limited Company on 30th October, 2017) was incorporated on 29th December, 1988. The company is engaged in the business of own Production and Job work of forging items and accordingly sale of forging items and job work income are core and strategic activities.

The Company setup Unit – II at Vill.: Pipaliya, Tal.: Gondal, Dist.: Rajkot during the year and Commenced commercial production from 6th August, 2018. To part finance the cost of project of Unit – II, the Company has raised fresh equity by way of initial public offer (IPO) and it is listed on NSE, Mumbai.

2. Significant Accounting Policies :

The Company has considered its operating cycle as 12 months for the purpose of Current or Non-Current classification of Assets and Liabilities.

3. Basis of Preparations

The financial statements are prepared in accordance with India Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2016, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

3.1. Basis of Accounting:

The financial statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013.

3.2. Use of Estimates :

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and results of operations during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future result could differ from those estimates. The effects of change in accounting estimates are reflected in the financial statement in the period in which the results are known and if material, are disclosed in the financial statements.

3.3. Valuation of Inventories:

Inventories are stated at lower of cost or net realizable value. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

3.4. Cash Flow Statements

NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

Cash Flows are presented using indirect method, whereby profit/loss before extra-ordinary items and tax is adjusted for the effects of transactions of non -cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

Cash comprise of cash on hand and demand deposits with banks for a period of less than 12 months. Cash equivalents are short term balances, highly liquid investment with maturity of 12 months or less that are readily convertible into cash.

3.5. Net profit or loss for the period, prior period items and changes in Accounting policies:

Prior period debits included in profit & Loss account Nil

Prior period credits included in profit & Loss account Nil

There are no changes in accounting policies.

3.6. Revenue Recognition:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects GST on behalf of the government and therefore, there are not economic benefits followings to the company. Hence they are excluded from revenue.

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exist.

3.7. Property Plant and Equipment:

Tangible Fixed Assets are stated at cost less accumulated depreciation / amortization and impairment loss, if any except Lease hold land which is carried at cost. The cost of tangible Fixed Assets comprises its purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of fixed Assets are added to its book value only if they increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work In Progress, comprising direct cost, related incidental expenses and attributable interest.

All other expenses on fixed assets, including repair and maintenance expenditure and replacement expenditure of parts are charged to Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of an asset and are recognized in the Statement of profit and loss when the asset is derecognized.

Depreciation of Fixed Assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

There are no intangible assets.



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

The management of the company believes that the useful lives as given below best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which may be different from the useful lives as prescribed Part C of Schedule II Of The Companies Act 2013

Sr. No.	Assets Category	Useful Life in Years
1	Factory Building, Shed, Labour Quarters, Compound Wall, Approach Road, Office Building	30
2	Computers	3
3	Office Equipment, RO Plant, Air Conditioner, Weighing Scale, CCTV, Tea Machine, Refrigerator, Mobile	5
4	Furniture	10
5	Plant & Machinery	15 to 25
6	Vehicle	10
7	Laboratory Equipment	10
8	Electrification	10

3.8. Impairment of Assets:

An asset is impaired when the carrying cost of assets exceeds its recoverable value. An Impairment loss is charges to statement of profit and loss in the year which an asset is identified as impaired. The Impairment Loss recognized in prior accounting period is reversed there has been change in the estimate of recoverable amount. The management periodically assess, using internal and external sources to identify impairment of assets.

3.9. Accounting for Foreign Currency Transactions:

3.9.1. Transactions dominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of the transaction.

3.9.2. Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contracts.

3.9.3. In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transactions. Branch monetary assets and liabilities are restated at the year-end rates.

3.9.4. Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the profit or loss account.

3.10. Government Grants:

3.10.1. Revenue related grants are recognized on accrual basis wherever there is reasonable certainty and are disclosed under other income. Receivables of such grants are shown under Other Current Assets, if any



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

3.10.2. Export benefits are accounted in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such export benefits are shown under Other Current Assets.

3.10.3. Capital grants are accounted as Capital Subsidy and adjusted against the cost of Fixed Assets in the year of receipt, if any.

3.11. Accounting of Investment:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fee and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another assets, the acquisition is determined by reference to the fair value of the assets given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term Investments are carried at cost. However, provision for diminution in the value is made to recognize a decline other than temporary in the value of investments.

On disposal on investments, the difference between its carrying amount and net disposal proceeds is charged or credited to statement of profit and loss.

3.12. Employee Benefit:**3.12.1. Provident fund:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no further obligation, other than the contribution payable to the provident fund.

3.12.2. Gratuity:

The company has established the employees Group Gratuity-Cum-Life Assurance Scheme with Life Insurance Corporation of India through employees trust. The cost of providing benefit under the scheme are determined on the basis of actuarial valuation at each year end and contribution for the year is charged to the statement of profit and loss for the year.

3.12.3. Leave Encashment:

The company measures the expected cost that it expects to pay as a result of unused entitlement that has accumulated at the reporting date and the earned leave amount for the current reporting period is charged to the statement of profit and loss for the year. The company presents the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS**3.13. Borrowing Cost:**

Borrowing Costs includes interest and ancillary costs incurred in connection with the arrangement of borrowing and foreign exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest costs.

Borrowing Costs directly attributable to the Construction of an asset that necessarily take a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All of these borrowing costs are expensed in the period they are incurred.

3.14. Segment Reporting:

The Company is engaged in manufacturing of forging items which is the primary business segment based on the nature of products manufactured/traded and sold. Thus, the Company has only one reportable business which is manufacturing of forging items and only one reportable geographical segment. Accordingly the segment information as required by AS 17 on "segment Reporting" is not required to be disclosed.

3.15. Accounting for Taxes on Income :

Provision for tax comprises of current and deferred tax. Provision is made on the basis of relief and deductions available under Income Tax Act. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantially enacted as on the balance sheet date. The Deferred Tax asset is recognized and carried forward for timing differences of items unabsorbed depreciation and accumulated losses only to the extent that there is a virtual certainty that there will be sufficient future taxable income available to realize the assets. Deferred tax assets are reviewed as at each balance sheet date for their reliability

3.16. Provisions, Contingent liabilities and Contingent Assets:

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities is not recognized but are disclosed when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources.

Contingent assets is a possible asset that arise from past events the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

3.17. Other Disclosures :**3.17.1. Sales:**

Sales are accounted excluding GST.

3.17.2. Purchase:

Purchase is accounted excluding GST.

3.17.3. GST :

NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

The GST collected on sales and services is accounted separately under GST Payable Account which is eligible for set-off against GST paid on inputs. The Balance in GST Account after set-off is shown under the head "Other Current Assets" forming part of Balance Sheet.



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

4.00 Share Capital

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Authorised Share Capital		
8500000 (PY 35000) Equity Shares of Rs. 10 (PY Rs. 100) Each	85000000	3500000
Add : NIL (PY 815000) Equity Shares of Rs. 10 (PY Rs. 100) Each	0	81500000
8500000 Equity Shares of Rs. 10/- Each	85000000	85000000
Issued, Subscribed & Paid up Capital		
7947331 Equity Shares of Rs. 10/- Each	79473310	55653310
(PY. 5565331 Equity Shares of Rs. 10 Each)	79473310	55653310
Par value of the share	10	10

Share Capital

Reconciliation of the number of shares

	Number	As at 31.03.2019 Rupees	Number	As at 31.03.2018 Rupees
Shares outstanding at the beginning of the year	5565331	55653310	350000	3500000
Add : Bonus Shares Issued during the year (9 shares allotted against 1 equity shares)	0	0	3150000	31500000
Add : Right Shares Issued during the year	0	0	1400000	14000000
Add : Preferential Allotment of Shares during the year	0	0	665331	6653310
Add : Initial Public Offer (IPO) issued during the year	2382000	23820000	0	0
Less : Shares bought back during the year	0	0	0	0
Shares outstanding at end of the year	7947331	79473310	5565331	55653310

Details of more than 5% of total shares, held by each shareholder

	No of Share Held	As at 31.03.2019 % of Holding	No of Share Held	As at 31.03.2018 % of Holding
Hiralal Mahidas Tilva	1202047	15.13%	1202047	21.60%
Shitalben Manishkumar Nar	732761	9.22%	732761	13.17%
Parulben Rakeshbhai Patel	732761	9.22%	732761	13.17%
Rakesh Chhaganlal Patel	646668	8.14%	646668	11.62%
Manishkumar C Patel	646666	8.14%	646666	11.62%
Daxaben Hiralal Tilva	455000	5.73%	455000	8.18%



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

Shares allotted, as fully paid up pursuant to contracts without payment being received in cash/ by way of bonus shares and shares bought back during the preceding five years

	Year (Aggregate No of shares)				
	2018-19	2017-18	2016-17	2015-16	2014-15
1 Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
2 Fully paid up by way of bonus shares	NIL	3150000	NIL	NIL	NIL
3 Shares bought back	NIL	NIL	NIL	NIL	NIL

5.00 Reserve and Surplus

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
General Reserve	1866143	453143
Add : Transferred from Profit & Loss Account Balance	0	31500000
Capital Redemption Reserve	0	500000
Capital Subsidy Reserve	0	913000
Less : Bonus Issued	1866143	33366143
	0	-31500000
General Reserve	1866143	1866143
Capital Redemption Reserve	0	500000
Less : Transfer to General Reserve	0	-500000
Capital Redemption Reserve	0	0
Capital Subsidy Reserve	0	913000
Less : Transfer to General Reserve	0	-913000
Capital Subsidy Reserve	0	0
Security Premium	22718641	0
Add : During the year	26202000	22718641
Security Premium	48920641	22718641
Surplus in the Profit & Loss Account		
Opening Balance of Profit & Loss Account	5661761	31777734
Add : Depreciation Adjustment	0	750349
Less : Transfer to General Reserve	0	-31500000
Add : Profit for the Current Year	5211511	4633678
Surplus in the Profit & Loss Account	10873273	5661761
Total Reserve	61660057	30246545



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

6.00 Long Term Borrowings

(Amount in Rs.)				
	As at 31.03.2019		As at 31.03.2018	
	Non - Current	Current	Non - Current	Current
Secured Loan				
Term Loan				
Axis Bank Ltd	44370906	6960004	9832284	4129878
Vehicle Loan				
Hdfc Bank Ltd	226877	120000	0	0
Unsecured Loan				
Business Loan				
Hdfc Bank Ltd	0	1817384	1372934	2338752
Kotak Mahindra Bank Ltd	0	735263	1127802	2255605
ICICI Bank Ltd	0	0	1033618	1760796
Directors & their relatives				
Directors	4300000	0	4000000	0
	48897783	9632651	17366639	10485031

7.00 Deferred Tax Liability (Net)

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Opening Balance	2356454	1825044
Add : Deferred Tax Liability for Current Year	1328997	531410
Closing Balance	3685451	2356454

Other Long Term Liability

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Other Payable	17000	0
	17000	0

8.00 Short Term Borrowings

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Secured		
Loans repayable on demand		
Axis Bank Limited	68170910	50408253
	68170910	50408253

(Secured against exclusive charge over Stock & Book Debts and Other Current Assets of the of the company by way of hypothecation and collateral charge over Fixed assets of the Company.)



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

9.00 Trade Payable

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Trade Payables to		
Micro and Small Enterprise	4323326	2786586
Other than Micro and Small Enterprise	59010686	67588190
	63334012	70374776

10.00 Other Current Liability

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Current maturities of long-term debt		
Secured Loan		
Term Loan		
Axis Bank Ltd		
Vehicle Loan	6960004	4129878
Hdfc Bank Ltd		
	120000	0
Unsecured Loan		
Business Loan		
Hdfc Bank Ltd	1817384	2338752
Kotak Mahindra Bank Ltd	735263	2255605
ICICI Bank Ltd	0	1760796
Other Payables		
GST Payable	2063821	3509320
TDS Payable	2407062	2041456
TCS Payable	0	1661
Professional Tax Payable	662390	539350
Advance from Customers	4981693	2055807
	19747617	18632624

11.00 Short Term Provisions

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
For Employee Benefits		
Salary & Wages	1190489	721844
Gratuity	1711100	1559911
Leave Encashment	107348	107697
Provident Fund	377133	257741
Bonus to Staff	475969	1044437
Gujarat Labour Welfare Fund	90	738
Other Provisions		
Audit Fees	250000	200000
Interest	0	69709
Power Consumption	626185	696359
Income Tax	1342501	1997859
	6080815	6656295

NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

12.00 Property, Plant & Equipment

Particulars	(Amount in Rs.)			
	Gross Block as on 01.04.2018	GROSS BLOCK		Gross Block as on 31.03.2019
		Addition	Deduction / Sold	
Land	4473005	61798	0	4534803
Building	45629803	11729479	0	57359282
Plant & Machinery	62571987	56640091	9420000	109792078
Electrification	6334531	5143907	0	11478438
Furniture & Fixture	1877535	65506	0	1943041
Office Equipment	1093813	81072	0	1174885
Computer	644658	180110	0	824768
Vehicle	247101	581500	0	828601
	122872433	74483464	9420000	187935896

Particulars	ACCUMULATED DEPRECIATION			
	Depreciation Reserve as on 01.04.2018	Depreciation for the Year	Deduction	Depreciation Reserve as on 31.03.2019
Land	0	0	0	0
Building	5702502	1514131	0	7216633
Plant & Machinery	19322094	4594340	5702000	18214434
Electrification	2287846	758826	0	3046672
Furniture & Fixture	680279	182283	0	862562
Office Equipment	645105	177496	0	822601
Computer	594662	66850	0	661512
Vehicle	211967	67919	0	279886
	29444455	7361845	5702000	31104300

Particulars	NET BLOCK	
	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Land		
Building	4534803	4473005
Plant & Machinery	50142649	39927301
Electrification	91577644	43249893
Furniture & Fixture	8431766	4046685
Office Equipment	1080479	1197256
Computer	352284	448708
Vehicle	163256	49996
	548715	35134
	156831596	93427978

12.01 The amount under Building and Plant & Machinery includes pre-operative expenses Rs. 2931166 and Rs. 3505444 respectively

13.00 Long Term Loans & Advances

Particulars	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Security Deposits		
Utility Service deposit	591364	591364
	591364	591364



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

14.00 Other Non Current Assets

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Advance for Capital Goods	1066000	9923276
Deposit with Bank	1957058	505058
Preliminary Expenses	1810963	1354329
Other Advances	35750	35750
	4869771	11818413

15.00 Inventories

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Raw Material		
Iron & Steel	23121633	12846517
Furnace Oil	403046	591624
Work In Process	8510028	7298347
Finished Goods	16544305	14730875
Scrap	2294600	157867
Consumable Stores & Spares	1652400	1358653
Dies & Tools	35033068	20436760
	87559080	57420643

16.00 Trade Receivable

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
a. considered good		
Other	76909003	78356296
Outstanding more than six Months	5171900	2895946
b. considered doubtful		
Other	-	-
Outstanding more than six Months	9445491	-
	91526394	81252242

17.00 Cash and Cash Equivalents

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Balances with banks	528311	155565
Cash on hand	332020	32706
	860331	188271

NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

18.00 Short Term Loans & Advances

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Receivables from Revenue Authority		
(Unsecured, considered good)		
Receivables from Income Tax Authority	1657833	388762
Receivables from Excise Authority	407099	407099
Receivables from Sales Tax Authority	209897	209897
Receivables from GST Authority	0	2997576
Other advances recoverable in cash or kind		
Interest Receivable	29322	0
Advance to Suppliers	1762315	1687685
Advance to Staff	1023172	573394
Pre-paid Insurance	35592	139373
	5125230	6403786

19.00 Other Current Assets

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Loan to Staff	303189	0
Other Advances	3400000	592200
	3703189	592200

20.00 Revenue From Operation

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Revenue From Operation		
Sale of Manufacturing Goods	275406052	247436441
	[a] 275406052	247436441
Other Operating Income		
Jobwork Income	2878163	1198425
Net gain from expenses recovered	387163	206338
Export Incentives	81907	0
	[b] 3347233	1404763
	[a + b] 278753285	248841204

21.00 Other Income

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Interest Income	78616	70465
Profit / (Loss) on sale of Assets	1632424	0
Other Income	9	182051
	1711049	252516



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

22.00 Raw Material Consumption

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Iron & Steel		
Opening Stock		
Add : Purchase (Net)	12846517	10678823
Less : Closing Stock	191205503	170890554
	-23121633	-12846517
Consumption of Iron & Steel [a]	180930387	168722860
Furnace Oil		
Opening Stock		
Add : Purchase (Net)	591624	478752
Less : Closing Stock	8783648	11122138
	-403046	-591624
Consumption of Furnace Oil [b]	8972226	11009266
Raw Material Consumption [a + b]	189902613	179732126

23.00 Changes in inventories

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Opening Stock		
Work In Process		
Finished Goods	7298347	0
Scrap	14730875	7776132
Dies & Tools	157867	90693
	20436760	13185791
Closing Stock	42623849	21052616
Work In Process		
Finished Goods	8510028	7298347
Scrap	16544305	14730875
Dies & Tools	2294600	157867
	35033068	20436760
	62382001	42623849
Change in Inventory	-19758152	-21571233

24.00 Employee Benefit Expense

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Bonus paid to Staff		
Leave Encashment	475969	1044437
Contribution to Provident	281798	479285
Salary & Wages	737359	754942
Special Allowance	12086553	9647287
Tea & Refreshment	152194	20000
Director Remuneration	423805	0
Contribution to Gratuity	5160000	4480000
Medical Expenses	151189	856655
Labour Welfare	70602	4638
	279322	755051
	19818791	18042295



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

25.00 Finance Cost

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Interest paid on		
Term Loan	3721779	2011654
Business Loan	1117989	0
Vehicle Loan	34781	0
Working Capital Finance	5693311	4104528
Late payment of GST	96995	0
Late payment of TDS	46291	0
Other Finance Cost		
Bank Charges	470323	1764625
	11181469	7880807

26.00 Other Expenses

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Stores & Spares Consumed	10858470	10559150
Advertisement Expenses	279160	25000
Bad Debts	0	151484
Donation	10000	63100
Excise Duty	0	225425
GST Expenses	439379	4750
Income Tax	16159	106421
Insurance	375175	86992
Jobwork Expenses	21812515	19974311
Misc. Expenses Written Off	452741	324816
Other Administrative Expenses	1260335	411289
Other Manufacturing Expenses	1155530	1890761
Payment to Auditors	447500	220000
Penalty Expenses	0	96700
Postage and Couriers Expense	43268	55047
Power Consumption	19808490	13636569
Printing & Stationery Expenses	275974	132577
Professional and Technical Consultancy Fees	1255638	416205
Rent, Rate & Taxes	49347	21785
Repairs & Maintenance - Building	33565	0
Repairs & Maintenance - Computer	87610	73477
Repairs & Maintenance - Electric	479459	541929
Repairs & Maintenance - Machinery	919635	371686
Repairs & Maintenance - Vehicle	466626	365664
ROC Filing Fees	25600	12828
Selling Commission	1267081	721524
Telephone Expenses	123261	114751
Transportation Expenses	3164150	1857033
Travelling Expenses	242662	352998
VAT ITC	0	67286
	65349330	52881557



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

27.00 Information In Respect Of Opening Stock, Purchase, Sales And Closing Stock

	As at 31.03.2019 Rupees	As at 31.03.2018 Rupees
Opening Stock		
Raw Material		
Iron & Steel	12846517	10678823
Furnace Oil	591624	478752
Work In Process	7298347	0
Finished Goods	14730875	7776132
Scrap	157867	90693
Consumable Stores & Spares	1358653	0
Dies & Tools	20436760	13185791
	57420643	32210191
Purchase		
<u>Raw Material</u>		
Iron & Steel	198176153	176586882
Less : Sales	-5159808	0
Less : Rate Difference / Discount / Return	-1810842	-5696328
	[a] 191205503	170890554
Furnace Oil	[b] 8783648	11122138
	[c] = [a + b] 199989151	182012692
<u>Consumable Stores & Spares</u>	[d] 11152217	11917803
	[c + d] 211141368	193930495
Sale by Class of Goods		
<u>Domestic Sales</u>		
Finished Goods	263302437	246763721
Scrap	14088822	1890939
Less : Rate Difference / Discount / Return	-2643767	-3886419
	[a] 274747492	244768241
<u>Export Sales</u>		
Finished Goods	658560	2668200
	[b] 658560	2668200
<u>Inter Unit Sales</u>	[c] 0	0
<u>Jobwork Income</u>	[d] 2878163	1198425
	[a + b + c + d] 278284215	248634866
Closing Stock		
Raw Material		
Iron & Steel	23121633	12846517
Furnace Oil	403046	591624
Work In Process	8510028	7298347
Finished Goods	16544305	14730875
Scrap	2294600	157867
Consumable Stores & Spares	1652400	1358653
Dies & Tools	35033068	20436760
	87559080	57420643

28.00 Expenditure in Foreign Exchange

NIL

29.00 Value of Import calculated on C.I.F. basis

NIL



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

30.00 Value of Export calculated on F.O.B. basis

NIL

31.00 Payment to Auditor

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Statutory Audit	250000	130000
Tax Audit	20000	30000
Other Services	177500	60000
	447500	220000

32.00 Earning Per Share

	As at 31.03.2019	As at 31.03.2018
	Rupees	Rupees
Net Profit after Tax as per Statement of Profit and Loss Attributable to Equity Shareholders	5211511	4633678
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	7314307	4062126
BASIC EPC	0.71	1.14
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	7314307	4062126
Diluted EPS	0.71	1.14

33.00 Related Party Disclosure

33.01 Related parties where control exist
NIL

33.02 Related parties with whom transactions taken place during the year

Name of related Party	Nature of Relation
Hiralal Mahidas Tilva	Key Managerial Personal
Rakesh Chhaganbhai Patel	Key Managerial Personal
Sheetal Sanjeevkumar Chaniara	Key Managerial Personal
Parulben Rakeshbhai Patel	Key Managerial Personal
Avani Nileshkumar Dadhania	Key Managerial Personal
Sandeep Enterprise	Associate Concern
Prem Trading Co.	Associate Concern
Steel Overseas	Associate Concern
H R Agro Products	Associate Concern
Crank & Crank	Associate Concern

33.03 Transactions during the year with related parties

Nature of Transaction	Key Managerial Personal		Associate Concern	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Rupees	Rupees	Rupees	Rupees
Remuneration	5520000	4480000	0	0
Office Salary	0	800000	0	0
Jobwork Expenses	0	0	1856071	1350695
Purchase of Machinery	0	0	35400	0
Sale of Goods	0	0	5829524	6289285
Purchase of Material	0	0	0	1907901
(Receivable) / Payable Net	683197	1916200	-2819378	-539417

NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

- 34.00 The previous year's figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation
- 35.00 The Management confirms that the current assets and loans & advances are approximately of the value stated, if realized in the ordinary course of business and the provision for all known liabilities are adequate.
- 36.00 Outstanding Balances of Trade Payables and Trade Receivables are subject to confirmation

As per our report of even date



For, M N Manvar & Co.
Chartered Accountants
FRN : 106047W

Date : 29.05.2019
Place : Shapar (Veraval)

(M. N. Manvar)
Proprietor
MRN : 036292

(Hiralal M. Tilva)
Chairman & Managing Director
DIN : 00022539

(Avni N. Dadhaniya)
Chief Financial Officer

For and on behalf of the Board

(Rakesh C. Patel)
Managing Director
DIN : 00510990





Form No MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31stMarch, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Ganga Forging Limited
Plot No 1 S No 298 & 30 Rajkot Gondal
N H Veraval (Shapar) Rajkot

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ganga Forging Limited (CIN: L28910GJ1988PLC011694)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **Ganga Forging Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under :
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings ;

Continue at page no. 2



Continue from page no. 1

- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(Note:- The Company had listed its securities on 10th October, 2017, so the Regulations were applicable to the Company only with effect from that day);
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015(Note:- The Company had listed its securities on 11th July 2018, so the Regulations were applicable to the Company only with effect from that day);
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client -
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);** and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**

Continue at page no. 3



Continue from page no. 2

We have also examined, in general, compliance with the applicable clauses of the following:

- i. Secretarial Standards with respect to Meetings of Board of Directors and Committees (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015) and revised (SS-1) & (SS-2) were effective from 1st October, 2017.
- ii. The Listing Agreement entered into by the Company with NSE LTD -SME Emerge as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- iii. The Company had made its Initial Public Offer (IPO) from 29th June 2018 to 3rd July 2018, and had allotted 23,82,000 equity shares of Rs. 10/- each at premium of Rs. 11/- each, aggregating to Rs. 500.22 lacs. As far as utilization of IPO funds, we had relied upon the Declaration filed by the Company with the NSE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:

- (a) The Company has filed Financial Statements and Boards Report, for year 2017-18, with the Registrar of Companies, Gujarat, after completion of 30 days with payment of additional fees on 03.08.2018.
- (b) The Company has purchased a Car against vehicle finance facility from HDFC Bank. However, the Company has not filed particulars of creation of charge with Registrar in connection with this vehicle finance
- (c) The Company had not appointed Internal Auditors during the year 2018-19.
- (d) As on 31st March 2019, filing of Form 22A (Active KYC), as prescribed under the Company Incorporation Rules, 2014 Was pending as on 31st March, 2019.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Continue at page no. 4



Continue from page no. 3

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further informations and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

- I. **We further report that** based on the review of compliance mechanism established by the information provided by the company, its officers and authorised representatives during the conduct of the audit and compliance certificate (s) placed before the board meeting, there are adequate systems and processes in the company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines such as Environment Protection Act, 1986 and other environmental laws; Factories Act, 1948; Trade Marks Act, 1999 and rules, notification issued under Employees Provident Fund and Miscellaneous Provisions Act, 1952; and other applicable labour laws and Indian Stamp Act, 1999;

We further report that during the audit period, there were no instances of:

- (i) Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger/ amalgamation/ reconstruction etc.
- (v) Foreign technical collaborations.

Continue at page no. 5



Continue from page no. 4

We further report that :

The Compliance by the Company of the applicable financial laws, like Direct and Indirect tax Laws has not been reviewed in this Audit Since the same have been subject to the review by the Statutory Auditors and other designated professionals.

Place: Rajkot
Date : 15th July, 2019

For, **MJP** Associates
Practising Company Secretaries
Firm Reg. No. P2001GJ007900

Sd/-

(CS Purvi Dave)
Partner
ACS No. 27373 CP 10462

Please note that the Secretarial Audit report is to be read with my letter of even date attached as Annexure A to the report and letter also forms the integral part of report.



ANNEXURE A

To,
The Members,
Ganga Forging Limited
Plot No 1 S No 298 & 30 Rajkot Gondal
N H Veraval (Shapar) Rajkot, Gujarat

Our Secretarial Audit Report of even date for the Financial Year ended on 31st March, 2019 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We, have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company and verification of documents and records procedures on test check basis.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Rajkot
Date : 15th July, 2019

For, **MJP** Associates
Practising Company Secretaries
Firm Reg. No. P2001GJ007900

Sd/-
(CS Purvi Dave)
Partner
ACS No. 27373 CP 10462

GANGA FORGING LIMITED

POLICY ON BOARD DIVERSITY

1. Background

The Boardroom is where strategic decisions are made. It is, therefore, imperative that the Board consists of individuals who together offer an optimal mix of skills, experiences and backgrounds. The Boards of Directors of **GANGA FORGING LIMITED** (‘the Board’) acknowledges the importance of diversity in the Boardroom and considers that its diversity, including gender diversity, is a vital asset to the business.

2. Purpose

The Board Diversity Policy (‘the Policy’) sets out the approach to diversity on the Board of GANGA FORGING LIMITED (‘Ganga’).

3. Scope of Application

The Policy applies to the Board. It does not apply to diversity in relation to employees of the GANGA FORGING LIMITED.

4. Policy Statement

Ganga recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of the differences in skills, regional and industry experience, background, race, gender and other distinctions between the Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately.

All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which are required on the Board for it to be effective.

The Board, while considering a candidate for appointment to the Board, shall ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The Board recognises that gender diversity is a significant aspect of diversity and acknowledges that women with the right skills and experience are key contributors to diversity of perspective in the Boardroom.

5. Role of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board (‘the Committee’) reviews and assesses Board composition on behalf of the Board and lays down the criteria for appointment to the Board and recommends the appointment of new Directors to the Board. The Committee also oversees the annual evaluation of the Board as per the guidance provided in the Evaluation Policy.

In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

As part of the annual performance evaluation of the Board, Board Committees and individual Directors, the Committee will consider the balance of skill, knowledge, experience, independence, and diversity on the Board, to evaluate the effectiveness of the Board as a whole.

The Nomination Committee is responsible for developing measurable objectives to implement this policy and for monitoring progress towards the achievement of these objectives.

6. Review of the Policy

The Nomination and Remuneration Committee shall periodically review the Policy, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.