

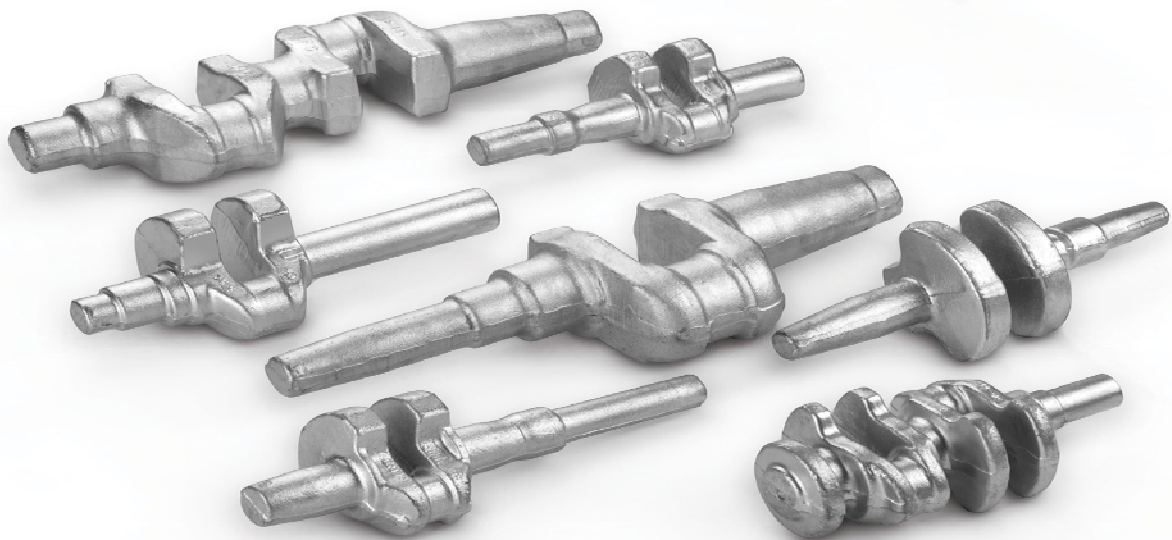


**GANGA**  
FORGING LIMITED



ANNUAL REPORT 2020-21

**GANGA FORGING LIMITED**



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Ganga Forging Limited was started in the year 1988 by qualified technocrats and manufacturers of forging and machined components as per customers' specifications for industrial use. In the year 2018 Equity Shares of the company got listed on the SME - Emerge Platform of the National Stock Exchange of India Limited and migrated on the main board (Capital Segment) of the Stock Exchange w.e.f 06<sup>th</sup> July, 2021. Further as a part of development of the business and for the growth perspective, company had started its second manufacturing unit at Sadak Pipaliya, Gondal. At the end of F.Y. 2020-21 Company had closed its manufacturing unit operating at registered office of the company situated at Shapar, Rajkot and shifted registered office and plants at second manufacturing unit. Ganga Forging is one of the leading steel forging manufacturers. We served all major industries such as Construction, Railways, Mechanical industries, Oil refineries, Mining industry, etc. We have a wealth of experience of three decades working as a forging parts manufacturer. We have the depth and the width of experience in the industry. The company also exports forged components in raw material, semi-finished or finished stage depending upon requirements of buyers. We proudly proclaim to be the leaders in the industry.

## **Our Vision**

*"To become a leader in the forging industry by ensuring customer Satisfaction"*

## **Our Mission**

*"To get global recognition as a socially responsible corporate entity by ensuring good service and high business ethics. To provide our customers with a highly sophisticated product, with zero defects and on time delivery.*

*To evolve ourselves into quality conscious, customer oriented and fast expanding organization.*

*Our qualified team and dedicated associates at Ganga Forging Limited plays a decisive role in achieving this vision."*

We work to become the best steel forging manufacturers in the industry. We strive to accomplish our vision by maintaining a stringent quality of the components we deliver. We also ensure customer satisfaction through services that exceed expectations.

It is possible to achieve 100% customer satisfaction if we work in the right direction- this is our belief. We had a rough ride in our three decades of experience, but we never left the side of integrity and honesty.

## **Core Business Values**

- Modern capability and human resources to deliver the best forging and machine components.
- Assuring you of our best service and cooperation at all times. Ganga Forging Limited Is an ISO 9001:2015.
- Strong capability in design and engineering, including equipment and a full-fledge product testing facilities
- Committing to highest quality products & other initiative that impact lives within and outside organization
- Foster creativity that challenges constraints and drive progress
- Build positive relationship through outstanding service with each interaction
- Quality is an expression of our goal to offer reliable products and services
- We listen to and respect our customers and each other so that we can act with insight, understanding and compassion
- Consistently demonstrate an unselfish commitment to working with others to create a collaborative culture
- We never compromise the safety of our employees and the public at large
- We are accountable for our responsibilities, our decisions, our actions and the result
- We strive to deliver the highest quality and value possible through simple, easy and relevant solutions
- Create a positive and dynamic work environment that enable personal achievements, work life balance and business success
- We inspire each other to explore ideas that can make the community & world a better place

Ganga Forging Limited is not only recognized for their superbly developed, high-quality products but also for their excellent customer service. We always want clients to come back, and if they sense they've been handled properly, then they will.

## Variety of Product:

1. Anchor Shackle



2. Big Yoke



3. Blind Flanges



4. Connecting Rod-Incline



5. Forged Connecting rods - Straight



6. Forged Crankshaft



7. Forged Flanges



8. Forged Trunion Shafts



**9. Crank Shaft-Double Cylinder**



**13. Forged Yoke**



**10. Crank Shaft-Single Cylinder**



**14. Socket Clevis**



**11. Dead End PIN**



**15. Spider/Cross**



**12. Forged Clamps**



**16. Trunion Pin**



Detailed description of every products given hereinabove is available on the website of the company at <http://www.gangaforging.com/products>

## 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 Non-Executive Director)

**#Mr. Sagarkumar Govani**  
(Independent and Non-Executive 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)

### Key Managerial Personnel:

**Mrs. Avni Dadhania**  
(Chief Financial Officer)

**Ms. Drashti Vaghasiya**  
(Company Secretary & Compliance Officer)

### Audit Committee:

**Mr. Harshad Ashar**  
(Chairman)

**Mr. Mayur Kalaria**  
(Member)

**Mr. Ramesh Dhingani**  
(Member)

### Nomination and Remuneration Committee:

**Mr. Ramesh Dhingani**  
(Chairman)

**Mr. Mayur Kalaria**  
(Member)

**Mr. Harshad Ashar**  
(Member)

\*Mr. Mayurkumar Kalaria, Non-Executive Director of the Company had resigned w.e.f 09<sup>th</sup> June, 2021

#Mr. Sagarkumar Govani had been appointed as an Additional Director (Independent Director) of the Company w.e.f 4<sup>th</sup> June, 2021

## Stakeholder's Relationship Committee:

**Mr. Harshad Ashar**  
(Chairman)

**Mr. Ramesh Dhingani**  
(Member)

**Mr. Rakesh Patel**  
(Member)

### Statutory Auditors:

**Nitesh A. Joshi & Co.,**

#### **Chartered Accountants**

104, Business Centre,  
Dekiwadia Hospital Building,  
Canal Road, Rajkot-360002  
Tel No: 0281 2220596/2227216  
Email: [caniteshjoshi@gmail.com](mailto:caniteshjoshi@gmail.com)

### Secretarial Auditors:

**CS Purvi Dave**  
**Partner**

**MJP Associates,**  
**Practicing Company Secretaries**

110-112, Aalap B,  
Near Hotel Sarovar Portico,  
Opp. Shastri Maidan, Rajkot 360001  
Tel No: 0281 2461166/2461177  
Email: [mjpfirms@gmail.com](mailto:mjpfirms@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](mailto:rnt.helpdesk@linktime.co.in)  
Web: [www.linkintime.co.in](http://www.linkintime.co.in)

### Stock Exchange:

**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

### Investor Relation Contact Details:

**Investor Grievance Redressal Division**

Sr No 55/1 P6/P1/P1, Near Shree  
Stamping, Rajkot Gondal National  
highway, Pipaliya, Tal: Gondal,  
Dist: Rajkot, Pin Code: 360311,  
Email: [cs@gangaforging.com](mailto:cs@gangaforging.com)

### Bankers of the Company:

**Axis Bank Limited**

Kalavad Road Branch, Rajkot



## Registered Office and Work Unit:

### **Ganga Forging Limited**

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

## Website:

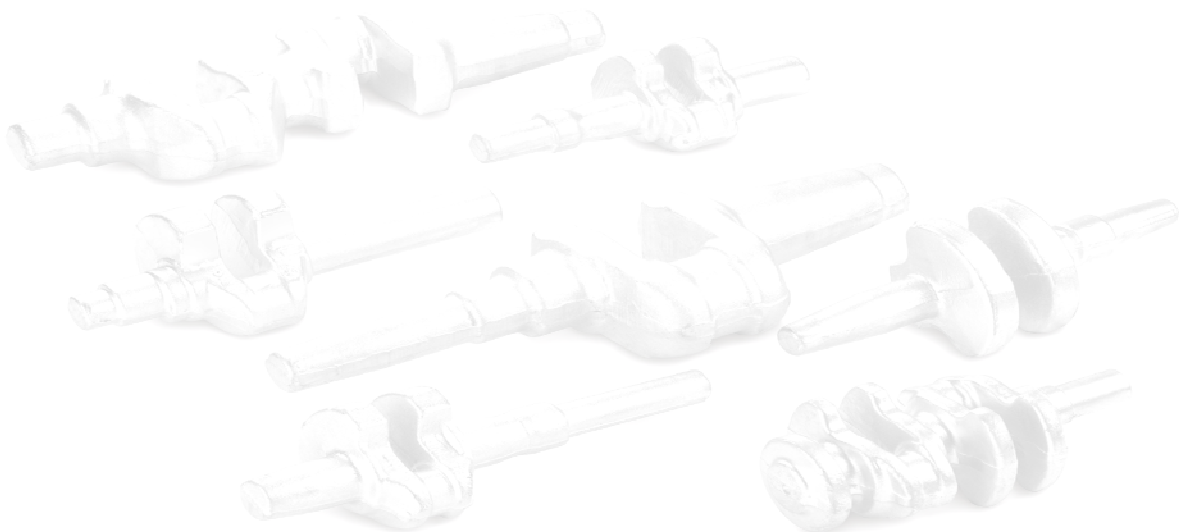
[www.gangaforging.com](http://www.gangaforging.com)

## Contact Us:

**Phone:** 02827-252077

**Fax:** 02827- 252208

**E-mail:** [gangaforging@yahoo.co.in](mailto:gangaforging@yahoo.co.in)  
[info@gangaforging.com](mailto:info@gangaforging.com)



## Chairman's Message

*Dear shareholders,*

*It gives me an immense pleasure to welcome you all at the Annual General Meeting of our Company and delighted to discuss with you about the growth and achievements which Company has made, despite the several challenges posed by the National & global economy.*

*I begin to write this message with the utmost sense of pride for the company and its dedicated employees. Keeping in mind the economic changes and slowdown that the country is facing due to threat imposed by the COVID 19 pandemic in the year 2020-2021, I am happy to announce that the company has improvised its performance in the year 2020-21. During the year under review company has recorded Net Profit of Rs. 10.72 Lacs as compared to loss during the previous financial year. The company has suffered also due to covid pandemic and could not meet the expected target of revenues, as visioned by the management during the year, we are continuously striving for the better performance of the company in the years to come.*

*At Ganga Forging Limited, we can see better days ahead following increase in the export and improving prospects in the forging industry. Our new growth engines hold immense potential to become large. We remain poised and prepared for the next decade to create significant and sustainable value for all our shareholder. 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.*

*I hope that continued support and confident of stakeholders towards the organisation will help the company to achieve its milestone and to reach at the next level of the growth and to become a global leader in the manufacturing of forging items in india.*

*In the end,I would like to present my heartfelt gratitude towards the Shareholders, Employees, Customers and other stakeholders for their continous support as well as confidence on us.*

*Thank you.*

*Sd/-*

*Hiralal Tilva*

*Chairman & Managing Director*

*[DIN:00022539]*



## 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 **Thursday, 30<sup>th</sup> September, 2021** at 11:00 a.m. at the Registered Office of the Company situated at Sr. No. 55/1 P/6 P/1 P/1, Near Shree Stamping, At: Sadak Pipaliya, Ta: Gondal, Dist: Rajkot 360 311 (Gujarat), to transact the following businesses:

### Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2021 and reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Hiralal Tilva, Chairman & Managing Director [DIN: 00022539], who retires by rotation as a Director and being eligible, offers himself for re-appointment.

### Special Business:

3. To appoint **Mr. Sagarkumar Govani [DIN: 09185913] as an Independent Director of the Company**

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Regulation 16(1)(b) and 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time and pursuant to recommendation of the Nomination and Remuneration committee of the company, Mr. Sagarkumar Govani (DIN: 09185913), who was appointed as an Additional Director (Independent) w.e.f. 04<sup>th</sup> June, 2021 by the Board of Directors pursuant to provision of Section 161(1) of the Act and the Article of Association of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable for retirement by rotation, to hold office for a period of 5 years w.e.f 04<sup>th</sup> June, 2021.”

#### 4. Omnibus approval for Related Party Transactions with Prem Trading Co. during the F.Y. 2021-22

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 2 (76), 177 and 188 of the Companies Act, 2013 read with rules made thereunder and pursuant to Regulation 23(4) of the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015 and pursuant to recommendation of the Audit Committee of the company, approval of the members be and is hereby given to the Board of Directors of the Company to enter into a transaction(s) with Prem Trading Co., a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations, for the purchase and sale of Raw Material and goods on such terms and conditions as the Board may deem fit, for a value not exceeding Rs.10,00,00,000/- (Rupees Ten Crores Only) for the F.Y. 2021-22, provided that such contract shall be carried out at arm’s length price and in the ordinary course of business.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions of the transactions to be entered into with the related party.”

**Date:** 03/09/2021

**Place:** Sadak Pipaliya

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

Sd/-  
(CS Drashti Vaghasiya)  
Company Secretary & Compliance Officer  
[Membership No. A58976]

## 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/herself and the proxy need not be a member of the Company. The instrument appointing the proxy should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. 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.
3. If a proxy is appointed for more than fifty Members, he/she 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.
4. Attendance slip, proxy form and the route map of the venue of the meeting are annexed hereto.
5. 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.
6. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses as set out in the Notice is annexed herewith.
7. In view of the prevailing situation of COVID 19 pandemic, owing to the difficulties involved in dispatching of physical copy of Annual Report, soft copy of annual report is being sent to all the members whose email address is registered with Company/Depository Participant(s). Further for those members who have not registered their email address, may note that copy of annual report for the financial year 2020-21 is also available on the website of the company at [www.gangaforging.com](http://www.gangaforging.com) for download. Furthermore, MCA general circular No. 02/2021 dated 13<sup>th</sup> January, 2021 read with General

Circular No. 20/2020 dated 05<sup>th</sup> May, 2020 and SEBI circular dated 15<sup>th</sup> January, 2021 read with circular dated 12<sup>th</sup> May, 2020 has also provided relaxation to the company in sending of physical copy of annual report to the members. In view of the above situation and in compliance of circulars company will not be printing physical copy of the annual report.

8. In compliance of Section 108 of the Companies, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 44 of the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015, your company is pleased to provide e-Voting facility to its members for the business as may be transacted at the Annual General Meeting of the Company.
9. The members who have cast their votes by remote e-voting prior to the AGM may attend the meeting but shall not be entitled to cast their vote again.
10. E-voting platform for remote e-voting shall be provided by the Link Intime India Private Limited (Instavote). The detailed instructions for remote e-voting as per the SEBI Circular dated 09<sup>th</sup> December, 2020 are annexed to this notice.
11. The remote e-voting period shall commence at 09:00 AM on Monday, 27<sup>th</sup> September, 2021 and will end at 05:00 PM on Wednesday, 29<sup>th</sup> September, 2021. During this period, the members of the company holding shares as on the cutoff date i.e Wednesday, 22<sup>nd</sup> September, 2021 may cast their vote electronically. E-voting module shall be disabled by the Link Intime after 05:00 PM on Wednesday, 29<sup>th</sup> September, 2021.
12. Member's voting rights shall be in proportion to his/her share of paid up share capital of the company. In case of Joint holders attending the meeting together, only whose name appearing first, will be entitled to vote.
13. Brief Profile of the director retiring by rotation and being eligible offer himself for re-appointment at the ensuing meeting are provided in the "Annexure" to the notice.
14. The register of Member and Share Transfer Books will remain close from 22<sup>nd</sup> September, 2021 to 30<sup>th</sup> September, 2021 [Both days inclusive] for the purpose of Annual General Meeting. The book closure dates have been fixed in consultation with the Stock Exchange.

15. 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.
16. The person whose name is registered in the register of members of the Company or in the register of beneficial owner as maintained by the depositories as on Friday, 03<sup>rd</sup> September, 2021 [Cut-off date for receiving Notice and Annual Report], shall be entitled for receiving of the Notice of Annual General Meeting along with Annual Report for the F.Y. 2020-21, through their registered Email-id.
17. The persons whose name is recorded in the Register of Members of the Company or in the Register of Beneficial Owners as maintained by the Depositories as on Wednesday, 22<sup>nd</sup> September, 2021 (i.e., cut-off date) only shall be entitled to vote through remote e-voting or at the venue of AGM.
18. Members desirous of getting any information about the Accounts and/ or Operations of the Company or any questions at the Annual General Meeting are requested to write to the Company so as to reach the Company's Registered Office at least 7 days before the Annual General Meeting to enable us to keep the information ready at the Meeting.
19. The company has appointed CS Samir Mukundrai Pathak, Partner, MJP Associates, Practising Company Secretaries, Rajkot to act as a scrutinizer, to scrutinize the voting through remote e-voting and voting through poll at the Annual General Meeting of the Company in a fair and transparent manner.
20. The voting results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall also be placed on the Website of the Company [www.gangaforging.com](http://www.gangaforging.com) and also on the website of Stock Exchange after the result is declared by the Chairman and communicated to the Stock Exchange.
21. Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company during normal business hours on all working days (i.e. except Wednesday and public holidays) up to the date of the meeting. The aforesaid documents will be also available for inspection by members at the meeting.

22. Members holding shares in the electronic mode are requested:

1. to submit their PAN and bank account details to their respective DPs with whom they are maintaining their Demat accounts.
2. to contact their respective DPs for registering the nomination.
1. to register/update their e-mail address with their respective DPs for receiving all communications from the company electronically.



## Instructions for E-voting:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> <li>• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password.</li> <li>• After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>• If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ul>

	<ul style="list-style-type: none"> <li>• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ul style="list-style-type: none"> <li>• Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>• After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>• If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https://web.cdslindia.com/myeasi./Registration/EasiRegistration</a></li> <li>• Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li> </ul>

# NOTICE OF AGM



<p>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</p>	<ul style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
<p>Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</p>	<p>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></p> <p>► Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -</p> <ul style="list-style-type: none"> <li>A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company.</li> <li>B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li>C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ul> <ul style="list-style-type: none"> <li>Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above</li> </ul> <p>► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</p> <p>► Click “confirm” (Your password is now generated).</p>

2. Click on 'Login' under 'SHARE HOLDER' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.
4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

### **Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution / authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

### **Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
  - Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
  - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
  - The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

## **Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

• Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participant's website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

## **Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 -4918 6000.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

#### **Item No. 3:**

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the company at their meeting held on 04<sup>th</sup> June, 2021, had appointed Mr. Sagarkumar Govani [DIN: 09185913] as an additional director in the capacity of Non-Executive Independent Director of the company pursuant to section 161(1) of the companies Act, 2013 and Article of Association of the Company to hold office up to the date of this Annual General Meeting. They also meet the criteria of independence for appointment as an Independent director of the company as provided in the Act. Further, company has received a notice in writing under section 160 of the Act from a member signifying the intention to propose candidature of Mr. Sagarkumar Govani as an Independent Director of the company. Company has also received a declaration from Mr Sagarkumar Govani that he meets the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013, Rules made thereunder and also under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, he has also confirmed that he is not disqualified from being appointed as Director under Section 164 of the said Act nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given his consent to act as a Director of the Company.

The Board of Directors are of the opinion that Mr. Sagarkumar Govani is a person of integrity and possesses relevant expertise and experiences and eligible for the position of an Independent Director of the Company and fulfills conditions specified under the provisions of companies Act, 2013.

His brief resume, the nature of his expertise in specific functional areas, names of companies in which he holds Directorship, Committee Memberships/ Chairmanships, his shareholding etc., are separately annexed hereto.

Members are hereby requested to accord their consent for the said matter and pass the Resolution at Item no. 3 as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or Relatives of Directors is interested or concerned in this resolution.

Any Document referred to in aforesaid resolution at Item No. 3 is available for inspection for any member at the registered office of the company between 10:00 AM and 05:00 PM during any working day (Except Wednesday).

## **Item No. 4:**

The Company had entered into transactions with Prem Trading Co., a Proprietorship Firm of Mr. Rakesh Patel [DIN: 00510990] Managing Director of the company, for Purchase and Sale of Raw Material and goods at arm's length price and in the ordinary course of business. Members may note that in terms of the provisions of Section 188 of the Companies Act, 2013 ('The Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014 and pursuant to provisions of the Regulation 23 of the SEBI Listing Regulations, it is necessary to obtain prior approval of the members for the related party transactions which exceeds the limit as may be specified in the Section and Rules framed under the Act. However, as per the provisions of the Section 188 of the Act, approval of members is not necessary for transactions which is in the ordinary course of business and at arm's length price. As stated earlier, it is further clarified that said transactions are in ordinary course of business & at arm's length prices. However, as per the policy adopted by the company on related party transactions and as a part of good corporate governance practice, it is advisable to take approval of members for better transparency of transactions with the related party.

Brief particulars of transaction to be entered into with related party is as given below:

Sr. No.	Particulars	
1.	Name of the Related Party	Prem Trading Co.
2.	Name of the director or key managerial personnel who is related, if any	1. Rakesh Patel, Managing Director 2. Parulben Patel, Wholetime Director (Wife of Rakesh Patel)
3.	Nature of relationship	Proprietorship Firm of Rakesh Patel
4.	Nature and particulars of the contract or arrangements	Purchase and sale of Raw Materials and Goods
5.	Monetary value of transaction	10 Crore

Members are hereby requested to accord their consent for the said matter and pass the Resolution at Item no. 4 as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or Relatives of Directors is interested or concerned in this resolution except Mr. Rakesh Patel, Managing Director [DIN: 00510990], Mrs. Parulben Patel, whole time Director [DIN: 07528313], Mr. Manishkumar Patel and Mrs. Shitalben Nar relatives of the KMP, are interested in the said resolution.

## NOTICE OF AGM



Any Document referred to in aforesaid resolution at Item No. 4 is available for inspection for any member at the registered office of the company between 10:00 AM and 05:00 PM during any working day (Except Wednesday).

**Date:** 03/09/2021

**Place:** Sadak Pipaliya

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

Sd/-

(CS Drashti Vaghasiya)

Company Secretary & Compliance Officer  
[Membership No. A58976]



## "ANNEXURE TO NOTICE"

### Brief Profile of Director Retiring by Rotation and Seeking Reappointment at the Ensuing Annual General Meeting

<b>Name of Director</b>	Shri Hiralal Tilva	Mr. Sagarkumar Govani
<b>DIN</b>	00022539	09185913
<b>Date of Birth</b>	19/01/1949	18/07/1975
<b>Expertise in Specific Functional areas and experience</b>	Shri Hiralal Mahidas Tilva, aged 72 years, is one of the Promoters of our Company. He is associated with our Company since incorporation. He holds a Bachelor's degree in Science from Saurashtra University. He is a first generation entrepreneur and has an experience of over 32 (Thirty-Two) years in Forging Industry. He has been the driving force behind the promotion and development of our Company and has contributed immensely towards the overall growth, innovation and success of our Company. He is responsible for expansion of our business and finding new products.	He has completed his B.Pharm in the year 1997 from Dharwad University, Karnataka. He has been appointed as an Additional (Independent) Director of our Company on June 04, 2021. He has experience in the the Pharmaceutical field and has more than 17 years of experience in the field of Pharma Industry.
<b>Directorship held in other companies</b>	<ol style="list-style-type: none"> <li>1. Narmada Forge Private Limited</li> <li>2. Narmada Rings Private Limited</li> </ol>	Nil
<b>Shareholding in the Company</b>	16,02,736 Equity Shares	Nil
<b>Membership/Committee positions held in other companies</b>	Nil	Nil

# NOTICE OF AGM



<b>Membership/Committee positions held in other companies</b>	Nil	Nil
<b>Relation with other director/s</b>	<ol style="list-style-type: none"><li>Sheetal Chaniara, Whole time Director: Daughter</li><li>Avni Dadhaniya, Chief Financial Officer: Daughter</li></ol>	None

## Report of the Board of Directors

To,  
The Members,  
Ganga Forging Limited,

Your Directors are pleased to present their Annual Report for the financial year ended on 31st March, 2021.

### FINANCIAL RESULTS:

Your Company's performance for the year ended on 31st March, 2021, is summarized as under:

(Amt. in Rs.)

Sr. No.	Particulars	2020-21	2019-20
1	Revenue from Operation	22,98,15,918	23,65,79,717
2	Other Income	10,19,369	10,35,575
3	<b>Total Revenue (1+2)</b>	<b>23,08,35,287</b>	<b>23,76,15,292</b>
4	Employees Benefits Expense	1,91,07,389	2,26,33,196
5	Depreciation & Amortization Exp.	87,39,222	88,02,864
6	Finance Cost	79,38,782	1,26,81,271
7	Other Expenses	5,24,04,090	5,23,46,568
8	<b>Profit/(Loss) Before Tax</b>	<b>17,29,052</b>	<b>(2,80,20,435)</b>
9	Current Tax	0	0
10	Deferred Tax	6,56,819	(68,66,437)
11	<b>Profit / (Loss) After Tax (PAT)</b>	<b>10,72,233</b>	<b>(2,11,53,998)</b>

### STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

During the year under report, the Company had earned Revenue from Operation of Rs. 22,98,15,918/- in comparison to Revenue from Operation of Rs. 23,65,79,717/- made in the previous financial year 2019-20. Further, the Company has recorded Net Profit of Rs. 10,72,233/- during the current financial year 2020-21, in comparison to the Net Loss of Rs. 2,11,53,998/- made in the previous financial year 2019-20. During the year under report, finance cost of the company had been decreased from Rs. 1,26,81,271/- of previous financial year to Rs. 79,38,782/-. Despite the marginal decrease in revenue from operation of the company as compared to previous financial year, the company has earned profitability as compared to loss during the previous financial year. The Management of the Company is continuously striving to increase the profitability of the company and also assures to maintain stability in the business operation and make expansion by enlarging their business activities in the forthcoming years.

## FINANCIAL STATEMENT:

In accordance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the copy of Annual Report of the company for the financial year 2020-21, along with Directors' Report and all its annexures (including Management Discussion & Analysis) is being sent to all those shareholders who have registered their email address with the company or depository.

Further, the Annual Report for the F.Y. 2020-21 is also available for inspection at the registered office of the Company during working hours up to the date of ensuing Annual general meeting (AGM). It is also available at the Company's website [www.gangaforging.com](http://www.gangaforging.com) and also available on the website of the Stock Exchange [www.nseindia.com](http://www.nseindia.com) under corporate announcement section.

## DECLARATION OF DIVIDEND AND TRANSFER OF AMOUNT TO RESERVES:

With a view to plough back profits and in order to conserve resources for operational purposes, your Directors do not recommend any dividend.

Moreover, no amount is being transferred to general reserves.

## CHANGE IN NATURE OF BUSINESS:

As company is engaged in the business of manufacturing and job work of closed die forged products and generated almost 98% of total revenue from it during the year under report. There has been no change in nature of business of the Company during the year under report.

## SHARE CAPITAL:

Authorized Share Capital of the Company had been increased **from** Rs. 8,50,00,000/- (Rupees Eight Crore Fifty Lacs only) divided into 85,00,000 (Eighty-Five Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each **to** Rs. 12,00,00,000/- (Rupees Twelve Crore Only) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each, after obtaining the approval of members by passing of resolutions in the Annual General Meeting of the company held on 28<sup>th</sup> December, 2020.

Further, the Paid up Equity share Capital of the Company had been also increased from Rs. 7,94,73,310/- (Rupees Seven Crores Ninety-Four Lacs Seventy-Three Thousand Three Hundred and Ten only) divided into 79,47,331 (Seventy-Nine Lacs Forty-Seven Thousand Three Hundred Thirty-One) Equity Shares of Rs 10/- (Rupees Ten only) each to Rs. 10,59,64,410 (Rupees Ten Crore Fifty-Nine Lacs Sixty-Four Thousand Four Hundred and Ten Only) divided into 1,05,96,441 (One Crore Five Lacs Ninety-Six Thousand Four Hundred and Forty-One) Equity Share of Rs. 10/- (Rupees Ten Only) each, by issuing 26,49,110 (Twenty-Six Lacs Forty-Nine Thousand One Hundred and Ten) equity shares of Rs. 10/- (Rupees Ten Only) each as a fully paid up Bonus Shares in the ratio of One Equity Shares for every Three Equity Shares held by the shareholder as on the record date decided by the Board of Directors of the company.

Therefore, paid up share capital of the company as on 31<sup>st</sup> March, 2021 was Rs. 10,59,64,410 (Rupees Ten Crore Fifty-Nine Lacs Sixty-Four Thousand Four Hundred and Ten Only) divided into 1,05,96,441 (One Crore Five Lacs Ninety-Six Thousand Four Hundred and Forty-One) Equity Share of Rs. 10/- (Rupees Ten Only) each. Further, during the year under report the Company has not issued any share with differential voting rights nor granted stock options or sweat equity or any convertible instrument.

#### **SHIFTING OF REGISTERED OFFICE AND MANUFACTURING UNIT:**

Registered office of the company had been shifted outside the local limit of the city i.e from Shapar, Rajkot to Sadak Pipaliya, Gondal. Further, along with shifting of registered office of the company, manufacturing unit at the registered office of the company had also been closed and shifted at second manufacturing unit where the registered office had been shifted.

#### **MIGRATION FROM SME-EMERGE PLATFORM TO THE MAIN BOARD OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED**

Initially total securities of the company consisting of 79,47,331 Equity shares were listed on National Stock Exchange of India Limited, (SME/Emerge), Mumbai w.e. f. 11th July, 2018. Further, company had issued 26,49,110 shares as a Bonus Shares to the existing shareholders of the company in the ratio of 1 (One) Equity Share for every 3 (Three) Equity Shares held and the said shares also got listed on the National Stock Exchange of India Limited, (SME/Emerge) on 19th January, 2021. Total securities of the company consisting of 1,05,96,441 Equity Shares migrated from the SME-Emerge Platform to the Main Board of the National Stock Exchange of India Limited w.e.f 06<sup>th</sup> July, 2021.

## EXTRACT OF ANNUAL RETURN:

In terms of Section 134(3)(a) of the Companies Act, 2013, the extract of Annual Return, in **Form 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 2020-21 is attached as "**Annexure I**" to this report and the same is also available at the company's website [www.gangaforging.com](http://www.gangaforging.com) at the link <https://www.gangaforging.com/investorsrelation/annualreports>

## BOARD MEETINGS AND INDEPENDENT DIRECTORS MEETING:

During the year under review, 12 (Twelve) number of Board meetings were held on 29/06/2020, 14/08/2020, 05/09/2020, 12/09/2020, 05/10/2020, 04/11/2020, 12/11/2020, 27/11/2020, 13/01/2021, 05/02/2021, 16/02/2021 and 19/03/2021 and requisite quorum were present at the said meetings.

Further, pursuant to the provision of Schedule IV of the Companies Act, 2013 meeting of the Independent Directors of the company was held on 13<sup>th</sup> January, 2021 for the followings:

- to review the performance of Non Independent Directors and the Board as a whole;
- to review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonable perform their duties.

Non- Executive including Independent Directors plays a crucial role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board meetings like formulation in business strategies, monitoring of performances etc. Their role, *inter alia*, includes:

- Impart balance to the Board by providing Independent Judgements
- Provide feedback on company's Strategy and Performances
- Provide effective recommendations for further improvements
- To balance and safeguard the interest of the Stakeholders

**DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:**

All the Independent Directors have confirmed and give a declaration 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 and also confirmed that they have registered themselves in the independent director's databank maintained by Indian Institute of Corporate Affairs as per rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

**BOARD'S RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;
- 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 of the company for that year;
- c) the directors had taken proper and sufficient care to the best of their knowledge and ability 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 annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively as at 31st March, 2021 based on the internal control over financial reporting criteria established by the company.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws, rules, regulations and such systems were adequate and operating effectively;

## RELATED PARTY TRANSACTIONS:

During the year under report, the Company has entered into transactions with related parties for the purchase of materials, sale of goods and for jobwork. The said transactions were carried on at arm's length price and in the ordinary course of business, and hence do not fall within purview of Section 188(1) of the Companies Act 2013. 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 Form AOC-2 and attached to this report as "**Annexure II**".

## STATUTORY AUDITOR AND AUDITOR'S REPORT:

Members are already aware that **M/s. Nitesh A. Joshi & Co. Chartered Accountants [Firm Registration No. 127578W] Rajkot** had been appointed as statutory auditor of the company in the Annual General Meeting of the company held on 24<sup>th</sup> September, 2019 to hold office from the conclusion of that annual general meeting till the conclusion of Annual General meeting to be held in the 2024 (for the financial year 2023-24) by passing of Ordinary Resolution on such remuneration as may be decided and approved by Board of Directors of the Company in consultation with Audit Committee of the company.

The Auditor's Report along with financial statement and all its annexures forming part thereof for the financial year ended March 31, 2021 forms part of this Annual Report 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 forming part of auditor's opinion provided as key audit matters in their report read with the relevant notes to accounts in schedule are self-explanatory and do not require further explanation.

### **Audit Observations & reply of the Board:**

Auditors have observed that there is delay in payment of undisputed statutory dues such as GST and Gratuity Payment for more than 6 months and outstanding as on 31<sup>st</sup> March, 2021. The Board would like to clarify that during the financial year 2020-21, due to overall impact of pandemic situation of COVID-19, performance of the Company was interrupted and consequent to that cash flow of the company was also interrupted. Therefore, due to financial crunches company fails to make the payment of dues within the prescribed time. The management ensures that in the years to come, the Company will not make any delay in deposit of undisputed statutory dues within time.



## SECRETARIAL AUDITORS:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules framed thereunder, the Board has appointed CS Purvi Dave, Partner, MJP Associates, Practising Company Secretaries, Rajkot as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for the FY 2020-21.

Secretarial Audit Report in Form MR-3 issued by the Secretarial Auditor of the Company for the Financial Year ended on March 31, 2021 is attached to the Director's Report as "**Annexure III**".

Some observations as given under the secretarial audit report by the Secretarial Auditor for the FY 2020-21 are as under:

1. The company has submitted shareholding pattern under Regulation 31 for the quarter ended 31<sup>st</sup> March, 2020 after due date (i.e delayed by One Day) and the company has delayed complied with regulation 13(3) for the quarter ended March 31, 2020(i.e. Delayed by One Day). Observed further that Non Compliance or Delayed Compliance of Appointment of Company Secretary cum Compliance Officer under Regulation 6(1) delayed by 138 days.

**Reply by the Board:** The Board would ensure for timely compliances of all applicable Listing Regulations. Further, Company had also complied with Regulation 6(1) of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 by appointment of Whole-time Company Secretary cum Compliance officer w.e.f 04<sup>th</sup> November, 2020.

## 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 and Power consumption expenses of the company had also been decreased from Rs. 1,83,17,336/- to Rs. 1,43,14,238/- as compared to previous financial year. Further, your company is increasingly using information technology in its operations and promotes conservation of energy and resources.

Further, there are no significant expenses on technology absorption during the year. However, Company has purchased all its machineries installed at factory of latest technology for higher quality and better performance in view of technology absorption in the Company.

Moreover, the Company has reported Foreign Exchange Earnings and Expenses made as under:

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
Foreign Exchange Earnings	Nil	12,37,404
Foreign Exchange Outgo	Nil	Nil

### **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 having net worth of Rs. 500 Crores or more OR an annual turnover of Rs. 1000 Crores or more OR a net profit of Rs. 5 Crores or more, during the immediately preceding financial year i.e. 2019-20 is required to constitute a CSR Committee. Ganga Forging Limited does not fall in any of the above criteria during the year 2019-20. Therefore, it is not required mandatorily to carry out any CSR activities or constitute any Committees under provisions of Section 135 of the Act during the year under report.

However, at Ganga Forging Limited we strongly believe that it's our moral responsibility to play an active role in discharging the social obligations for betterment of society in which we operate.

### **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 their 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 member of the committee for this purpose.

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 on the website of the company at <http://www.gangaforging.com/investorsrelation/policiesandcodeofconduct>

#### **RISK MANAGEMENT:**

The Company is not under the purview for constituting Risk management committee under the provisions of regulation 21 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. However, the Board periodically reviews the operations of the Company and identifies the risk / potential risk, if any to the Company and implement the necessary course of action(s) which the Board deems fit in the best interest of the Company.

#### **CORPORATE GOVERNANCE:**

As per Regulation 15(2) read with regulation 34 (3) and Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 our company was listed on SME Platform of National Stock Exchange of India Limited during the year under review. Therefore, compliance with certain corporate governance provision and preparation of corporate governance report is not applicable to the company. Although relevant information is provided in the Board's Report.

#### **DETAILS OF BOARD OF DIRECTORS:**

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, one-third of such number 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. Consequently, Shri. Hiralal Tilva, Chairman and Managing Director [DIN 00022539] will retire by rotation at the ensuing AGM, and being eligible, offer himself for re-appointment in accordance with provisions of the Companies Act, 2013. The Board of Directors recommend their re-appointment for approval of members at the ensuing AGM.

As on 31st March, 2021, the Board of Directors comprised of the following Directors:

Sr. No.	Name	Designation	Director Identification Number (DIN)	Date of Appointment
1.	Hiralal Mahidas Tilva	Managing Director	00022539	02/04/2018
2.	Rakesh Chhaganlal Patel	Managing Director	00510990	10/03/2016

Sr. No.	Name	Designation	Director Identification Number (DIN)	Date of Appointment
3.	Sheetal Sanjivkumar Chaniara	Whole time Director	07528297	01/09/2017
4.	Parulben Rakeshbhai Patel	Whole time Director	07528313	01/09/2017
5.	Mayurkumar Mansukhlal Kalaria	Director	08099999	02/04/2018
6.	Jasubhai Khimjibhai Patel	Independent Director	01006449	21/04/2018
7.	Harshad Vinodrai Ashar	Independent Director	07928692	01/03/2018
8.	Rameshbhai Gordhanbhai Dhingani	Independent Director	07946841	01/03/2018

After the end of financial year but before the date of signing of this report following changes take place in the composition of the Board of Directors of the company:

1. The Board of Directors had appointed Mr. Sagarkumar Govani [DIN: 09185913] as an Additional Director (Independent) of the company w.e.f 04<sup>th</sup> June, 2021.
2. Mr. Mayurkumar Kalariya [DIN: 08099999] had resigned from the post of non-executive & non independent Director of the company w.e.f 09<sup>th</sup> June, 2021.

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.

#### COMMITTEES OF BOARD OF DIRECTORS:

As per provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has established and constituted three committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee as a part of better corporate governance practice. Composition of such committees also available on the website of the company at <https://www.gangaforging.com/investorrelation/compositioncommittee>

### 1. AUDIT COMMITTEE:

Composition of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee comprised of **3 members**. The details of composition of the Audit Committee along with their meetings held and attended is as follow:

Sr No.	Name	Status	Category	No. of Meetings held/attended
1	Mr. Harshad Ashar	Chairperson	Non-Executive & Independent Director	4/4
2	Mr. Mayur Kalaria	Member	Non-Executive Director	4/4
3	Mr. Ramesh Dhingani	Member	Non-Executive & Independent Director	4/4

During the year under report, meetings of the Audit Committee were held on 29/06/2020, 05/10/2020, 12/11/2020 and 13/01/2021 and the said meetings were attended by all the committee members.

After the end of the financial year but before the date of signing of this report, constitution of the committee has been changed due to resignation of Mr. Mayurkumar Kalaria from the post of non-executive Director of the company w.e.f 09<sup>th</sup> June, 2021. Revised constitution of the committee is as given below:

Sr No.	Name	Status	Category
1	Mr. Harshad Ashar	Chairperson	Non-Executive & Independent Director
2	Mr. Ramesh Dhingani	Member	Non-Executive & Independent Director
3	Mr. Sagarkumar Govani	Member	Non-Executive & Independent Director (Additional Director)

## 2. NOMINATION AND REMUNERATION COMMITTEE:

Composition of the Nomination and Remuneration Committee meets the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Nomination and Remuneration Committee comprised of 3 members. The details of composition of the Nomination and Remuneration Committee along with their meetings held and attended is as follow:

Sr No.	Name	Status	Category	No. of Meetings held/attended
1	Mr. Ramesh Dhingani	Chairperson	Non-Executive & Independent Director	4/4
2	Mr. Mayur Kalaria	Member	Non-Executive Director	4/4
3	Mr. Harshad Ashar	Member	Non-Executive & Independent Director	4/4

During the year under report, Nomination and Remuneration Committee of the company met once on 26<sup>th</sup> June, 2021 and the said meeting was attended by all the committee members.

After the end of the financial year but before the date of signing of this report, constitution of the committee has been changed due to resignation of Mr. Mayurkumar Kalaria from the post of non-executive Director of the company w.e.f 09<sup>th</sup> June, 2021. Revised constitution of the committee is as given below:

Sr No.	Name	Status	Category
1	Mr. Harshad Ashar	Chairperson	Non-Executive & Independent Director
2	Mr. Ramesh Dhingani	Member	Non-Executive & Independent Director
3	Mr. Sagarkumar Govani	Member	Non-Executive & Independent Director (Additional Director)

### 3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Composition of the Stakeholders Relationship Committee meets the requirement of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Stakeholders Relationship Committee comprised of 3 members. The Stakeholders Relationship Committee is mainly responsible to review grievances related to security of the company and for redressal of any other complaints received from the investors/stakeholders of the company. The details of composition of the Stakeholders Relationship Committee along with their meeting held and attended is as follow:

Sr No.	Name	Status	Category	No. of Meetings held/attended
1	Mr. Harshad Ashar	Chairperson	Non-Executive & Independent Director	4/4
2	Mr. Rakesh Patel	Member	Managing Director	4/4
3	Mr. Ramesh Dhingani	Member	Non-Executive & Independent Director	4/4

During the year under report, Stakeholders Relationship Committee of the company met once on 26<sup>th</sup> June, 2021 and the said meeting was attended by all the committee members.

#### **KEY MANAGERIAL PERSONNEL:**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

1. Shri. Hiralal M. Tilva, Chairman and Managing Director
2. Mr. Rakesh Patel, Managing Director
3. Mrs. Sheetal S. Chaniara, Whole time Director
4. Mrs. Parulben R. Patel, Whole time Director
5. Ms. Drashti Vaghasiya, Company Secretary and Compliance Officer

Ms. Drashti Vaghasiya had been appointed as Company Secretary & Compliance Officer of the company w.e.f 04<sup>th</sup> November, 2020

**PARTICULARS OF EMPLOYEES:**

There are no employees 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.

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

Pursuant to the provisions of Section 134(3)(p) 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 Relationship 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 RECORDS AND AUDIT:**

The company is not required to maintain cost records as prescribed by the Central Government under Section 148(1) of the Companies Act, 2013. Therefore, no cost records have been maintained by the company. Therefore, requirements for cost audit shall not applicable to the company.

**COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company has complied with all the applicable Secretarial Standards in the Financial Year 2020-21 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 a policy on “Prevention of Sexual Harassment at work place” and the same is also available on the website of the company at <https://www.gangaforging.com/investorrelation/policiesandcodeofconduct> 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

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In Terms of the Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, Management Discussion and Analysis report has been separately furnished in the Annual Report and forms part of the Board of Directors Report as “**ANNEXURE- IV**”.

#### **RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2019-20:**

The information required pursuant to provision of Section 197(12) read with rule 5(1)(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employee of the company for the F.Y. 2020-21 forms part of this report as “**ANNEXURE- V**”.

### **DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The company has in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting is operating effectively. 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. Our statutory auditor of the company has also provided his opinion on adequacy of internal financial control system in the audit report.

### **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.

### **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.

### **SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES:**

As at 31st March, 2021, the Company doesn't have any Subsidiary, Joint Venture or Associate Companies.

### **OTHER DISCLOSURES AS REQUIRED UNDER THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER:**

1. There have been no material changes/commitments affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date on report;
2. During the year under review your company has not accepted the deposit from the public under section 73 to 76 of the Companies Act, 2013 and the rules made thereunder;

3. No significant or material orders were passed by the Regulators or courts or tribunals which impact the going concern status and company's operations in future
4. There have been no instances of any revision in the Board's Report or the financial statement; hence disclosure under Section 131(1) of the Act is not required.
5. The Company has not paid any commission to any of its Directors and hence, provision of disclosure of commission paid to any Director as mentioned in Section 197(14) is not required to disclose.
6. The Company has not issued (a) any shares with differential voting rights (b) Sweat Equity shares (c) shares under any Employee stock option scheme; hence no disclosures are required to be made as per the Companies (Share Capital and Debentures) Rules, 2014.

## ACKNOWLEDGEMENT:

Your Directors place on record their gratitude to the government 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 efforts of investors, vendors, dealers, business associates and employees in ensuing and excellent all around operational performance.

Date : 03/09/2021

Place :Sadak Pipaliya

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

Sd/-

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

# "Annexure - I"

## 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 31/03/2021

#### (I) REGISTRATION AND OTHER DETAILS:

(i)	CIN	L28910GJ1988PLC011694
(ii)	Registration date	29 <sup>th</sup> 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	<b><u>Address of Registered Office:</u></b> Sr. No. 55/1 P/6 P/1 P/1, Near Shree Stamping, At: Sadak Pipaliya, TA: Gondal 360 311, Rajkot, Gujarat, India  <b><u>Contact Details:</u></b> 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.	<b>Link Intime India Private Limited,</b> 247 Park, C-101, LBS Marg, Vikhroli (West), Mumbai-400 083 <b>Phone:</b> 022-49186270, <b>Fax:</b> 022- 49186060 <b>Email:</b> rnt.helpdesk@linktime.co.in <b>Web:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

**(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 main products/services	NIC Code of the Product /service	% to total turnover of the company
01	Forging of Articles	25910	98.26%

**(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 01.04.2020				No of Shares held at the end of the year 31.03.2021				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A</b>	<b>PROMOTERS</b>									
(1)	<b>Indian</b>									
(a)	Individual/HUF	53,74,903	---	53,74,903	67.53%	71,66,540	---	71,66,540	67.63%	---
(b)	Central Govt.	---	---	---	---	---	---	---	---	---
(c)	State Govt.(s)	---	---	---	---	---	---	---	---	---
(d)	Bodies Corp.	---	---	---	---	---	---	---	---	---
(e)	Banks/FIs	---	---	---	---	---	---	---	---	---
(f)	Any Other	---	---	---	---	---	---	---	---	---
<b>Sub - Total (A) (1)</b>		<b>53,74,903</b>	<b>---</b>	<b>53,74,903</b>	<b>67.63%</b>	<b>71,66,540</b>	<b>---</b>	<b>71,66,540</b>	<b>67.63%</b>	<b>---</b>
(2)	<b>Foreign</b>									
(a)	NRI - Individuals	---	---	---	---	---	---	---	---	---
(b)	Other - Individuals	---	---	---	---	---	---	---	---	---
(c)	Bodies Corp.	---	---	---	---	---	---	---	---	---
(d)	Banks/FI	---	---	---	---	---	---	---	---	---
(e)	Any Other	---	---	---	---	---	---	---	---	---
<b>Sub - Total (A) (2)</b>		<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
	<b>TOTAL Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>53,74,903</b>	<b>---</b>	<b>53,74,903</b>	<b>67.63%</b>	<b>71,66,540</b>	<b>---</b>	<b>71,66,540</b>	<b>67.63%</b>	<b>---</b>

<b>B</b>	<b>PUBLIC SHAREHOLDING</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds	---	---	---	---	---	---	---	---	---
(b)	Banks/FI	---	---	---	---	---	---	---	---	---
(c)	Central Govt.	---	---	---	---	---	---	---	---	---
(d)	State Govt.	---	---	---	---	---	---	---	---	---
(e)	Venture Capital Funds	---	---	---	---	---	---	---	---	---
(f)	Insurance Companies	---	---	---	---	---	---	---	---	---
(g)	FIs	---	---	---	---	---	---	---	---	---
(h)	Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
(i)	Others	---	---	---	---	---	---	---	---	---
	<b>Sub - Total (B) (1)</b>	---	---	---	---	---	---	---	---	---
<b>2</b>	<b>Non-Institutions</b>									
(a)	<b>Bodies Corporate</b>	---	---	---	---	---	---	---	---	---
(i)	Indian	2,34,244	---	2,34,244	2.95	1,44,000	--	1,44,000	1.36	(1.58)
(ii)	Overseas	---	---	---	---	---	---	---	---	---
(b)	<b>Individuals</b>									
(i)	Individual shareholders holding nominal share capital upto Rs.1 Lakh	2,33,908	---	2,33,908	2.94	3,12,378	--	3,12,378	2.95	0.01

(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	20,14,276	---	20,14,276	25.34	28,69,901	--	28,69,901	27.08	1.74
(c)	Others									
	HUF	90,000	---	90,000	1.13	8,000	--	8,000	0.075	(1.05)
	Clearing Member	---	---	---	---	95,622	--	95,622	0.90	0.90
	<b>Sub-total(B) (2)</b>	25,72,428	---	25,72,428	<b>32.36</b>	34,29,901	--	34,29,901	<b>32.36</b>	---
	<b>Total Public shareholding (B)=B(1)+B(2)</b>	25,72,428	---	25,72,428	32.36	34,29,901	--	34,29,901	<b>32.36</b>	---
C	Shares held by Custodian for ADRs and GDRs.	---	---	---	---	---	---	---	---	---
<b>GRAND TOTAL</b>		<b>79,47,331</b>	<b>---</b>	<b>79,47,331</b>	<b>100</b>	<b>1,05,96,441</b>	<b>---</b>	<b>1,05,96,441</b>	<b>100</b>	<b>---</b>



**(ii) SHAREHOLDING OF PROMOTERS:**

Sr. No.	Shareholder's name	Shareholding at the beginning of the year 01.04.2020			Shareholding at the end of the year 31.03.2021			% Change of total capital as on 31.03.2021
		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	15.12	NA	16,02,736	15.12	NA	--
2	Rakesh Chhaganlal Patel	6,46,668	8.13	NA	8,62,224	8.13	NA	--
3	Sheetal Sanjivkumar Chaniara	2,80,000	3.52	NA	3,73,333	3.52	NA	--
4	Hetal Mayurkumar Kalaria	2,80,000	3.52	NA	3,73,333	3.52	NA	--
5	Avni Nileshkumar Dadhaniya	2,80,000	3.52	NA	3,73,333	3.52	NA	--
6	Daxaben Hiralal Tilva	4,55,000	5.72	NA	6,06,666	5.72	NA	--
7	Manishkumar Chhaganlal Patel	6,46,666	8.13	NA	8,62,221	8.13	NA	--
8	Shitalben Manishkumar Nar	7,32,761	9.22	NA	9,77,014	9.22	NA	--
9	Parulben Rakeshbhai Patel	7,32,761	9.22	NA	9,77,014	9.22	NA	--
10	Sanjiv Vasantkumar Chaniara	1,19,000	1.49	NA	1,58,666	1.49	NA	--
<b>GRAND TOTAL</b>		<b>53,74,903</b>	<b>67.63%</b>		<b>71,66,540</b>	<b>67.63%</b>		

**(iii) CHANGE IN PROMOTER'S SHAREHOLDING:**

Sr. No	Particulars	Shareholding at the beginning of the year 01.04.2020			Increasing Decreasing in Shareholding	Reason	Cumulative Shareholding during the year 01.04.2020 to 31.03.2021	
		No. of Shares	% of total shares of Company	Date			No. of Shares	% of total shares of the Company
01	Hiralal Mahidas Tilva	12,02,047	15.12	22/01/2021	Increase	Allotment of Bonus Shares in the ratio of (1:3)	16,02,736	15.12
02	Rakesh Chhaganlal Patel	6,46,668	8.13	22/01/2021	Increase	"	8,62,224	8.13
03	Sheetal Sanjivkumar Chaniara	2,80,000	3.52	22/01/2021	Increase	"	3,73,333	3.52
04	Hetal Mayurkumar Kalaria	2,80,000	3.52	22/01/2021	Increase	"	3,73,333	3.52
05	Avni Nileshkumar Dadhaniya	2,80,000	3.52	22/01/2021	Increase	"	3,73,333	3.52
06	Daxaben Hiralal Tilva	4,55,000	5.72	22/01/2021	Increase	"	6,06,666	5.72
07	Manish kumar Chhaganlal Patel	6,46,666	8.13	22/01/2021	Increase	"	8,62,221	8.13
08	Shitalben Manishkumar Nar	7,32,761	9.22	22/01/2021	Increase	"	9,77,014	9.22
09	Parulben Rakeshbhai Patel	7,32,761	9.22	22/01/2021	Increase	"	9,77,014	9.22
10	Sanjiv Vasantkumar Chaniara	1,19,000	1.49	22/01/2021	Increase	"	1,58,666	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 01.04.2020			Increasing Decreasing in Share holding	Reason	Cumulative Shareholding during the year 31.03.2021	
		No. of Shares	% of total shares of Company	Date			No. of Shares	% of total shares of the Company
1	Vishalkumar Rameshbhai Dadhania	2,40,000	2.2649	---	---	---	2,40,000	2.2649
				11/09/2020	(12,000)	Transfer	2,28,000	2.1517
				30/09/2020	(6,000)	Transfer	2,22,000	2.0950
				02/10/2020	(6,000)	Transfer	2,16,000	2.0384
				22/01/2021	72,000	Transfer	2,88,000	2.7179
2	Jaysukhlal Bhimji Aghera	1,92,000	1.8119	---	---	---	1,92,000	1.8119
				01/05/2020	6,000	Transfer	1,98,000	1.8686
				08/05/2020	12,000	Transfer	2,10,000	1.9818
				22/01/2021	70,000	Transfer	2,80,000	2.6424
3	Vijaybhai Navinchandra Kaneriya	2,34,000	2.2083	---	---	---	2,34,000	2.2083
				14/08/2020	(6,000)	Transfer	2,28,000	2.1517
				21/08/2020	(12,000)	Transfer	2,16,000	2.0384
				04/09/2020	(12,000)	Transfer	2,04,000	1.9252
				22/01/2021	68,000	Transfer	2,72,000	2.5669
4	Nishant J Aghera	1,62,000	1.5288	---	---	---	1,62,000	1.5288
				04/09/2020	(18,000)	Transfer	1,44,000	1.3589
				22/01/2021	48,000	Transfer	1,92,000	1.8119

5.	Ishita Nishant Aghera	1,44,000	1.3589	---	---	---	1,44,000	1.3589
				24/04/2020	6,000	Transfer	1,50,000	1.4156
				24/07/2020	(6,000)	Transfer	1,44,000	1.3589
				31/07/2020	6,000	Transfer	1,50,000	1.4156
				28/08/2020	(12,000)	Transfer	1,38,000	1.3023
				22/01/2021	46,000	Transfer	1,84,000	1.7364
				26/03/2021	(16,000)	Transfer	1,68,000	1.5854
6	Sadamhusen Amadbhai Kalavaniya	1,26,000	1.1891	---	---	---	1,26,000	1.1891
				04/09/2020	(6,000)	Transfer	1,20,000	1.1325
				22/01/2021	40,000	Transfer	1,60,000	1.5099
7	Sandeepkumar Vasantbhai Chaniara	1,19,000	1.1230	---	---	---	1,19,000	1.1230
				22/01/2021	39,666	Transfer	1,58,666	1.4974
8	Gitaben Jaysukhlal Aghera	48,000	0.4530	---	---	---	48,000	0.4530
				15/05/2020	24,000	Transfer	72,000	0.6795
				22/05/2020	12,000	Transfer	84,000	0.7927
				30/06/2020	12,000	Transfer	96,000	0.9060
				28/08/2020	(24,000)	Transfer	72,000	0.6795
				22/01/2021	24,000	Transfer	96,000	0.9060
9	Jaysukhlal Mohanbhai Khanpara	71,428	0.6741	---	---	---	71428	0.6741
				22/01/2021	23,809	Transfer	95,237	0.8988
10	Drashan V Zalawadia	96,000	0.9060	---	---	---	96000	0.9060
				11/12/2020	(18,000)	Transfer	78000	0.7361
				31/12/2020	(6,000)	Transfer	72000	0.6795

				08/01/2021	(12,000)	Transfer	60000	0.5662
				22/01/2021	(20,000)	Transfer	80000	0.7550
<b>11</b>	Pentagon Stock Brokers Private Limited	1,74,000	1.6421	---	---	---	1,74,000	1.6421
				10/04/2020	(6,000)	Transfer	1,68,000	1.5854
				24/04/2020	6,000	Transfer	1,74,000	1.6421
				26/06/2020	(6,000)	Transfer	1,68,000	1.5854
				30/06/2020	(6,000)	Transfer	1,62,000	1.5288
				10/07/2020	(6,000)	Transfer	1,56,000	1.4722
				17/07/2020	(24,000)	Transfer	1,32,000	1.2457
				31/07/2020	6,000	Transfer	1,38,000	1.3023
				18/09/2020	(18,000)	Transfer	1,20,000	1.1325
				09/10/2020	12,000	Transfer	1,32,000	1.2457
				16/10/2020	(6,000)	Transfer	1,26,000	1.1891
				13/11/2020	(6,000)	Transfer	1,20,000	1.1325
				15/01/2021	(14,000)	Transfer	1,06,000	1.0003
				22/01/2021	(54,000)	Transfer	52,000	0.4907
				29/01/2021	(2,000)	Transfer	50,000	0.4719
				31/03/2021	4,000	Transfer	54,000	0.5096
<b>12</b>	Chimanlal Popatlal Mataliya	72,000	0.6795	---	---	---	72,000	0.6795
				13/11/2020	(6,000)	Transfer	66,000	0.6229
				20/11/2020	(12,000)	Transfer	54,000	0.5096
				25/12/2020	(12,000)	Transfer	42,000	0.3964
				31/12/2020	(24,000)	Transfer	18,000	0.1699
				15/01/2021	(8,000)	Transfer	10,000	0.0944
				22/01/2021	6,000	Transfer	16,000	0.1510

(v) *SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:*

Sr. No.	Name	Shareholding at the beginning of the year i.e. 01.04.2020		Shareholding at the end of the year i.e. 31.03.2021	
		No. of shares	% of total shares of company	No. of shares	% of total shares of the company
<b>A.</b>	<b>Key Managerial Personnel</b>				
1.	Hiralal Mahidas Tilva	12,02,047	15.12	16,02,736	15.12
2.	Rakesh Chhaganlal Patel	6,46,668	8.13	8,62,224	8.13
3.	Sheetal Sanjivkumar Chaniara	2,80,000	2.64	3,73,333	3.52
4.	Parulben Rakeshbhai Patel	7,32,761	9.22	9,77,014	9.22
5.	Avni Nileshkumar Dadhaniya	2,80,000	3.52	3,73,333	3.52
<b>B.</b>	<b>Director</b>				
1.	*Mayurkumar Mansukhlal Kalaria	---	---	---	---
<b>Total</b>		<b>31,41,476</b>	<b>39.51%</b>	<b>41,88,640</b>	<b>39.51%</b>

\*Mr. Mayurkumar kalaria had resigned from the post of Non-Executive Director of the Company w.e.f 09th June, 2021

**(V) INDEBTEDNESS:**

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i)Principal Amount	11,54,47,556/-	3,04,350/-	---	11,57,51,906/-
(ii)Interest due but not paid	---	---	---	---
(iii)Interest accrued but not due	---	---	---	---
<b>Total (i+ii+iii)</b>	<b>11,54,47,556/-</b>	<b>3,04,350/-</b>	<b>---</b>	<b>11,57,51,906/-</b>
<b>Change in Indebtedness During the financial year</b>				
• Addition	---	---	---	---
• Reduction	1,15,66,610/-	11,75,000/-	---	1,27,41,610/-
<b>Net Change</b>	<b>(1,15,66,610/-)</b>	<b>(11,75,000/-)</b>	<b>---</b>	<b>(1,27,41,610/-)</b>
<b>Indebtedness at the end of the financial year</b>				
(i)Principal Amount	10,38,80,946/-	14,79,350/-	---	10,53,60,296/-
(ii)Interest due but not paid	---	---	---	---
(iii)Interest accrued but not due	---	---	---	---
<b>Total (i+ii+iii)</b>	<b>10,38,80,946/-</b>	<b>14,79,350/-</b>	<b>---</b>	<b>10,53,60,296/-</b>

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director and/or Manager:

Sr. No	Particulars of Remuneration	Managing Director		Total Amount
		Hiralal Tilva	Rakesh Patel	
1.	Gross Salary:	15,30,000	18,00,000	33,30,000
	(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	---	---	---
<b>Total (A)</b>		<b>15,30,000</b>	<b>18,00,000</b>	<b>33,30,000</b>



**B. Remuneration of Whole-time Directors:**

Sr. No	Particulars of Remuneration	Whole-time Director		Total Amount
		Sheetal Chaniara	Parulben Patel	
1.	Gross Salary:	---	---	---
	(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	---	---	---
	(C) 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	---	---	---
<b>Total (A)</b>		---	---	---

**C. Remuneration to other Directors:**

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

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

Sr No	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
		*Drashti Vaghasiya	Avni Dadhania	
1.	Gross Salary <ul style="list-style-type: none"> <li>• Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961</li> <li>• Value of perquisites under section 17(2) Income tax Act, 1961</li> <li>• Profit in lieu of salary under section 17(3) Income tax, 1961</li> </ul>	1,67,500 --- ---	2,40,000 --- ---	4,07,500 --- ---
2.	Stock Option	---	---	---
3.	Sweat Equity	---	---	---
4.	Commission <ul style="list-style-type: none"> <li>• As % of profit</li> <li>• Other, specify</li> </ul>	--- ---	--- ---	--- ---
5.	Other, please, specify	---	---	---
	<b>Total</b>	<b>1,67,500</b>	<b>2,40,000</b>	<b>4,07,500</b>

\*Ms. Drashti Vaghasiya had been appointed as a Company Secretary and Compliance Officer of the Company w.e.f 04<sup>th</sup> November, 2020

**(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)
<b>A. COMPANY</b>					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
<b>B. DIRECTORS</b>					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---

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

**Date: 03/09/2021  
Place: Sadak Pipaliya**

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

## “Annexure II”

### 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 arm’s 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	Associate Concern (Partnership Firm) in which KMP is interested	Jobwork Charges paid	Ongoing	Total value Rs. 2,006/-	29/06/2020	Nil
Crank & Crank	Associate Concern (Partnership Firm) in which KMP is interested	Jobwork Charges paid	Ongoing	Total value Rs. 4,10,186/-	29/06/2020	Nil
		Purchase of Material	Ongoing	Total value Rs. 32,38,419/-	29/06/2020	Nil
Prem Trading Co.	Associate Concern (Proprietorship Firm of Mr. Rakesh Patel, Managing Director of the Company)	Purchase of Material	Annual	Total value Rs. 3,71,12,818/-	29/06/2020	Nil
		Sale of Goods	Annual	Total value Rs. 36,46,905/-	29/06/2020	Nil

All contracts were entered into in the ordinary course of business and on arm's length basis.

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

**Date : 03/09/2021  
Place : Sadak Pipaliya**

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

**MJP** ASSOCIATES

PRACTISING COMPANY SECRETARIES

CS Bhavin A. Mehta, B.Com., FCS  
CS Samir M. Pathak, BBA., LL.B., FCS  
CS Purvi G. Dave, B.Com, Sp. LLB, ACS



**Form No MR-3**

**SECRETARIAL AUDIT REPORT**

**For the Financial Year Ended 31<sup>st</sup> March, 2021**

[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**

Survey No. 55/1 P6/P1/P1, Near Shree Stamping,

Village: Sadak Pipaliya, Tal: Gondal,

**Dis: Rajkot 360311, Gujarat, India**

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, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended March 31, 2021 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, 2021 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;

Continue at page no. 2

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Office 110-112, Aalaap-B, Nr. Hotel Sarovar Portico, Opp. Shastri Maidan, Rajkot -360 001, Ph.: 2461166/77  
Branch 311, Madhav Plaza, Opp. SBI, Nr. Lal Bunglaw, Jamnagar-361 001 Mob: 9909907491  
Email: -mjpassociates@gmail.com

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Continue from page no. 1

- 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 ;
- 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 *except* it is observed that the company has submitted shareholding pattern under Regulation 31 for the quarter ended 31<sup>st</sup> March, 2020 after due date (i.e delayed by One Day) and the company has delayed complied with regulation 13(3) for the quarter ended March 31, 2020(i.e. Delayed by One Day). Observed further that Non Compliance or Delayed Compliance of Appointment of Company Secretary cum Compliance Officer under Regulation 6(1) delayed by 138 days.
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(Note:- The Company had listed its securities on 11<sup>th</sup> July, 2018, 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;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - 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 -

Continue at page no. 3



<b>MJP ASSOCIATES</b> PRACTISING COMPANY SECRETARIES	CS Bhavin A. Mehta, B.Com.,FCS CS Samir M. Pathak, BBA.,LL.B,FCS CS Purvi G. Dave, B.Com, Sp. LLB, ACS	
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Continue from page no. 2

- 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);**

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 1<sup>st</sup> October, 2017.
- ii. The Listing Agreement entered into by the Company in the year 2018 with NSE LTD-SME Emerge as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the year under Audit, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except filing of some documents through e-forms under **Companies Fresh Start Scheme (CFSS), 2020.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. The Company had explained to us that the transactions entered into with a proprietary firm of Managing Director, have been entered into in ordinary course of business & at arm's length.

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.

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 system exists for seeking and obtaining further information 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.

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**MJP** ASSOCIATES

PRACTISING COMPANY SECRETARIES

CS Bhavin A. Mehta, B.Com., FCS  
CS Samir M. Pathak, BBA., LL.B., FCS  
CS Purvi G. Dave, B.Com, Sp. LLB, ACS



Continue from page no. 3

- 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.

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 : 05.08.2021

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

Sd/-

(CS Purvi Dave)  
Partner

ACS No. 27373 CP 10462

UDIN:A027373C000738809

**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.**

Continue at page no. 5

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Office 110-112, Aalaap-B, Nr. Hotel Sarovar Portico, Opp. Shastri Maidan, Rajkot -360 001, Ph.: 2461166/77  
Branch 311, Madhav Plaza, Opp. SBI, Nr. Lal Bunglaw, Jamnagar-361 001 Mob: 9909907491  
Email: -mjpassociates@gmail.com

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*Mere talent is not enough, success also demands determination, direction, dedication, concentration and discipline*

**MJP** ASSOCIATES

PRACTISING COMPANY SECRETARIES

CS Bhavin A. Mehta, B.Com.,FCS  
CS Samir M. Pathak, BBA.,LL.B,FCS  
CS Purvi G. Dave, B.Com, Sp. LLB, ACS



## ANNEXURE A

To,  
**The Members,**  
**Ganga Forging Limited**  
Survey No. 55/1 P6/P1/P1, Near Shree Stamping,  
Village: Sadak Pipaliya, Tal: Gondal,  
**Dis: Rajkot 360311, Gujarat, India**

Our Secretarial Audit Report of odd date for the Financial Year ended on **31<sup>st</sup> March, 2021** 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 : 05.08.2021

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

Sd/-  
**(CS Purvi Dave)**  
**Partner**  
ACS No. 27373 CP 10462  
UDIN: A027373C000738809

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Office 110-112, Aalaap-B, Nr. Hotel Sarovar Portico, Opp. ShastriMaidan, Rajkot -360 001, Ph.: 2461166/77  
Branch 311, Madhav Plaza, Opp. SBI, Nr. Lal Bunglaw, Jamnagar-361 001 Mob: 9909907491  
Email: -mjpassociates@gmail.com

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“Annexure-IV”

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**Industry Overview, Structure and Development:**

Forging is traditionally considered as the back bone of the manufacturing industry. It is a major input to the sectors which support economic growth of the nation, such as Automobile, Industrial Machinery, Power, Construction & Mining Equipment, Railways and general engineering. The Indian forging industry is well recognized globally for its technical capabilities. With an installed capacity of around 38.5 lakh MT, Indian forging industry has a capacity to forge variety of raw materials like Carbon Steel, Alloy Steel, Stainless Steel, Super alloy, titanium, aluminum and so forth, as per the requirements of user industry.

Over the years, the Indian forging industry has evolved from being a labour-intensive industry to capital-intensive manufacturing sector. The current investment in the plant and machinery by Indian forging companies is worth of Rs. 27,833 Crore. Based on their installed capacity, the forging units may be classified as very large (capacity above 75,000 MT), Large (capacity above 30,000 to 75,000 MT), medium (capacity above 12,500 to 30,000 MT), small (capacity above 5,000 to 12,500 MT) and very small (capacity up to 5,000 MT). Based on this classification it is seen that about 83% of the total number of units are small and very small, while only about 8% can be classified as very large units; the balance of about 9% constitute the medium sized units.

The Indian forging industry is concentrated around its end user customer locations. Therefore, the major forging clusters are found to be in the states of Maharashtra, Punjab, Gujarat, Tamil Nadu, Haryana, Delhi, Karnataka, Jharkhand, West Bengal and Andhra Pradesh. The forging industry of India provides direct employment to about 95,000 people. The small and very small units are mainly dependant on manual labour, however medium and large units are more mechanized. Quality standards in the industry have improved significantly and the sector is now well known globally for its high quality.

**Forging Industry Backbone of the Automobile Industry:**

- Current share of the Auto sector is about 58% of total forging production while the rest is with the other sector
- Changes in the Indian Automobile industry directly impact the Indian forging industry, because the forging components form the backbone of the Indian automobile industry

The industry is increasingly addressing opportunities arising out of the growing trend among global automotive OEM's (Original Equipment Manufacturers) to outsource components from manufacturers in low cost countries. As a result, the industry has been making significant contributions to country's growing exports.

In order to reduce the impact of cyclical and dependence on auto sector, the industry plans to diversify into non-automotive sectors also.

### Impacts and effects of the COVID 19 Pandemic:

The impact of the COVID-19 pandemic has created significant volatility in the global economy and led to reduced economic activity. The supply disruption caused by the novel coronavirus outbreak has severely hampered the forging and auto component manufacturing industry in India. China is a major supplier of automotive components and accounts for 27% of India's automotive component imports.

The ultimate impact of the pandemic on our business, results of operations and financial condition will depend on numerous evolving factors and future developments, including the ultimate duration, spread, severity and repetitiveness of the outbreak; the ultimate extent and duration of its effect on the global economy and how quickly and to what extent normal economic and operating conditions resume.

### Company Overview:

Ganga Forging Limited was originally incorporated as "Ganga Forging Private Limited" as a private limited company in the year 1988 by qualified technocrats and subsequently converted into a public limited company in the year 2017. In the year 2018, company came out with an Initial Public Offer (IPO) and got listed its Equity Shares on the SME Emerge Platform of the National Stock Exchange of India Limited. Further, in the year 2021 equity shares of the Company had been migrated from the SME Emerge Platform of the Stock Exchange to the Main Board (Capital Market) of the Stock Exchange.

Ganga Forging Limited is manufacturer in forging industry and is engaged in manufacturing of closed die forged products catering to both automotive and nonautomotive segment. Automotive segment includes manufacturing of products catering to commercial vehicle, passenger car, three wheelers, two wheeler and tractor. Non-automotive segment includes electric power transmission, dairy equipment manufacturing, agricultural, gear and gear box, crank shafts, connecting rod, heavy engineering industrial, hubs and flanges.

Our Company also complies with Quality Assurance System like ISO and strives to deliver quality products to the customers. Our Company is **ISO 9001:2008** certified. We believe in manufacturing and delivering quality products and our manufacturing process is under constant supervision by Engineers. The entire system is backed by proper documentation, traceability until the end product, with full proof checks required as per ISO regulations. We are dedicated towards supply of quality products by controlling the procurement of our raw material, monitoring the process parameters and maintaining appropriate measures to comply with applicable statutory and regulatory requirements of our products.

### Opportunities and Strength:

#### **1. Experienced Promoters and Management**

Shri Hiralal Tilva, Promoter as well as Managing director and Mr. Rakesh Patel, Promoter as well as Managing Director of the Company is having experience of more than two decades in the line of forging manufacturing.

We are led by a dedicated senior management team with two decade of experience in forging manufacturing. We believe our senior management team leverages our market position and their collective experience and knowledge in the industry, to execute our business strategies and drive our future growth. In addition, we believe the strength and entrepreneurial vision of our Promoters and senior management has been instrumental in driving our growth and implementing our strategies. In addition, we have an experienced team of employees.

#### **2. Strong Relationship with reputed institutional customers**

Build positive relations through outstanding service with each interaction. We believe that our operations and quality control processes have enabled us to develop strong relationships with our customers over the years.

#### **3. Operational Excellence**

We strive to deliver the highest quality and value possible through simple, easy and relevant solutions.

#### 4. Quality Control

Quality is an expression of our goal to offer reliable products and service. We are committed to maintain quality for the satisfaction of our customer. Our Company is **ISO 9001:2008** certified. We have established a quality control team which has the responsibility to ensure compliance with manufacturing practices.

#### 5. Innovation

Imagine what is possible. Foster creativity that challenges constraints and drive progress

#### Threats and risk:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors / areas in which we operate;
- Increased competition in the sectors / areas in which we operate;
- Factors affecting the Industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

### Internal Control Systems and their adequacy:

There is an adequate internal control system commensurate with the size of the company and nature of the business for inventory, fixed assets and for the sale of goods or services. The Company has implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The system ensures appropriate information flow to facilitate effective monitoring. The internal audit system also ensures formation and implementation of corporate policies for financial, reporting, accounting and information security.

The Company has constituted Audit committee to overlook the internal control systems and their adequacy. Audit committee regularly reviews and gives recommendations on proper and adequate internal control systems.

### Financial performance:

During the Financial year 2020-21, the Company has earned Net revenue from the operations of Rs 22.98 Crores as compared to previous year revenue i.e Rs 23.66 Crores. Further during the year 2020-21, despite of decrease in revenue from operation, Company has report net profit of Rs. 10,72,233/- as compared to net loss of Rs. 2,80,20,435/- during the previous financial year. Your Company's business cycle faced industry related challenges confronted with all and came out with the above results.

### Segments:

Ganga Forging Limited is operating in only one segment. Hence, comments on segments are not required.

### Human Resources:

Our company is committed to providing work environment that ensures every employee is treated with dignity and respect and equitable treatment for all irrespective of their designation. The company is also committed to promoting a work environment that is conducive to the professional growth of the employees and encourages equality of opportunity.



Further, the company will not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that the employees are not subjected to any form of harassment. Company always be responsible for the safety of employees as well as the public. Create a positive and dynamic work environment that enable personal achievements, work life balance and business success. We inspire each other to explore ideas that can make the community and world better place.

Date : 03/09/2021

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

Place :Sadak Pipaliya


Sd/-

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

“Annexure-V”

**Particulars pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year 2020-21:	Name	Ratio
	Shri. Hiralal Tilva, Chairman and Managing Director [DIN: 00022539]	1:0.11
	Mr. Rakesh Patel, Managing Director [DIN: 00510990]	1:0.10
	Mrs. Sheetal Chaniara, Whole Time Director [DIN: 07528297]	Not Applicable
	Mrs. Parulben Patel, Whole Time Director [DIN: 07528313]	Not Applicable
The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in any, in financial year;	There is no increase in the remuneration during the year under report.	
The percentage increase in the median remuneration of employees in the financial year;	There was an increase of 18.10% in the median remuneration of employees in the financial year.	
The number of permanent employees on the pay rolls of the company;	<b>67</b>	

<p>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;</p>	<p>There has been no increase in the remuneration of managerial personnel during the current financial year.</p> 
<p>The key parameters for any variable component of remuneration availed by the directors;</p>	<p>There is no variable component in the remuneration of director</p>
<p>We confirm that remuneration is as per the remuneration policy of the company</p>	

Date : 03/09/2021

Place :Sadak Pipaliya

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

Sd/-

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



## “Annexure-VI”

### CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015)

To,  
**The Members**  
**Ganga Forging Limited**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ganga Forging Limited having CIN: L28910GJ1988PLC011694] and having registered office at Sr. No. 55/1 P6/P1/P1, Near Shree Stamping, At: Sadak Pipaliya, Ta: Gondal, Dis: Rajkot 360311, Gujarat (Hereinafter referred to as “the Company”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with schedule V para C sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification of Directors Identification Number (DIN) status on the portal of Ministry of Corporate Affairs (MCA) ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Designation	Date of Appointment
1.	Hiralal M. Tilva	00022539	Chairman & Managing Director	02/04/2018
2.	Rakesh C. Patel	00510990	Managing Director	10/03/2016
3.	Sheetal S. Chaniara	07528297	Whole-time Director	01/09/2017
4.	Parulben R. Patel	07528313	Whole-time Director	01/09/2017
5.	Jasubhai K. Patel	01006449	Independent Director	21/04/2018
6.	Rameshbhai G. Dhingani	07946841	Independent Director	01/03/2018
7.	Harshad V. Ashar	07928692	Independent Director	01/03/2018
8.	Mayurkumar Kalaria	08099999	Non-Executive & Non Independent Director	02/04/2018

Mr. Mayurkumar Kalaria had resigned from the post of Non-Executive Director w.e.f 09<sup>th</sup> June, 2021.

To ensure the eligibility for the Appointment and continuity of every director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Rajkot**

**Date : 04<sup>th</sup> September, 2021**

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

**Sd/-  
(CS Purvi Dave)  
Partner**

**ACS No.27373 CP 10462  
UDIN: A027373C000900135**

**“Annexure-VII”**

**COMPLIANCE CERTIFICATE**

(Regulation 17(8) of the SEBI Listing Obligations and Disclosures Requirement Regulations, 2015)

**To,  
The Board of Directors,  
Gnaga Forging Limited**

**SUBJECT: SUBMISSION OF COMPLIANCE CERTIFICATE**

Dear Sir/Madam,

Pursuant to the provisions of Regulation 17(8) of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, We undersigned hereby declare and certify that:

- A.** We have reviewed financial statements and the cash flow statement for the year 2020-21 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B.** There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2020-21, which are fraudulent, illegal or violative of the Company's code of conduct.
- C.** We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to rectify these deficiencies.
- D.** We have indicated to the Auditors and the Audit committee:
- There are no significant changes in internal control over financial reporting during the year;

- There are no significant changes in accounting policies during the year; and
- There are no instances of significant fraud of which we have become aware and the involvement therein, if any of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Ganga Forging Limited**

**Sd/-**

**Avni Dadhaniya**  
**Chief Financial Officer**

**Sd/-**

**Hiralal M. Tilva**  
**Chairman & Managing Director**  
**[DIN: 00022539]**

**Sd/-**

**Rakesh Patel**  
**Managing Director**  
**[DIN: 00510990]**



## INDEPENDENT AUDITOR'S REPORT

To,  
The Members  
**GANGA FORGING LIMITED**  
SR No. 55/1, P6/P1/P1, Nr. Shree Stamping,  
At: Road Pipallya, Tal: Gondal,  
Rajkot - 360311

### Report on the Audit of the Standalone Financial Statements:

#### Opinion:

We have audited the standalone financial statements of **Ganga Forging Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, 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 31<sup>st</sup>, 2021, 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.



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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.	<p>i. Obtained an understanding of the determination of recoverability and assessed and tested the reasonableness of the significant judgements applied by the management.</p> <p>ii. Evaluated the design of internal controls relating to the trade receivable and also tested the operating effectiveness of the aforesaid controls.</p> <p>iii. Performed analytical procedure and test of details for reasonableness of efforts by the management.</p>
2	<p>Inventory Valuation and existence</p> <p>Inventory valuation and existence was an audit focus area because of number of locations that inventory was held at and judgement applied in the valuation of inventory to incorporate inventory shrinkage.</p> <p>As described in notes to financial statements, inventories are carried at the lower of cost and net realizable value on weighted average basis.</p>	<p>Our Audit procedures for assessing the valuation of inventories as per Company's policy included but were not limited to the following.</p> <p>i. Understood the management process for determining valuation of inventories and tested whether the same is consistency applied;</p> <p>ii. Evaluated and tested on a sample basis the design and operating effectiveness of key controls around inventory valuation operating within the Company.</p> <p>iii. Inquired with the management about the slow moving and obsolete inventories as at 31 March 2021 and evaluated the assessment prepared by the management including forecasted uses of these inventories on a test check basis.</p> <p>iv. Assessed the appropriateness of disclosures in the financial statements in accordance with the applicable accounting standards.</p>

**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.

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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.

#### Auditor's Responsibilities for the Audit of the Financial Statements :

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

#### Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that;
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 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:
- The Company does not have any pending litigations which would impact its financial position except Para vii(b) of Annexure "A" of our Report;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - The company is not required to transfer any amounts to the Investor Education and Protection Fund by the Company.

Date: 28-June-2021

Place: Rajkot



For, Nitesh A. Joshi & Co.,  
Chartered Accountants  
F.R.N. 127578W

(Nitesh A Joshi)  
Partner

Membership No. 124272  
UDIN: 21124272AAAAEX8946



## Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on other Legal and Regulatory requirements" section our report of even date:

- i (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were physically verified by the management during the year. As informed to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii Inventories, except for goods-in-transit and stocks lying with third parties, if any, have been physically verified by the management.  
In our opinion, the frequency of such verification is reasonable. Discrepancies noticed on such verification between physical stocks and the book records were not material and these have been properly dealt with in the books of account.
- iii. The Company has not granted unsecured loan to a company covered in the register maintained under Section 189 of the Act; hence Para iii (a), (b) and (c) are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans/ guarantees given, investments made and securities provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act.
- vi. The company is not required to maintain cost records as prescribed by the Central Government under Section 148(1) of the Act.
- vii According to the records of the Company examined by us and information and explanations given to us:
  - (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except delay in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2021 for a period of more than six months from the date they became payable except GST Payable Rs. 1505307 and

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Gratuity Payable Rs. 2159971 outstanding as at 31<sup>st</sup> March, 2021 for a period more than six month from the date they became payable.

(b) We have been informed by the management that there are no disputed dues under Income Tax, GST and Excise Duty.

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, government or dues to debenture holders.
- ix. According to the records of the Company examined by us and the information and explanations given to us, the company has not raised, during the year, money by way of initial public offer and term loans which were applied for the purpose for which those are raised.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.
- xi. According to the records of the Company examined by us, and information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the records of the Company examined by us and information and explanations given to us, the company has not made any preferential allotment or private placement of shares during the year under review.
- xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Date: 28-June-2021

Place: Rajkot

For, Nitesh A. Joshi & Co.,

Chartered Accountants

F.R.N. 127578W



*Nitesh A Joshi*

(Nitesh A Joshi)

Partner

Membership No. 124272

UDIN: 21124272AAAAEX8946



## Annexure "B" to the Independent Auditor's Report

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

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 6(II)(f) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of **Ganga Forgings Limited** on the standalone financial statements for the year ended 31<sup>st</sup> March 2021 We have audited the internal financial controls over financial reporting of **Ganga Forgings Limited** ("the Company") as of 31<sup>st</sup> March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls:

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

### Auditor's Responsibility:

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

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

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



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**Meaning of Internal Financial Controls Over Financial Reporting:**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting:**

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

**Opinion:**

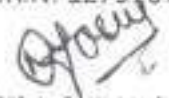
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

**Date:** 28-June-2021

**Place:** Rajkot



**For, Nitesh A. Joshi & Co.,**  
Chartered Accountants  
F.R.N. 127578W

  
**(Nitesh A Joshi)**  
Partner

Membership No. 124272  
UDIN: 21124272AAAAEX8946

## Balance Sheet As on 31st March, 2021

Particulars	Notes	(Amount in Rs.)	
		As at 31st March, 2021	As at 31st March, 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	4	105964410	79473310
Reserves and Surplus	5	15087191	40506059
Money received against share warrants		0	0
Share application money pending allotment		0	0
		<b>121051601</b>	<b>119979369</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	6	41489066	41602713
Deferred Tax Liabilities (Net)	7	0	0
Other Long Term Liabilities	8	666650	0
Long Term Provisions		0	0
		<b>42155716</b>	<b>41602713</b>
<b>Current Liabilities</b>			
Short Term Borrowings	9	49583961	70539190
Trade Payables	10	71008227	83468094
Other Current Liabilities	11	22589032	9577967
Short Term Provisions	12	5624221	5345720
		<b>148805440</b>	<b>168930971</b>
		<b>Total Equity And Liabilities</b>	<b>312012757</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant & Equipment	13	145505415	154040691
Deferred Tax Assets (Net)	7	2524167	3180986
Non-current investments		0	0
Long term loans and advances	14	4659449	1865936
Other non-current assets	15	2871934	5325051
		<b>155560965</b>	<b>164412664</b>
<b>Current assets</b>			
Current investments		0	0
Inventories	16	78971020	73198023
Trade receivables	17	72269301	87776741
Cash and cash equivalents	18	1857554	662177
Short-term loans and advances	19	3149323	4352802
Other current assets	20	204594	110644
		<b>156451793</b>	<b>166100388</b>
		<b>Total Assets</b>	<b>312012758</b>

The accompanying Notes to Accounts are an integral part of the financial Statements

As per our report of even date

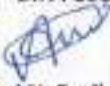
For and on behalf of the Board

For, Nitesh A. Joshi & Co.  
Chartered Accountants  
FRN : 127578W  
UDIN: 21124272AAAAEX8946

  
(Nitesh A. Joshi)  
Partner  
MRN : 124272



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

  
(Avni N. Dedhaniya)  
Chief Financial Officer

  
(Rakesh C. Patel)  
Managing Director  
DIN : 00510990

  
(Drashti Vaghshiya)  
Company Secretary  
ACS : A58976

Date : 28.06.2021  
Place : Pipliya



**GANGA FORGING LIMITED****F.Y. 2020 - 21**

Profit and Loss Accounts for the period ended on 31st March, 2021

PARTICULARS	Notes	(Amount in Rs.)	
		As at 31st March, 2021	As at 31st March, 2020
<b>INCOME</b>			
Revenue from operations	21	229815918	236579717
Other Income	22	1019369	1035575
<b>Total Income</b>		<b>230835287</b>	<b>237615292</b>
<b>EXPENSES</b>			
Cost of Material Consumed	23	147036202	160911379
Changes in Inventories of Finished Goods	24	-6119450	8260450
Employee Benefits Expense	25	19107389	22633196
Finance Costs	26	7938782	12681271
Depreciation / Amortisation of Expense	13	8739222	8802864
Other Expenses	27	52404090	52346568
<b>Total Expenses</b>		<b>229106235</b>	<b>265635727</b>
<b>Profit Before exceptional and extraordinary item and Tax</b>		<b>1729052</b>	<b>-28020435</b>
Exceptional Items			
<b>Profit Before extraordinary item and Tax</b>		<b>1729052</b>	<b>-28020435</b>
Extraordinary Items			
<b>Profit Before Tax</b>		<b>1729052</b>	<b>-28020435</b>
<b>Tax Expenses</b>			
Current Tax		0	0
Mat Credit Entitlement		0	0
Deferred Tax		656819	-6866437
<b>Profit (Loss) for the period</b>		<b>1072233</b>	<b>-21153998</b>
<b>Earnings per Equity Share :</b>			
Basic		0.10	-2.00
Diluted		0.10	-2.00

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, Nitesh A. Joshi & Co.  
Chartered Accountants  
FRN : 127578W  
UDIN: 21124272AAAAEX8946

(Nitesh A. Joshi)  
Partner  
MRN : 124272



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

(Avni N. Dadhaniya)  
Chief Financial Officer

(Rakesh C. Patel)  
Managing Director  
DIN : 00510990

(Drashti Vaghaniya)  
Company Secretary  
ACS : A58976

Date : 28.06.2021  
Place : Pipaliya

## Cash Flow Statement for the period Ended on 31st March, 2021

PARTICULARS	As at 31st March, 2021	As at 31st March, 2020
<b>[A] Cash Flow From Operating Activities</b>		
Net Profit / (Loss) Before taxes	1729052	-28020435
Mls. Expenses Written Off	452471	452741
Profit on Sale of Assets	-5879350	23041
Interest Paid	7938782	12681271
Operating Profit Before Working Capital Change	<b>19244165</b>	<b>-6060518</b>
(Increase)/Decrease in Current Asset	10843972	22640383
Increase/(Decrease) in Current Liabilities	2172199	7790064
(Increase)/Decrease in other Non-Current Asset	-792867	-908021
<b>Cash Generated From Operations</b>	<b>31467469</b>	<b>23461908</b>
Taxes Paid	-1342501	0
<b>Net Cash From Operating Activities</b>	<b>30124968</b>	<b>23461908</b>
<b>[B] Cash Flow From Investing Activities</b>		
Sale of Fixed Assets	6647993	210000
Capital Subsidy Received	2500000	0
Purchase of Fixed Assets	-9736577	-6244999
<b>Net Cash Flow From Investing Activities</b>	<b>-588584</b>	<b>-6034999</b>
<b>[C] Cash Flow From Financing Activities</b>		
Increase/(Decrease) in Long Term Borrowings	-113647	-7295070
Increase/(Decrease) in Short Term Borrowings	-20955229	2368279
Increase/(Decrease) in Long Term Liability	666650	-17000
Interest Paid	-7938782	-12681271
<b>Net Cash Flow From Financing Activities</b>	<b>-28341008</b>	<b>-17625061</b>
<b>Total [A + B + C]</b>	<b>1195377</b>	<b>-198154</b>
<b>(Increase)/Decrease in Cash and Cash Equivalents</b>	<b>-1195377</b>	<b>198154</b>
Cash and Cash Equivalent at the beginning of the year	662177	860331
Cash and Cash Equivalent at the end of the year	1857554	662177

As per our report of even date

For, Nitesh A. & Co.  
Chartered Accountants  
FRN : 127578W

UDIN: 21124272AAAAEX8996

(Nitesh A. Joshi)  
Partner  
MRN : 124272



(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

(Drashti Vaghaniya)  
Company Secretary  
ACS : A58976

Date : 28.06.2021

Place : Pipaliya

## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 4.00 Share Capital

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
<b>Authorised Share Capital</b>		
8500000 Equity Shares of Rs. 10 Each	85000000	85000000
Add : 3500000 Equity Shares of Rs. 10 Each	35000000	0
8500000 Equity Shares of Rs. 10 Each	120000000	85000000
<b>Issued, Subscribed &amp; Paid up Capital</b>		
10596141 Equity Shares of Rs. 10 Each	105964410	79473310
(PY. 7947331 Equity Shares of Rs. 10 Each)	105964410	79473310
Par value of the share:	10	10

## Reconciliation of the number of shares

	Number	As at 31.03.2021 Rupees	Number	As at 31.03.2020 Rupees
Shares outstanding at the beginning of the year	7947331	79473310	7947331	79473310
Add : Bonus Shares Issued during the year (1 shares allotted against 3 equity shares)	2649110	26491100	0	0
Shares outstanding at end of the year	10596441	105964410	7947331	79473310

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

	No of Share Held	As at 31.03.2021 % of Holding	No of Share Held	As at 31.03.2020 % of Holding
Hiralal Mahidas Tilva	1602736	15.13%	1202047	15.13%
Shitalben Manishkumar Nar	977014	9.22%	732761	9.22%
Parulben Rakeshbhai Patel	977014	9.22%	732761	9.22%
Rakesh Chhaganlal Patel	862224	8.14%	646668	8.14%
Manishkumar C.Patel	862224	8.14%	646666	8.14%
Daxaben Hiralal Tilva	605666	5.73%	455000	5.73%



## 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)				
	2020-21	2019-20	2018-19	2017-18	2016-17
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	2649110	NIL	NIL	3150000	NIL
3 Shares bought back	NIL	NIL	NIL	NIL	NIL

## 5.00 Reserve and Surplus

	As at 31.03.2021	As at 31.03.2020
	Rs.	Rs.
<b>General Reserve</b>	1866143	1866143
<b>Security Premium</b>	48920641	48920641
Less : Bonus issued during the year	-26491100	0
<b>Surplus in the Profit &amp; Loss Account</b>		
Opening Balance of Profit & Loss Account	-10280725	10873273
Add : Profit for the Current Year	1072233	-21153998
<b>Surplus in the Profit &amp; Loss Account</b>	-9208493	-10280725
<b>Total Reserve</b>	15087191	40506059

## 6.00 Long Term Borrowings

	(Amount in Rs.)			
	Non - Current	As at 31.03.2021 Current	Non - Current	As at 31.03.2020 Current
<b>Secured Loan</b>				
<b>Term Loan</b>				
Axis Bank Ltd	40009716	14244440	41199970	3520003
<b>Vehicle Loan</b>				
Hdfc Bank Ltd	0	42829	98393	90000
<b>Directors &amp; their relatives</b>				
Directors	1479350	0	304350	0
	41489066	14287269	41602714	3610003



## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS.

## 7.00 Deferred Tax Liability / (Asset) (Net)

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
Opening Balance	-3180986	3685451
Add : Deferred Tax Liability for Current Year	656819	-6866437
Closing Balance	-2524167	-3180986

## 8.00 Other Long Term Liability

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
Other Payable	666650	0
	-666650	0

## 9.00 Short Term Borrowings

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
<b>Secured</b>		
Loans repayable on demand		
Axis Bank Limited	49583961	70539190
	49583961	70539190

( 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.)

## 10.00 Trade Payable

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
<b>Trade Payables to</b>		
Micro and Small Enterprise	15447135	3522362
Other than Micro and Small Enterprise	55561092	79945732
	71008227	83468094

## 11.00 Other Current Liability

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
<b>Current maturities of long-term debt</b>		
<b>Secured Loan</b>		
<b>Term Loan</b>		
Axis Bank Ltd	14244440	3520003
<b>Vehicle Loan</b>		
Hdfc Bank Ltd	42829	90000



## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 11.00 Other Current Liability

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
<b>Other Payables</b>		
GST Payable	5755082	2070425
TDS Payable	216589	621504
Professional Tax Payable	27910	692940
Advance from Customers	2302182	2583095
	<b>22589032</b>	<b>9577967</b>

## 12.00 Short Term Provisions

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
<b>For Employee Benefits</b>		
Salary & Wages	1233630	127468
Gratuity	2159971	2159971
Leave Encashment	0	320981
Provident Fund	111690	131075
Bonus to Staff	1508502	683942
Gujarat Labour Welfare Fund	384	0
<b>Other Provisions</b>		
Audit Fees	150000	250000
Power Consumption	460044	329782
Income Tax	0	1342501
	<b>5624221</b>	<b>5345720</b>

## 13.00 Property, Plant &amp; Equipment

Particulars	(Amount in Rs.)			
	Gross Block as on 01.04.2020	Addition	Deduction / Sold	Gross Block as on 31.03.2021
Land	4534803	0	74750	4460053
Building	57359282	10002133	8891806	58469608
Plant & Machinery	111196742	2571033	2500000	111267775
Electrification	12032472	720636	0	12753109
Furniture & Fixture	2004267	0	0	2004267
Office Equipment	1592735	0	0	1592735
Computer	824768	0	0	824768
Vehicle	828601	0	0	828601
	<b>190373670</b>	<b>13293803</b>	<b>11466556</b>	<b>192200917</b>
Capital Work - in - Progress	3557226	0	3557226	0
<b>Total Assets</b>	<b>193930896</b>	<b>13293803</b>	<b>15023782</b>	<b>192200917</b>



## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 13.00 Property, Plant &amp; Equipment

Particulars	Depreciation Reserve as on 01.04.2020	ACCUMULATED DEPRECIATION		Depreciation Reserve as on 31.03.2021
		Depreciation for the Year	Deduction	
Land	0	0	0	0
Building	9021008	1894847	1933925	8981930
Plant & Machinery	23571902	5357340	0	28929242
Electrification	4143059	1059016	0	5202075
Furniture & Fixture	1031773	164580	0	1196353
Office Equipment	1052169	137845	0	1190014
Computer	717946	53132	0	771078
Vehicle	352348	72462	0	424810
	39890205	8739222	1933925	46695502

	NET BLOCK	
	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
Land	4460053	4534803
Building	49487679	48338274
Plant & Machinery	82338533	87624840
Electrification	7551034	7889413
Furniture & Fixture	807914	972494
Office Equipment	402721	540566
Computer	53690	106822
Vehicle	403791	476253
	145505415	150483466
Capital Work - in - Progress	0	0
Total Assets	145505415	150483466

## 14.00 Long Term Loans &amp; Advances

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
Mat Credit Entitlement	1274572	1274572
Security Deposits		
Utility Service deposit	3384877	591364
	4659449	1865936

## 15.00 Other Non Current Assets

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
Advance for Capital Goods	1161000	1861000
Deposit with Bank	805183	2105829
Preliminary Expenses	905751	1358222
	2871934	5325051



## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 16.00 Inventories

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
Raw Material		
Iron & Steel	16271606	16730665
Furnace Oil	808413	845807
Finished Goods	18951112	15103126
Scrap	40806	2254359
Consumable Stores & Spares	1650000	1500000
Dies & Tools	41249082	36764067
	<b>78971020</b>	<b>73198023</b>

## 17.00 Trade Receivable

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
a. considered good		
Other	43726435	75196543
Outstanding more than six Months	19097375	3134707
b. considered doubtful		
Other	-	-
Outstanding more than six Months	9445491	9445491
	<b>72269301</b>	<b>87776741</b>

## 18.00 Cash and Cash Equivalents

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
Balances with banks	441614	84726
Cash on hand	1415940	577451
	<b>1857554</b>	<b>662177</b>

## 19.00 Short Term Loans &amp; Advances

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
<b>Receivables from Revenue Authority</b> (Unsecured, considered good)		
Receivables from Income Tax Authority	433030	546504
Receivables from GST Authority	862222	369671
<b>Other advances recoverable in cash or kind</b>		
Interest Receivable	81079	30495
Advance to Suppliers	1020055	2911312
Advance to Staff	183000	221171
Pre-paid Expenses	569936	273649
	<b>3149323</b>	<b>4352802</b>





## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 20.00 Other Current Assets

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
Loan to Staff	204594	110644
	<b>204594</b>	<b>110644</b>

## 21.00 Revenue From Operation

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
<b>Revenue From Operation</b>		
Sale of Manufacturing Goods	225814595	229589509
	<b>[a] 225814595</b>	<b>229589509</b>
<b>Other Operating Income</b>		
Jobwork Income	3801982	6909661
Net gain from expenses recovered	199342	57216
Export Incentives	0	23331
	<b>[b] 4001324</b>	<b>6990209</b>
	<b>[a + b] 229815918</b>	<b>236579717</b>

## 22.00 Other Income

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
Interest Income	268030	47383
Profit / (Loss) on sale of Assets	-384638	-23041
Other Income	1135976	1011233
	<b>1019369</b>	<b>1035575</b>

## 23.00 Raw Material Consumption

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
<b>Iron &amp; Steel</b>		
Opening Stock	16730665	23121633
Add: Purchase (Net)	139904670	145250573
Less: Closing Stock	-16271606	-16730665
	<b>Consumption of Iron &amp; Steel [a] 140363728</b>	<b>151641541</b>
<b>Furnace Oil</b>		
Opening Stock	845807	403046
Add: Purchase (Net)	6635080	9712599
Less: Closing Stock	-808413	-845807
	<b>Consumption of Furnace Oil [b] 6672474</b>	<b>9269838</b>
	<b>Raw Material Consumption [a + b] 147036202</b>	<b>160911379</b>



## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 24.00 Changes in Inventories

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
<b>Opening Stock</b>		
Work In Process	0	8510028
Finished Goods	15103126	16544305
Scrap	2254359	2294600
Dies & Tools	36764067	35033068
	<b>54121551</b>	<b>62382001</b>
<b>Closing Stock</b>		
Work In Process	0	0
Finished Goods	18951112	15103126
Scrap	40806	2254359
Dies & Tools	41249082	36764067
	<b>60241001</b>	<b>54121551</b>
<b>Change in Inventory</b>	<b>-6119450</b>	<b>8260450</b>

## 25.00 Employer Benefit Expense

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
Bonus paid to Staff	824560	704735
Leave Encashment	0	213633
Contribution to Provident	623051	811134
Salary & Wages	13783999	15222085
Special Allowance	0	166168
Tea & Refreshment	193290	305711
Director Remuneration	3330000	4560000
Contribution to Gratuity	0	448871
Medical Expenses	19587	-17187
Labour Welfare	332902	218046
	<b>19107389</b>	<b>22633196</b>

## 26.00 Finance Cost

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
<b>Interest paid on</b>		
Term Loan	2215774	4801295
Business Loan	0	152633
Vehicle Loan	6904	24684
Working Capital Finance	4996176	6736418
Other	115070	100797
Late payment of Govt Dues	120044	469439
<b>Other Finance Cost</b>		
Bank Charges	484814	396005
	<b>7938782</b>	<b>12681271</b>



## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 27.00 Other Expenses

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
Stores & Spares Consumed	6646741	7064279
Advertisement Expenses	104000	64500
GST Expenses	5800	733771
Income Tax	100249	1000
Insurance	402135	142486
Jobwork Expenses	21159170	15842712
Misc. Expenses Written Off	452471	452741
Other Administrative Expenses	1888543	2149697
Other Manufacturing Expenses	1309226	1266434
Payment to Auditors	150000	270000
Postage and Couriers Expense	32692	47136
Power Consumption	14314238	18317336
Printing & Stationery Expenses	108546	193477
Professional and Technical Consultancy Fees	1074799	1799487
Rent, Rate & Taxes	93915	0
Repairs & Maintenance - Building	0	2594
Repairs & Maintenance - Computer	37331	102546
Repairs & Maintenance - Electric	653650	374692
Repairs & Maintenance - Machinery	650588	630794
Repairs & Maintenance - Vehicle	299363	357218
ROC Filing Fees	348627	22200
Selling Commission	260914	0
Telephone Expenses	56662	119497
Transportation Expenses	2229230	2032158
Travelling Expenses	25199	131368
VAT ITC	0	228445
	<b>52404090</b>	<b>52346568</b>



## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 28.00 Information In Respect Of Opening Stock, Purchase, Sales And Closing Stock

	As at 31.03.2021 Rupees	As at 31.03.2020 Rupees
<b>Opening Stock</b>		
Raw Material		
Iron & Steel	16730665	23121633
Furnace Oil	845807	403046
Work In Process	0	8510028
Finished Goods	15103126	16544305
Scrap	2254359	2294600
Consumable Stores & Spares	1500000	1652400
Dies & Tools	36764067	35033068
	<b>73198023</b>	<b>87559080</b>
<b>Purchase</b>		
Raw Material		
Iron & Steel	144548401	147756449
Less : Sales	-4030191	-1530780
Less : Rate Difference / Discount / Return	-613541	-975096
	[a]	<b>139904670</b>
Furnace Oil	[b]	6635080
	[c] = [a + b]	<b>146539749</b>
Consumable Stores & Spares	[d]	6796741
	[c + d]	<b>153336490</b>
		<b>161875051</b>
<b>Sale by Class of Goods</b>		
Domestic Sales		
Finished Goods	212963079	221560914
Scrap	13631314	10230542
Less : Rate Difference / Discount / Return	-779798	-3439351
	[a]	<b>225814595</b>
Export Sales		
Finished Goods	0	1237404
	[b]	0
Jobwork Income	[c]	3801982
	[a + b + c]	<b>229616576</b>
		<b>236499170</b>
<b>Closing Stock</b>		
Raw Material		
Iron & Steel	16271606	16730665
Furnace Oil	808413	845807
Finished Goods	18951112	15103126
Scrap	40806	2254359
Consumable Stores & Spares	1650000	1500000
Dies & Tools	41249082	36764067
	<b>78971020</b>	<b>73198023</b>

29.00 Expenditure in Foreign Exchange

NIL

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

NIL



## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 31.00 Value of Export calculated on F.O.B. basis

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
Value of Export calculated on F.O.B. basis	0	1237404
	0	1237404

## 32.00 Payment to Auditor

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
Statutory Audit	150000	150000
Tax Audit	0	100000
Other Services	0	20000
	150000	270000

## 33.00 Earning Per Share

	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
Net Profit after Tax as per Statement of Profit and Loss Attributable to Equity Shareholders	1072233	-21153998
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	10596441	10596441
<b>BASIC EPC</b>	<b>0.10</b>	<b>-2.00</b>
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	10596441	10596441
<b>Diluted EPS</b>	<b>0.10</b>	<b>-2.00</b>

## 34.00 Related Party Disclosure

## 34.01 Related parties where control exist NIL

## 34.02 Related parties with whom transactions taken place during the year

Name of related Party	Nature of Relation
Hiratal 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 Dadhanis	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



## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 34.03 Transactions during the year with related parties

Nature of Transaction	Key Managerial Personal		Associate Concern	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	Rupees	Rupees	Rupees	Rupees
Remuneration	3330000	4560000	0	0
Office Salary	240000	330000	0	0
Jobwork Expenses	0	0	412192	103750
Purchase of Machinery	0	0	0	0
Sale of Goods	0	0	3646905	1628046
Purchase of Material	0	0	40351237	3905955
(Receivable) / Payable Net	3401498	1017600	9958159	-2553567

## 34.04 Disclosure in Respect of Major Related Party Transactions during the year

Nature of Transaction (Excluding Reimbursements)	Relationship	As at	As at
		31.03.2021	31.03.2020
		Rupees	Rupees
<b>Remuneration</b>			
Hiralal Mahidas Tiwa	Key Managerial Personal	1530000	1700000
Rakesh Chhaganbhai Patel	Key Managerial Personal	1800000	2200000
Parulben Rakeshbhai Patel	Key Managerial Personal	0	330000
Sheetal Sanjeevkumar Chaniara	Key Managerial Personal	0	330000
<b>Office Salary</b>			
Avani Nileshkumar Dadhania	Key Managerial Personal	240000	330000
<b>Jobwork Expenses</b>			
Sandeep Enterprise	Associate Concern	2006	14254
Crank & Crank	Associate Concern	410186	89496
<b>Purchase of Material</b>			
Prem Trading Co.	Associate Concern	37112818	0
Crank & Crank	Associate Concern	3238419	3905955
<b>Sale of Goods</b>			
Prem Trading Co.	Associate Concern	3646905	0
Crank & Crank	Associate Concern	0	1628046
<b>(Receivable) / Payable Net</b>			
Hiralal Mahidas Tiwa	Key Managerial Personal	1419600	350400
Rakesh Chhaganbhai Patel	Key Managerial Personal	1118858	17800
Sheetal Sanjeevkumar Chaniara	Key Managerial Personal	327800	317800
Parulben Rakeshbhai Patel	Key Managerial Personal	173200	198200
Avani Nileshkumar Dadhania	Key Managerial Personal	362040	123400
Prem Trading Co.	Associate Concern	12916661	70988
Crank & Crank	Associate Concern	452008	1480955
H II Agro Products	Associate Concern	-3410510	-4105510



## NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

## 35.00 CONTINGENT LIABILITIES AND COMMITMENTS


	As at 31.03.2021	As at 31.03.2020
	Rupees	Rupees
<b>Contingent Liability</b>		
A. Claim against the company / disputed liabilities not acknowledged as debt	0	0
B. Guarantees		
I. Guarantees to Bank and Financial Institution against Credit Facilities extended to third parties and other Guarantees	0	0
II. Performance Guarantees	0	0
III. Outstanding Guarantees furnished to Bank or financial institution including in respect of Letter of Credit	0	0
C. Other Money for which the company is contingent liable	0	0
I. Pending C-form	0	946632
II. Liability in respect of bills discounted with Banks (Including third party bills discounting)	0	0
III. Customs Duty Obligations towards EPCG License	6855182	6855182
<b>Commitment</b>		
A. Estimated amount of contract remaining to be executed on capital account and not provided for (Net of Advances)	0	0
B. Other Commitment	0	0

36.00 The previous year's figures have been regrouped/ reclassified, wherever necessary to conform to the current year

37.00 The Management confirms that the current assets and loans & advances are approximately of the value stated, if

38.00 Outstanding Balances of Trade Payables and Trade Receivables are subject to confirmation  
As per our report of even date

For, Nitesh A. Joshi & Co.  
Chartered Accountants  
FRN : 127578W  
UDIN: 21124272AAAAEX8946

  
(Nitesh A. Joshi)  
Partner  
MRN : 124272



  
(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

  
(Drashti Vaghaniya)  
Company Secretary  
ACS : A58976

Date : 28.06.2023  
Place : Rajkot

**Form No. 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]

**CIN:** L28910GJ1988PLC011694

**Name of the Company:** Ganga Forging Limited

**Registered Office:** Sr. No. 55/1 P/6 P/1 P/1, Near Shree Stamping, AT: Road Pipaliya, TA:  
Gondal, Rajkot 360311, India

**Email:** [cs@gangaforging.com](mailto:cs@gangaforging.com)

<b>Name of the Member(s)</b>	
<b>Registered Address</b>	
<b>Email Id</b>	
<b>Folio No./Client Id</b>	
<b>DP Id</b>	

I/We, being the member (s) of \_\_\_\_\_ Equity Shares of the Ganga Forging Limited, hereby  
appoint

1. Name:  
Address:  
E-mail Id:  
Signature:

Or failing him

2. Name:  
Address:  
E-mail Id:  
Signature:

Or failing him

3. Name:  
Address:  
E-mail Id:  
Signature:



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 the 30<sup>th</sup> September, 2021 at 11:00 A.M. at the registered office of the Company situated at Sr. No. 55/1 P/6 P/1 P/1, Near Shree Stamping, AT: Road Pipaliya, TA: Gondal, Rajkot 360311, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	Vote		
		For	Against	Abstain
	<b>Ordinary Business</b>			
1.	To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31 <sup>st</sup> March, 2021 and reports of Board of Directors and Auditors thereon			
2.	To appoint Shri. Hiralal Tilva, Chairman and Managing Director [DIN: 00022539], who retires by rotation as a Director and being eligible, offers himself for re-appointment			
	<b>Special Business</b>			
3.	To regularize Mr. Sagarkumar Govani [DIN: 09185913] as an Independent Director of the Company.			
4.	To omnibus Approval for Related party transactions with Prem Trading Co. during the F.Y. 2021-22			

Signed \_\_\_ day of \_\_\_\_\_ 2021

Signature of shareholder

Signature of Proxy holder(s)

<p><b>Affix Revenue Stamp</b></p>
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**Note: 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 48 hours before the commencement of the meeting.**

**ATTENDANCE SLIP**

**(To be handed over at the Registration Counter)**

**Annual General Meeting of the company held on Thursday, 30<sup>th</sup> September, 2021**

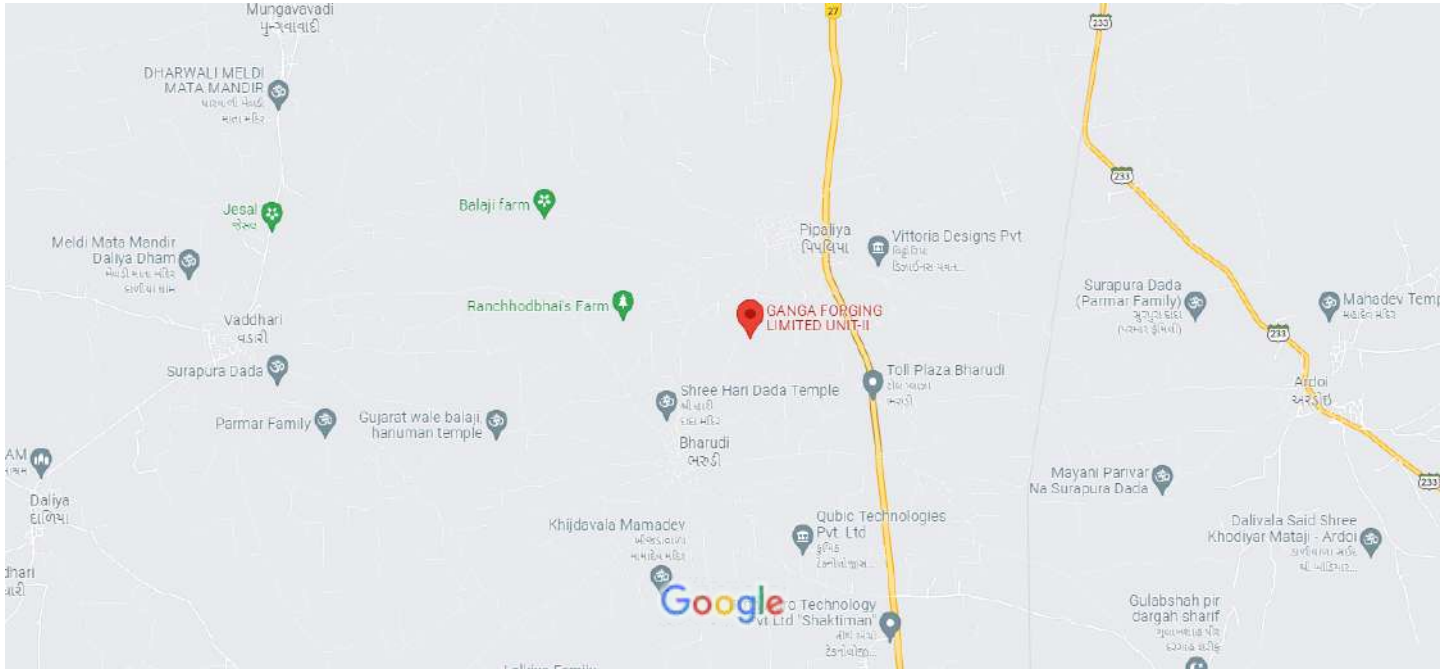
<b>Regd. Folio No. / DP ID-Client ID No.:</b>	
<b>No. of Equity Shares</b>	
<b>Name of the Shareholders</b>	
<b>Address of the Shareholders</b>	
<b>Name of Proxy of Member</b>	

1. I/We hereby record my/our presence at the ANNUAL GENERAL MEETING of the company being held on Thursday, 30<sup>th</sup> September, 2021 at 11:00 A.M. at the Registered office of the company situated at Sr. No. 55/1 P/6 P/1 P/1, Near Shree Stamping, AT: Road Pipaliya, Sadak Pipaliya, TA: Gondal, 360 311, Rajkot, Gujarat India
2. Shareholder/Proxy holder desiring to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
3. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Notice of the AGM for reference at the meeting.

Signature of the shareholder's/ Proxy present

**Note: Please carry duly filled attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL.**

Google Maps GANGA FORGING LIMITED UNIT-II



Map data ©2021 1 km