

48TH | ANNUAL REPORT
2019-2020



Amforge Industries Limited

CIN : L28910MH1971PLC015119

<p>Board of Directors: Mr. Puneet Makar Mrs. Reshma Makar Mr. Hudson D 'costa Mr. Sunil Aggarwal Mr. Rakesh Khanna Mr. Sanjay Patel</p>	<p>Board Committees: <u>Audit :</u> Mr. Sunil Aggarwal - Chairman Mr. Rakesh Khanna - Member Mr. Sanjay Patel - Member</p>	
<p>Registered Office: Amforge Industries Limited 1104-A, Raheja Chambers, 11th Floor Free Press Journal Marg, Nariman Point, Mumbai – 400021. Tele : 022-22828933/22821486. Fax : 022-66365964 e-mail : amfcosec@mtnl.net.in Website : www.amforgeindia.in</p>	<p><u>Nomination & Remuneration :</u> Mr. Sunil Aggarwal - Chairman Mr. Rakesh Khanna - Member Mr. Sanjay Patel - Member</p> <p><u>Stakeholders' Relationship :</u> Mr. Sunil Aggarwal - Chairman Mr. Sanjay Patel - Member Mr. Hudson D 'Costa - Member</p>	
<p>CIN : L28910MH1971PLC015119 Scrip Code : 513117 ISIN : INE991A01020 GST : 27AAACA8756A1ZV</p>	<p>Punjab National Bank 1st Floor, Raheja Chambers Free Press Journal Marg Nariman Point, Mumbai-400021.</p>	
<p>Registrar & Transfer Agents (RTA): Sharex Dynamic (India) Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083. Tele : 022-28515606/2851 5644 Fax : 022-28512885 e-mail : support @sharexindia.com website: www.sharexindia.com</p>	<p>Statutory Auditors: M/s. J Singh and Associates Chartered Accountants 505-507, Hub Town Viva Western Express Highway Shankarwadi, Andheri (West) Mumbai – 400060.</p>	
<p>Venue of AGM and Time VIDEO CONFERENCE (“VC”)/ OTHER AUDIO VISUAL MEANS (“OAVM”) @ 3.00 p.m on 28th September 2020.</p>	<p>Contents</p> <p>Notice</p> <p>Board's Report</p> <p>Corporate Governance</p> <p>Auditors Report</p> <p>Balance Sheet</p> <p>Statement of Profit and Loss</p> <p>Cash Flow Statement</p> <p>Notes to Financial Statement</p>	<p>Page No.</p> <p>3-8</p> <p>9-25</p> <p>26-35</p> <p>36-43</p> <p>44</p> <p>45</p> <p>46</p> <p>47-65</p>

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 48TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF AMFORGE INDUSTRIES LIMITED WILL BE HELD ON MONDAY, 28TH SEPTEMBER 2020 AT 3.00 P.M. THROUGH VIDEO CONFERENCE (“VC”) / OTHER AUDIO VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Reshma Makar (DIN-00019758), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. TO RE-APPOINT MR. HUDSON JOSEPH D’COSTA, AS MANAGING DIRECTOR:

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

“**RESOLVED THAT**, pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or re-enactment(s) thereof), for the time being in force, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and relevant provisions of SEBI (LODR) Regulation, 2015, Mr. Hudson Joseph D’Costa be and is hereby re- appointed as Managing Director of the Company for another term of three (3) years with effect from 1st August, 2020 to 31st July, 2023, at the following remuneration, terms and conditions, subject to approval of the members of the Company in their ensuing Annual General Meeting, and such approvals, as may be necessary:

Particulars	₹ / month
Salary	28700.00
HRA	7050.00
Education Allowance	1000.00
Contribution to PF	3444.00
Ex-gratia	500.00
LTA	2392.00
Medical Expenses	1250.00
Books and periodicals, entertainment expenses	2364.00
Total	46700.00

The following payments shall not be included in the computation of the said ceiling:

- (a) Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service; and encashment of leave at the end of the tenure.
- (b) Minimum Remuneration – Notwithstanding anything to the contrary herein contained, where, in any, financial year during the tenure as Managing Director, the Company made no profits or its profits are inadequate, the Company shall pay to the Managing Director, the above salary and perquisites except commission, not exceeding the ceiling limits prescribed in Schedule V of the Companies Act, 2013, as minimum remuneration.

OTHER BENEFITS:

Apart from the aforesaid remuneration, the Managing Director shall be entitled to reimbursement of expenses incurred in connection with the business of the Company. No sitting fees shall be paid to the Managing Director for attending Board and Committees.

Mr. Hudson D 'Costa will be entitled for such increment and alter or vary from time to time the amount of remuneration and type of perquisites so as not to exceed the remuneration limit as specified in the Companies Act, 2013, or any amendments thereof.

The appointment is liable to termination by giving three months' notice on either side.

“RESOLVED FURTHER THAT, the Board be and is hereby authorized any Directors / Company Secretary of the Company to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution.”

By Order of the Board of Directors
AMFORGE INDUSTRIES LIMITED
Hudson D 'Costa
Managing Director
DIN: 07893177

Place: Mumbai
Date: 24/08/2020

NOTES:

1. The explanatory statement, pursuant to Section 102 of the Companies Act 2013, in respect of the business under item no.3 attached hereto.
2. Pursuant to General Circular numbers 20/2020 dated May 05, 2020 read with 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 issued by Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities Exchange Board of India (SEBI) (hereinafter collectively referred to as “the Circulars”), considering the outbreak of COVID-19 pandemic, companies are allowed to hold Annual General Meeting (AGM) through VC/ OAVM, without requiring mandatory physical presence of members at a common venue. Hence, in compliance with the Circulars, the members can attend and participate in the ensuing AGM through VC/OAVM.
3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf at the AGM, and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC / OAVM, and participate thereat and cast their votes through e- voting. Since the AGM will be held through VC/OAVM, the route map is not necessary.
4. Participation of Members through VC / OAVM will be reckoned for the purpose of ascertainment of quorum under Section 103 of the Companies Act, 2013. All resolutions shall continue to be passed through the facility of evoting made available for the members.
5. Members of the Company under the category of Institutional Shareholders (i.e. other than Individuals, HUF, NRI, etc.) are encouraged to attend and vote at the AGM through VC/OAVM. Members intending to authorize their representatives to participate and vote at the meeting are requested to submit a scanned copy (PDF format) of the relevant Board Resolution / Authorization Letter, etc. together with attested specimen signature(s) of the duly authorised signatory (ies) who is/are authorized to vote, to the Scrutiniser, Email: cs.sandeepdubey@gmail.com with a copy marked to <https://instavote.linkintime.co.in> .

6. The details pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM is annexed, as Annexure to this notice.
7. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this, and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, M/s Sharex Dynamic India Pvt.Ltd., at their contact given in the Notice for assistance in this regard.
8. In order to receive the statutory communications on time, the Company requests :
 - a. The members who are holding shares in Physical mode to update their valid e-mail ID with the Registrar and Share Transfer Agent of the Company, Sharex Dynamic India Pvt.Ltd at their Email id: support @sharexindia.com and
 - b. The members / beneficial owners holding shares in dematerialized form are requested to update their valid e-mail IDs with the respective Depository Participants from time to time.
9. The Members holding shares in physical mode are requested to lodge / notify the communication for change of address, Bank details, ECS details, wherever applicable, mandates (if any) with the Company's Registrar and Share Transfer Agent, Sharex Dynamic India Pvt Ltd., by sending e-mail at support@sharexindia.com.
10. The Members / beneficial owners holding shares in electronic form are requested to update user profile details to their Depository Participants and not to the Company or to the Registrar and Share Transfer Agent of the Company, as the Company is obliged to use only the data provided by the Depositories.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
12. The Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the depositories / Company's Registrar and Share transfer agent. The Notice and Annual Report 2019-20 will also be available on the website of the Company www.amforgeindia.in and the Stock Exchange (BSE Limited) www.bseindia.com respectively.
13. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 22nd September, 2020 to Monday, 28th September, 2020 (both days inclusive). A person who is not a member, as on the cut-off date (21st September, 2020) should treat this Notice for information purpose only.
14. Voting through Electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company offers remote e-voting facility (e-voting from a place other than venue of the AGM) to all the Members of the Company to cast their votes electronically on all the resolutions set forth in the notice. The Company has availed the LinkIntime for facilitating e-voting.
15. The remote e-voting period commences on 25th September, 2020 (9:00 am) and ends on 27th September, 2020 (5:00 pm). The e-voting module will be disabled for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility, have not cast their vote on the Resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
16. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
17. The Company has appointed Mr. Sandeep Dubey, Practising Company Secretary, as the 'Scrutiniser' for conducting the e-voting process in a fair and transparent manner.

18. The Board of Directors has appointed Mr. Jayesh Thakkar, Chief Financial Officer and Mr. Hudson D' Costa, Director of the Company, as the persons severally responsible for the entire e-voting process.
19. The Scrutiniser shall make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman within a period not exceeding 48 hours from the conclusion of the AGM.
20. The Chairman or the person authorized by him would declare the results on or after the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be available on the Company's website www.amforgeindia.in and Link time website of <https://instavote.linkintime.co.in> and shall be forwarded to the Stock Exchange(s).
21. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2020, may obtain the login ID and password by sending a request at <https://instavote.linkintime.co.in>. However, if he/she is already registered with Link Intime India Pvt. Ltd – Instavote for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

Remote e-Voting Instructions for shareholders:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

► Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

- A. User ID: Enter your User ID
 - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company
- 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).
- C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
- D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.
 - Shareholders/ members holding shares in CDSL demat account shall provide either 'C' or 'D', above
 - Shareholders/ members holding shares in NSDL demat account shall provide 'D', above
 - Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
 - Set the password of your choice (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).
 - Click "confirm" (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

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.
8. 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.

If you have forgotten the password:

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o 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.
- 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".

Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members 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 or contact on: - Tel: 022 -4918 6000.

ANNEXURE TO THE AGM NOTICE
EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 3

Mr. Hudson Joseph D'Costa (DIN-07893177) joined the Company's Board on 1st August, 2017 as an Additional Director and thereafter, on 19/09/2017, the Shareholders of the Company, in their Annual General Meeting, regularized his appointment as Director and further approved his appointment, as Managing Director.

Mr. Hudson D 'Costa completes his first tenure as Managing Director on 31/07/2020 and he has expressed his willingness for second term.

The Nomination and Remuneration Committee ("Committee") has recommended to the Board to appoint him for the second terms, which starts from 01/08/2020 to 31/07/2023, with existing remuneration, as he is drawing.

Based on the recommendation, the Board has approved his appointment as Managing Director subject to the approval of shareholders to avail his expertise.

Except Mr. Hudson D' Costa, as an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no.3 and he is holding 1,000 shares, represents 0.006% of the paid-up capital of the Company.

The explanatory statement deemed to have been taken as a disclosure pursuant to SEBI (LODR) Regulations, 2015.

The Board accordingly recommends the Ordinary Resolution as mentioned at item no. 3 of this Notice for your approval.

Annexure to AGM Notice

The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Name of Director	Mr. Hudson D 'Costa
DIN	07893177
Date of Birth	12/07/1953
Nationality	Indian
Date of appointment on the Board of Directors of the Company.	01/08/2017
Qualifications and Experience (including nature of expertise in specific functions) brief resume	B.Sc. and MBA in Finance Expertise in administration and Human Recourse.
Number of shares held in the Company.	Holding 1000 shares
List of Directorships held in other Companies	Viniyog Investment and Trading Company Private Limited Salil Investments Pvt.Ltd
Chairperson / Membership of the Committees of the Board of the Companies in which he is Director.	Member - Stakeholders Relationship Committee of AMFORGE INDUSTRIES LIMITED
Relationship with other Directors, Manager, and key Managerial Personnel of the Company	Not Applicable
Number of Meetings of the Board of Directors attended during year.	Five Meetings
Terms and conditions of re-appointment	Second term of three (3) consecutive years
Sitting Fee Paid during the year	Not Applicable

BOARD'S REPORT

To:

Dear Members,

Your Directors are pleased to present the 48th Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020.

(₹ 000's)

Particulars	Year ended 31/03/2020	Year ended 31/03/2019
Total Income	29,450.32	25,173.37
Profit / (Loss) before Interest, Taxes, Depreciation, Amortization & Exceptional Items	14,342.43	4,730.03
Less: Finance Cost	4,296.48	3,757.11
Less: Depreciation & Amortization	4,948.57	4,976.22
Less: Exceptional Items	5153.65	-
Profit / (Loss) before Tax	(56.27)	(4003.30)
Current Tax	-	66.83
Deferred Tax	(314.00)	(1,118.00)
Profit / (Loss) for the period	257.73	(2,952.13)
Surplus / (Deficit) in statement of Profit & Loss - Beginning of the Financial Year	(5,40,600.15)	(5,37,648.02)
Add: Profit / (Loss) for the period	257.73	(2,952.13)
Surplus / (Deficit) in statement of Profit & Loss – at the end of the Financial Year	(5,40,342.42)	(5,40,600.15)

Financial Performance:

During the financial year under review, your Company registered a total income of ₹ 29,450.32 as against ₹ 25,173.37 thousand, in the previous year and earning profit before interest, depreciation, exceptional items and tax ₹ 14,342.43 thousand as against ₹ 4,730.03 thousand in the previous year. The loss before tax for the year is ₹ 56.27 thousand as against loss of ₹ 4,003.30 thousand in the previous year.

Dividend:

Your Directors do not recommend any dividend on the equity shares for the year ended 31st March 2020.

Share Capital:

During the Financial Year under review, the paid up Equity Share Capital of the Company was ₹ 287.74 Lakhs. The Company has not issued any shares with differential voting rights / stock options and instruments convertible into equity shares.

Extract of Annual Return:

Pursuant to Section 134 (3) (a) and Section 92(3) of the Companies Act, 2013, read with rule 12(1) of the Companies (Management & Administration) Rules, 2014, an extract of the Annual Return (MGT-9) as at 31st March, 2020 is annexed as Annexure –A to this report.

Directors:

During the year under review, the Shareholders of the Company have re-appointed Mr. Sunil K. Aggarwal (DIN: 0005385) and Mr. Rakesh Khanna (DIN: 00040152) as Independent Directors for a second term of five consecutive years with effect from 12th September, 2019.

Declaration by Independent Directors:

Pursuant to Section 149 (4) of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Central Government has prescribed that your Company shall have minimum two Independent Directors. Your Company has following Independent Directors:

Sr.No.	Name of the Independent Director	Date of appointment / Reappointment	Date of passing of Special Resolution, if any.
1.	Sunil K. Aggarwal	12/09/2019	16/09/2019
2.	Rakesh Khanna	12/09/2019	16/09/2019
3.	Sanjay R. Patel	11/11/2016	19/09/2017

All the above Independent Directors meet the criteria of ‘independence’ prescribed under section 149(6) and have submitted declaration to the effect that they meet with the criteria of independence as required under section 149 (7) of the Act, 2013.

Key Managerial Personnel:

Mr. Chetan Prakash Pania was appointed as Company Secretary and Compliance Officer with effect from 1st August, 2019.

Auditors:

M/s. J Singh and Associates, Chartered Accountants, (Firm Registration No.110266 W) was appointed as Auditor of the Company for a term of 5 (five) consecutive years, at the 47th Annual General Meeting of the Company held on 16th September, 2019.

The observations and comments given by the Auditors in their Report read together with notes on Financial Statement are self-explanatory and hence do not call for any further comments under section 134 of the Act.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Sandeep Dubey & Associates, Practising Company Secretaries, C.P.No.17902), ACS: 47940), was appointed as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2020. The Secretarial Audit Report, is annexed as Annexure-“B”.

Pursuant to circular No. CIR/ CFD/ CMD1/ 27/ 2019 dated February 8, 2019, issued by Securities and Exchange Board of India (SEBI), the Company has obtained Secretarial Compliance Report, from Practising Company Secretaries on compliance of all applicable SEBI Regulations and circulars / guidelines issued there under.

The observations and comments given by the Secretarial Auditor in their Report are self-explanatory and hence do not call for any further comments under Section 134 of the Act.

The Secretarial Audit Report is not having any qualification, reservation or adverse remarks.

Maintenance of Cost Records:

The Central Government has not specified maintenance of cost records for any of the products of the Company under Section 148(1) of the Act.

Corporate Governance:

Pursuant to Regulation 34(3) read with Schedule-V of the SEBI (LODR) Regulations, 2015, Certificates issued by the Practising Company Secretary, confirming the compliance of the Corporate Governance for the financial year ended 31st March, 2020, is annexed, as Annexure-“C” and “D” to this report.

Meetings of Board of Directors:

During the Financial Year, five Board Meetings held. Details are available in the Corporate Governance Report.

Performance Evaluation of Board:

Pursuant to the provisions of the Companies Act, 2013, and the SEBI (LODR), Regulations, 2015, the Independent Directors carried out the performance evaluation of the Non-Independent Directors.

Committees of the Board:

The Company has duly constituted the following committees, pursuant to Companies Act, 2013, read with applicable Rules made thereunder and the SEBI (LODR), Regulations, 2015.

1. Audit Committee
2. Remuneration and Nomination Committee
3. Stakeholders Relationship Committee.

The composition of the Committees, meetings, and attendance thereof is available in the Corporate Governance of this report.

Corporate Social Responsibility:

The provisions of Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, are not applicable to the Company.

Meeting of Independent Directors:

Pursuant to Regulations of SEBI (LODR), 2015, meeting of the Independent Directors could not be held during the financial year due to pandemic worldwide (covid-19), and lockdown declared by the government.

Related Party Disclosure:

There were no material transactions during the financial year under review. However, arm's length transactions have taken place between the related parties, which are as follows:

(₹ 000's)

Name of the Parties / Person	Opening Balance as of 01/04/2019	ICD /Loan Transaction		Closing Balance as of 31/03/2020	Max amount outstanding during the year	Other Transactions		
		Received	Repaid			Payment / Provision of Interest	Payment of rent	Payment of Salary / fees
Viniyog Investment and Trading Company Private Limited	19950.00	13000.00	-	32950.00	32950.00	2705.33	-	-
Nainesh Trading & Consultancy LLP	5000.00	2500.00	7500.00	0.00	5000.00	202.36	-	-
Makar Estate	-	-	-	-	-	-	120.00	-
Total	24950.00	15500.00	7500.00	32950.00	-	2907.69	120.00	-

Management Discussion and Analysis:

There were no manufacturing activities to report on Management Discussion and Analysis pursuant to Regulation 34(2) (e) of SEBI (LODR) Regulations, 2015.

Directors' Responsibility Statement:

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Directors' confirm that in the preparation of Annual Accounts, the applicable Accounting Standards have been followed.

1. 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 true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit and Loss Account of the Company for the year ended on the date.
2. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
3. The Annual Accounts have been prepared on a going concern basis.
4. The company has followed a proper internal financial control and that such internal financial controls are adequate and were operating effectively.
5. A system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Particulars of Remuneration paid to Directors and Key Managerial Personnel:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rules forms part of the Report. The Directors and Key Managerial Personnel of the Company is drawing remuneration, the limits prescribed under the Act and Rules, thereof.

Vigil Mechanism:

The Company has vigil mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (LODR), Regulations, 2015. The Whistle Blower Policy to enable the Directors, Employees and all Stakeholders to report genuine concerns to provide adequate safeguard against victimisation of person who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. The said policy is available on the Company's website: www.amforgeindia.in

Risk Management Policy:

The current level of operations of the Company does not require a formal Risk Management Policy. The Board does review the situation from time to time and will adopt such a policy, if applicable.

Internal and Financial Control:

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

Fixed Deposits:

The Company has not accepted any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the rules made thereunder.

Particulars of loans given, Investments made and Guarantees given and Securities provided are given in the financial statements and notes to accounts.

Transfer of amounts to Investor Education and Protection Fund (IEPF):

Pursuant to provisions of the Companies Act, 2013, there is no amount of interest, dividend, etc., pending unpaid for more than seven years with the Company.

Certification by Chief Executive Officer / Chief Financial Officer:

Pursuant to Regulation 17 (8) of SEBI (LODR), Regulations, 2015, the Chief Executive Officer / Chief Financial Officer, complied by issuing the necessary certificate for the financial year ended 31st March, 2020.

Conservation of Energy, Technology absorption and Foreign Exchange Earnings & Outgo:

Pursuant to Section 134 of the Companies Act, 2013, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, conservation of energy, technology absorption and foreign exchange earnings and outgo are given as under:

Description	2020	2019
Power Consumption	-	-
Diesel Oil	-	-
Technology Absorption	-	-
Foreign Exchange Earning	-	-
Foreign Exchange Outgo	-	-

Disclosure under the Sexual Harassment of Woman at work place:

Pursuant to Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013, during the year, under review, there were no cases filed/ pending.

Secretarial Standards:

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Acknowledgement:

Your directors, thankful to yours continued support and co-operation.

For and on behalf of the Board of Directors
AMFORGE INDUSTRIES LIMITED
Hudson D 'costa
Managing Director

Place: Mumbai
Date: 24/08/2020

MGT -9

Extract of Annual Return
As on Financial Year ended on 31st March, 2020
(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management & Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L28910MH1971PLC015119
2.	Registration Date	21/04/1971
3.	Name of the Company	AMFORGE INDUSTRIES LIMITED
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office and contact details	1104-A, Raheja Chambers, 11th Floor, Free Press Journal Marg, Nariman Point, Mumbai-400 021. (Maharashtra state) Tel: 022- 22828933 / 22821486 Email: secretarial@amforgeindustries.com amfcosec@mtnl.net.in
6.	Whether listed company	Yes. BSE Limited, Mumbai
7.	Name, Address and contact details of the Registrar & Transfer Agent, if any.	M/s. Sharex Dynamic (India) Pvt Ltd. C-101, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai-400083 Tel: 022-28515644/2851 6338 Fax: 022- 28512885. Email : support@sharexindia.com

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)

Name and Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
Financial services activities except insurance	64990	N.A

There is no reportable segment for the activities carried on by the Company.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name and Address of the Company along with CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
N.A.	N.A.	N.A.	N.A
N.A.	N.A.	N.A	N.A.

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage to total Equity):

Category wise Shareholding:

Category of Shareholder	No. of shares held at the beginning of the year 01/04/2019				No. of shares held at the end of the year 31/03/2020				% of change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
1. Indian									
a) Individual/HUF	2765149	-	2765149	19.219	2764849	-	2764849	19.217	-0.002
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	5420125	-	5420125	37.673	5420125	-	5420125	37.673	-
e) FI / Banks	-	-	-	-	-	-	-	-	-
f) Any Other specify	-	-	-	-	-	-	-	-	-
Sub Total (A1)	8185274	-	8185274	56.892	8184974	-	8184974	56.890	-0.002
2. Foreign									
a) Ind. NRI / For Ind.	-	-	-	-	-	-	-	-	-
b) Other individual	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) FI/Banks	-	-	-	-	-	-	-	-	-
e) Qualified foreign investor	-	-	-	-	-	-	-	-	-
f) Any other specify	-	-	-	-	-	-	-	-	-
Sub-Total (A 2)	-	-	-	-	-	-	-	-	-
Total shareholding A= (A1 + A2)	8185274	-	8185274	56.892	8184974	-	8184974	56.890	-0.002
B. Public shareholding									
1. Institutions									
a) Mutual Funds	200	3640	3840	0.027	200	3640	3840	0.027	-
b) Banks / FI	65	25	90	0.001	65	25	90	0.001	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	23949	-	23949	0.166	23949	-	23949	0.166	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign ven.capital funds	-	-	-	-	-	-	-	-	-
i) Any others -specify	-	-	-	-	-	-	-	-	-
Sub-Total (B1)	24214	3665	27879	0.194	24214	3665	27879	0.194	-

2. Non-institutions										
a) Bodies Corporates										
i) Indian	533778	12684	546462	3.798	509987	12644	522631	3.633	-0.165	
ii) Overseas	-	-	-	-	-	-	-	-	-	
b) Individuals										
i) up to ₹ 1-Lakh	4685528	376582	5062110	35.185	4671005	370330	5041335	35.040	-0.145	
ii) above ₹ 1-Lakh	459637	-	459637	3.195	518726	-	518726	3.605	0.410	
c) Any other specify										
-Non Res. Indians	58618	32857	92475	0.643	52982	32657	85639	0.595	-0.048	
-Overseas Corp. Bodies	-	-	-	-	-	-	-	-	-	
-Foreign Nationals	-	-	-	-	-	-	-	-	-	
-Clearing members	13375	-	13375	0.093	828	-	828	0.006	-0.087	
-Trusts	-	-	-	-	5200	-	5200	0.036	0.036	
-Foreign Bodies -DR	-	-	-	-	-	-	-	-	-	
Sub-Total (B2)	5776150	425788	6201938	42.914	5758728	415631	6174359	42.915	0.001	
Total Public shareholding B = (B1) + (B2)	5767622	4,34,316	6201938	43.108	5782942	419296	6202238	43.109	0.001	
C. Shares held by Custodians' for GDRs /ADRs	-	-	-	-	-	-	-	-	-	
GRAND TOTAL (A)+(B)+(C)	13961424	425788	14387212	100	13967916	419296	14387212	100.00	-	

B) Shareholding of Promoters:

Name of shareholders	Shareholding at the beginning of the year 01/04/2019			Shareholding at the end of the year 31/03/2020			
	No. of shares	% of total shares	% shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% shares pledged / encumbered to total shares	% of change in share-holding during the year
M/s. Viniyog Investment and Trading Company Private Limited	2889880	20.086	-	2739880	19.044	-	-1.042
M/s. Nainesh Trading and Consultancy LLP	2530245	17.587	-	2680425	18.629	-	-1.042
Mr. Puneet Makar	2513219	17.468	-	2513219	17.468	-	-
Mr. Yogiraj Jaichand Makar HUF	75660	0.526	-	75,660	0.526	-	-
Ms. Radhika Kapur	62796	0.436	-	62,796	0.436	-	-
Ms. Nutan Lampa	62378	0.434	-	62,078	0.431	-	-0.003
Mrs. Reshma Makar	51096	0.355	-	51,096	0.355	-	-

C) Change in Promoters' Shareholding:

Name of shareholders	Shareholding at the beginning of the year 01/04/2019		Shareholding at the end of the year 31/03/2020				
	No. of shares	% of total shares of the Company	Date	Incr. / (Dec.) in share-holding	Rea-son	Cumulative shareholding during the year	% of total shares of the Company during the year
M/s. Viniyog Investment and Trading Company Private Limited	2889880	20.086	01/04/2019	-	-	-	-
			30/08/2019	-150000	sold	2739880	19.044
			31/03/2020	-	-	2739880	19.044
M/s.Nainesh Trading and Consul-tancy LLP	2530245	17.587	01/04/2019	-	-	-	17.587
			30/08/2019	-150000	buy	2680245	18.629
			31/03/2020	-	-	2680245	18.629
Ms. Nutan Lampa	62378	0.434	01/04/2019	-	-	-	-
			24/05/2019	-268	sold	62110	0.432
			26/07/2019	-32	sold	62078	0.431
			31/03/2020	-	-	62078	0.431

D) Shareholding Pattern of top Ten (10) Shareholder (other than Directors, Promoters & holders of GDRs & ADRs):

Name of the shareholders	No. of Shares at the beginning / end of the Year	% of the Shares of the Company	Date	Increase / Decrease in share-holding	Reason	No. of shares	% of total Shares of the Company
MANAV HARESH LAKHANI	160316	1.114	01/04/2019	-	-	-	-
-Closing Balance	-	-	31/03/2020	-	No change	160316	1.114
SHUBHAMANGAL CREDIT CAPITAL PRIVATE LTD	120000	0.834	01/04/2019	-	No Change	-	-
-Closing Balance	-	-	31/03/2020	-	No Change	120000	0.834
RAJIV ARVINDCHANDRA JOSHI	106460	0.740	01/04/2019	-	-	-	-
-Closing Balance	-	-	31/03/2020	-	No Change	106460	0.740
OPTIMUM STOCK TRADING CO. PVT LTD	100000	0.695	01/04/2019	-	No Change	-	-
-Closing Balance	-	-	31/03/2020	-	No Change	100000	0.695

Name of the shareholders	No. of Shares at the beginning / end of the Year	% of the Shares of the Company	Date	Increase / Decrease in share-holding	Reason	No. of shares	% of total Shares of the Company
SHAIKH MOHAMMED MUSTAFA	81749	0.568	01/04/2019	-	No Change	-	-
-Closing Balance			31/03/2020	-	No Change	81749	0.568
UPASANA RESOURCES PVT LTD	64403	0.448	01/04/2019	-	No Change	-	-
-Closing Balance			31/03/2020	-	No Change	64403	0.448
RAJESHKUMAR BHIKHABHAI SHAH	60000	0.417	01/04/2019	-	No Change	-	-
-Closing Balance			31/03/2020	-	No Change	60000	0.417
Sanjeev Lunkad	24100	0.168	01/04/2019	-	-	-	-
			05/04/2019	9531	buy	33631	0.234
			12/04/2019	54	buy	33685	0.234
			19/04/2019	242	buy	33927	0.236
			26/04/2019	-1101	sold	32826	0.228
			17/05/2020	741	buy	33567	0.233
			31/05/2019	25	buy	33592	0.233
			07/06/2019	700	buy	34292	0.238
			14/06/2019	161	buy	34453	0.239
			05/07/2020	600	buy	35053	0.244
			19/07/2019	175	buy	35228	0.245
			02/08/2019	100	buy	35328	0.246
			23/08/2019	3534	buy	38862	0.270
			30/08/2019	500	buy	39362	0.274
			13/09/2019	5180	buy	44542	0.310
			27/09/2019	525	buy	45067	0.313
			22/11/2019	7300	buy	52367	0.364
			29/11/2019	250	Sold	52117	0.362
			06/12/2019	39	buy	52156	0.363
			13/12/2019	1006	buy	53162	0.370
			20/12/2019	25	buy	53187	0.370
			27/12/2019	1725	buy	54912	0.382
			31/12/2019	2893	buy	57805	0.402
			17/01/2020	1448	sold	56357	0.392
			24/01/2020	500	sold	55857	0.388
			31/01/2020	200	sold	55657	0.387

Name of the shareholders	No. of Shares at the beginning / end of the Year	% of the Shares of the Company	Date	Increase / Decrease in share-holding	Reason	No. of shares	% of total Shares of the Company
			07/02/2020	1	buy	55658	0.387
			20/03/2020	3535	buy	59193	0.411
			27/03/2020	102	sold	59091	0.411
			31/03/2020	2	sold	59089	0.411
SIMRAN SETHIA	51112	0.355	01/04/2019	-	No Change		
-Closing Balance			31/03/2020	-	No Change	51112	0.355
PATEKAR AMOL MADHUKAR	49720	0.346	01/04/2019	-	No Change		
-Closing Balance			31/03/2020	-	-	49720	0.346
SANJEEV RAGHUBANS KANWAR.	47569	0.331	01/04/2019	-	No Change	-	-
-Closing Balance			31/03/2020	-	No Change	47569	0.331

E) Shareholding of Directors and Key Management Personnel:

Sr. No	Name of the Directors / Key Managerial Personnel	Shareholding at the beginning of the year 01/04/2019		Shareholding at the end of the year 31/03/2020	
		No. of shares	% of total shares of the Company	No. of shares	% of total Shares of the Company
1.	Mr. Puneet Makar	2513219	20.086	2513219	17.468
2.	Mrs. Reshma Makar	51096	0.355	51096	0.355
3.	Mr. Hudson D 'costa	1000	0.006	1000	0.006
4.	Mr. Jayesh Thakkar	350	0.002	350	0.002

V. INDEBTEDNESS:

(₹ in 000's)

Particulars	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	13204.08	35019.89	-	48223.97
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total	13204.08	35019.89	-	48223.97
Change in Indebtedness during the financial year				
* Addition	5002.30	15616.92	-	20619.22

Particulars	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
* Reduction	3204.88	9000.00	-	12204.88
Net Change	17974.13	6616.92	-	8414.33
Indebtedness at the end of the financial year	15001.49	41636.81	-	56638.30
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total	15001.49	41636.81	-	56638.30

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(₹ in 000's)

Sr. No.	Particulars of Remuneration	Managing Director and Chief Executive Officer	Chief Financial Officer	Company Secretary	
		Hudson D'Costa	Jayesh Thakkar	Kinshuk Tiwari Upto 10/06/2019	Chetan P Pania From 01/08/2019
1.	Gross salary :				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	571.40	891.72	58.33	176.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14.40	-	-	-
	(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, others, specify.	-	-	-	-
5.	Others, please specify: Companies contribution to PF	-	-	-	-
	Total	585.80	891.72	58.33	176.00
Ceiling as per the Companies Act, 2013 11% of the net profit.					

VII. Remuneration to Other Directors:

Name of Directors	Particulars of Remuneration		
	Fee for attending Board / Committee meetings (₹)	Commission Paid (₹)	Total Amount (₹)
Mr. Sunil Aggarwal	12000.00	-	12000.00
Mr. Rakesh Khanna	15000.00	-	15000.00
Mr. Sanjay Patel	15000.00	-	15000.00
Total	42000.00	-	42,000.00
Overall ceiling as per the Companies Act, 2013 is ₹100000/- per meeting,			

₹ 1500/- being paid as sitting fees to the Non-Executive-Independent Directors for attending the meetings of the Board..

VIII. 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
COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors
 AMFORGE INDUSTRIES LIMITED
 Hudson D `costa
 Managing Director
 DIN: 07893177

Place: Mumbai
 Date: 24/08/2020

ANNEXURE “B”**Form No. MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st March, 2020**

[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,

Amforge Industries Limited

1104-A, Raheja Chambers, 11th Floor,

Free Press Journal Marg, Nariman Point,

Mumbai-400021.

I, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Amforge Industries Limited (CIN: L28910MH1971PLC015119) (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering financial year ended on 31st March, 2020, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulations) Act, 1956 (‘SCRA’) and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder 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’) to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. 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).
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period).
 - f. 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;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - (Not applicable to the Company during the Audit period).
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - (Not applicable to the Company during the Audit period).

I have also examined compliance with the applicable Clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board (“SS-1”) and General Meetings (“SS-2”).
- (ii) The provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”);

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

I 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 Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members’ views are captured and recorded as part of the minutes, if any.

I further report that, as per the explanations given to us and the representations made by the Management and relied by us, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I, further report that, during the audit period the company has no specific events / actions in pursuance of the above-referred Laws, Rules, Regulations, Guidelines, Standards, etc. having a major bearing on the Company’s affairs.

For Sandeep Dubey & Associate
(Practicing Company Secretary)
CS Sandeep Dubey
ACS No.: 47940
COP No.: 17902

Place: Mumbai
Date: 28/07/2020

Note: This report is to be read with my letter of even date, which is annexed as ‘Annexure I and forms an integral part of this report.

Annexure- B to Secretarial Audit Report

To
The Members,
Amforge Industries Limited
1104-A, Raheja Chambers, 11th Floor,
Free Press Journal Marg, Nariman Point,
Mumbai-400021.

Our report of even date 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. I have followed the audit practices and processes as applicable 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, I 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 are the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. In preparing the report, I have relied on the correctness and accuracy of the information provided to me orally and in writing by on behalf of the Company.
7. 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.

For Sandeep Dubey & Associate
(Practicing Company Secretary)
CS Sandeep Dubey
ACS No.: 47940
COP No.: 17902

Place: Mumbai
Date: 28/07/2020

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 Disclosure Requirements) Regulations, 2015)

To
The Members,
Amforge Industries Limited
1104-A, Raheja Chambers, 11th Floor,
Free Press Journal Marg,
Nariman Point, Mumbai-400021.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors Amforge Industries Limited (CIN-L28910MH1971PLC015119) having its registered office at 1104-A, Raheja Chambers, 11th Floor, Free Press Journal Marg, Nariman Point, Mumbai-400021 ('the Company'), produced before me 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 Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations,2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the officers of the Company , I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31/03/ 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / 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.

For Sandeep Dubey & Associate
(Practicing Company Secretary)
CS Sandeep Dubey
ACS No.: 47940
COP No.: 17902

Place: Mumbai
Date: 28/07/2020

CORPORATE GOVERNANCE

The Board of Directors present the Report on Corporate Governance for the Financial Year ended 31st March, 2020 pursuant to Regulation 34 (3) of the SEBI (LODR) Regulations, 2015.

1. Company's philosophy on code of governance:

The Company believes in adopting the best Corporate Governing practices, and further believes that the shareholders ought to have complete information about the Board of Directors and the Management.

2. Board of Directors:

During the financial year, the composition of the Board of Directors was such that it complies with the requirements of Independent and Non-Executive Directors.

Composition and Category of Directors:

Sr. No.	Name of Directors	Category
1.	Mr. Puneet Makar	Promoter - Non-Executive Director
2.	Mrs. Reshma Makar	Promoter - Non-Executive Director
3.	Mr. Sunil Aggarwal	Independent - Non-Executive Director
4.	Mr. Rakesh Khanna	Independent - Non-Executive Director
5.	Mr. Sanjay Patel	Independent - Non-Executive Director
6.	Mr. Hudson D 'costa	Managing Director – Executive Director

Attendance of the Directors :

Sr. No.	Date of Board Meeting	Directors Present
1.	24/05/2019	5
2.	31/07/2019	4
3.	16/09/2019	5
4.	06/11/2019	5
5.	07/02/2020	5
7.	16/09/2019 (AGM)	3

Note : There was no gap of more than four months between two consecutive Board meetings.

Attendance of Directors and sitting fees paid :

Sr. No.	Name of Directors	Board Meetings attended	Sitting Fees Paid (₹)	Committee Meetings attendance	Sitting Fees paid ₹	At AGM
1.	Mr. Puneet Makar	1	-	-	-	-
2.	Mrs. Reshma Makar	4	-	-	-	-
3.	Mr. Sunil Aggarwal	4	6000.00	4	6,000.00	1
4.	Mr. Rakesh Khanna	5	7500.00	5	7,500.00	1
5.	Mr. Sanjay Patel	5	7500.00	5	7,500.00	-
6.	Mr. Hudson D 'costa	5	-	-	-	1

Directorships and Membership of Board and Committees:

Sr. No	Name of Directors	Total number of Directorships of Public Companies	Total number of committee memberships of Public Companies	Total number of Committee Chairmanships of Public Companies
1.	Mr. Puneet Makar	1	-	-
2.	Mrs. Reshma Makar	1	-	-
3.	Mr. Sunil Aggarwal	1	2	2
4.	Mr. Rakesh Khanna	2	3	1
5.	Mr. Sanjay Patel	1	2	-
6.	Mr. Hudson D 'Costa	1	1	-

Note: Committees considered are Audit Committee and Stakeholders Relationship Committee including that of the Company.

None of the Directors holding equity shares of the Company except Mr. Puneet Makar (Promoter-Non-Executive Director) 25,13,219 shares, Mrs. Reshma Makar (Promoter-Non-Executive Director) 51,096 shares, and Mr. Hudson D 'costa (Non-Independent and Executive Director), 1,000 shares.

3. Audit Committee:

A qualified and independent Audit Committee should meet at least four times in a year. The Audit Committee shall have minimum three Directors as members, with two-third of its members being Independent Directors. All members of the Audit Committee shall be financially literate, and at least one member shall have accounting or related financial management expertise. The Chairman of the Audit Committee shall be an Independent Director and be present at the Annual General Meeting to answer the shareholders' queries. The Company Secretary shall be assisting the Committee. Pursuant to Section 177 of the Companies Act, 2013, the Board duly constituted an Audit Committee.

The details of the meetings held during the financial year:

Sr.No.	Name of Directors	Date of Meetings held				Sitting fees paid (₹)
		24/05/2019	31/07/2019	06/11/2019	07/02/2020	
1.	Mr. Sunil Aggarwal	1	1	-	1	4500.00
2.	Mr. Rakesh Khanna	1	1	1	1	6000.00
3.	Mr. Sanjay Patel	1	1	1	1	6000.00

4. Nomination and Remuneration Committee:

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee shall comprise of at least three Directors; all of whom should be Non-Executive Directors. At least half of the Committee members should be Independent, with an Independent Director acting as Chairman of the Committee.

The Committee consists of the following directors:

Sr.No.	Name of Directors		Meeting held 31/07/2019	Sitting fees paid (₹)
1.	Mr. Sunil Aggarwal	Chairman	1	1500.00
2.	Mr. Rakesh Khanna	Member	1	1500.00
3.	Mr. Sanjay Patel	Member	1	1500.00

5. Remuneration paid to Directors and Key Managerial Personnel:

Sr. No.	Particulars of Remuneration	Managing Director and Chief Executive officer	Chief Financial Officer	Company Secretary and Compliance Officer	
		Hudson D' costa	Jayesh Thakkar	Kinshuk Tiwari Upto 10-06-2019	Chetan P.Pania From 01/08/2019
1.	Gross salary :				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	571.40	891.72	58.33	176.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14.40	-	-	-
	(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, others, specify.	-	-	-	-
5.	Others, please specify: Companies contribution to PF	-	-	-	-
	Total	585.80	891.72	58.33	176.00
Ceiling as per the Companies Act, 2013 11% of the net profit.					

Sitting fees paid to the Non-Executive Directors:

Sr. No.	Name of the Directors	Sitting fees paid for attending Board and Committee meetings (₹)	Professional Fees (₹)
1.	Mr. Sunil Aggarwal	12000.00	-
2.	Mr. Rakesh Khanna	15000.00	-
3.	Mr. Sanjay Patel	15000.00	-

6. Stakeholders Relationship Committee:

Pursuant to Regulation 20 of the SEBI (LODR) Regulations, 2015, the role of the committee shall inter-alia include resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual reports, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings, etc. Review of measures taken for effective exercise of voting rights by shareholders, adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agents, various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders.

The Committee consists of the following Directors:

Sr. No.	Name of the members	Designation
1.	Mr. Sunil Aggarwal	Chairman
2	Mr. Sanjay Patel	Member
3.	Mr. Hudson D 'costa	Member

No meeting were held during the financial year 2019-2020 due to Covid -19 pandemic worldwide and the government announced lock down in March 2020 to control spreading covid-19

Complaints received and Resolved:

Nature of Complaint	Complaints Received from 01/04/2019 to 31/03/2020					Total	Redressed	Not Redressed	Reason (s) for non redressal
	SEBI	Stock Exchange	Registrar of Companies	Investors	Others				
Non-receipt of shares / dividends / rights/bonus shares	-	-	-	-	1	1	1	-	-
TOTAL	-	-	-	-	1	1	1	-	-

7. Meetings of Independent Directors:

The Independent Directors of the listed entity shall hold at least one meeting in a year, without the presence of Non-independent Directors and members of the management to review the performance of Non-independent Directors and the Board of directors as a whole, Chairperson of the listed entity, taking into account the views of Executive Directors and Non-executive Directors, assess the quality, quantity and timely flow of information between the Management of the listed entity and the Board of Directors.

No meeting were held during the financial year 2019-2020 due to Covid -19 pandemic worldwide and the government announced lock down in March 2020 to control spreading covid-19

8. General Body Meetings held in the last three years:

Sr. No.	Date	Day and Time	Venue	Remarks
1.	19/09/2017	Tuesday @ 2.30 P.M.	Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001	45th AGM Ordinary and Special Business: Appointment of Managing Director and Independent Director. Postal Ballot conducted for Buyback of shares through open offer.
2.	18/09/2018	Tuesday @ 2.30 P.M.	Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001	46th AGM Ordinary Business

Sr. No.	Date	Day and Time	Venue	Remarks
3.	16/09/2019	Monday @ 2.30 P.M.	-do-	47th AGM Ordinary Business

9. Means of Communication:

Pursuant to SEBI (LODR) Regulations, 2015, the Company is publishing its Notices, Unaudited / Audited Financial Results, and other events, if any, in the newspapers i.e Free Press Journal (in English) and Navshakti (in Marathi).

10. General Information for shareholders:

(a) Annual General Meeting:

Day	Monday
Date	28/09/2020
Time	3.00 p.m.
Venue	Virtual Meeting.

(b) Financial Calendar:

Financial Results - June quarter	On or before 14/08/2020
Financial Results - September quarter	On or before 14/11/2020
Financial Results - December quarter	On or before 14/02/2021
Audited Financial Results - March quarter & year end	On or before 30/05/2021

(c) Dividend Payment Date : Not applicable, since no dividend is declared.

(d) Listing on Stock Exchanges : BSE Limited, Mumbai (Fee paid for 2020-2021)

(e) Stock Code & (ISIN) : 513117 (ISIN No. INE991A01020)

(f) Market Price Data:

Month	Share Price	
	High	Low
April - 2019	1.80	1.32
May - 2019	1.44	1.18
June -2019	1.32	0.95
July - 2019	1.00	0.75
August - 2019	1.16	0.85
September - 2019	1.22	1.11
October -2019	1.16	0.97
November -2019	1.21	0.95
December -2019	0.91	0.70
January -2020	1.15	0.73
February - 2020	0.95	0.71
March - 2020	0.71	0.57

Performance in Comparison to broad – based indices:
As given above.

(h) In case securities are suspended from trading, reason thereof:

Shares listed on Bombay stock exchange (BSE Ltd.). Never suspended from trading.

(i) Registrar and Transfer Agents (RTA):

M/s. Sharex Dynamic (India) Pvt Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083, Maharashtra, (India), Contact No. 022-28515644 /28516338. Email: support@sharexindia.com. Website: www.sharexindia.com

(j) Share Transfer System:

The entire share transfer system is handled by the Registrar and Transfer Agents (“RTA”) of the Company at the address given above. The RTA is equipped with all required infrastructure required for share transfer both in physical and electronic. The transfers received are processed by the RTA duly approved by the Share Transfer Executive Committee of the Company and despatched within the stipulated time as per the regulations.

(k) Distribution of shareholding :

Distribution of shares	Number of shareholders	% to total Number of shareholders	Number of shares held	% to total Shares
Up to 100	12744	76.619	426622	2.965
101 to 200	1342	8.068	220378	1.532
201 to 500	1184	7.118	443162	3.080
501 to 1000	593	3.565	515761	3.585
1001 to 5000	575	3.457	1391932	9.675
5001 to 10000	101	0.607	758369	5.271
10001 to 100000	88	0.529	2310901	16.062
100001 & above	6	0.036	8320120	57.830
Total	16633	100.00	14387212	100.00

(l) Category of Shareholding Pattern:

Category of Shareholders	Number of Shares held	% of holding
Indian Promoters		
Directors’ Relatives	2764849	19.217
Body Corporates	5420125	37.673
Foreign		
Individual / Non-Resident Foreign Individual	-	-
Government	-	-
Institutions	-	-
Foreign Portfolio Investor	-	-
Institutions	-	-
Mutual Funds	3840	0.027
Bank, Financial Institutions, insurance companies, trust	29239	0.203

Category of Shareholders	Number of Shares held	% of holding
Central /State Government(s)	-	-
Others	6169159	42.879
Total	14387212	100.000

(m) Dematerialization of Shares and Liquidity:

dematerialization of shares of the Company and its liquidities are as under:

Shares	Physical		Dematerialised		Total
Number	425788		13961424		14387212
% to total	2.96		97.04		100.00
	Promoters	Public	Promoters	Public	Total
Number	-	425788	8185274	5776150	14387212
% to form	-	2.96	56.89	40.15	100.00
% form to Total	-	2.96	56.89	40.15	100.00

(n) Outstanding GDRs / ADRs / Warrants or any Convertible instruments / Conversion and date likely to impact on equity:

No outstanding, as such, to impact on equity.

(o) Commodity price risk or foreign exchange risk and hedging activities:

Not applicable.

(p) Plant Locations:

The Company is not having any manufacturing activities.

(q) Addresses for Correspondence:

Registrar & Transfer Agents:

M/s. Sharex Dynamic (India) Pvt Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083, Maharashtra, (India), Contact No. 022-28515644 /28516338. Email: support@sharexindia.com. Website: www.sharexindia.com

Registered Office:

M/s. Amforge Industries Limited, 1104-A, Raheja Chambers, 11th Floor, Free Press Journal Marg, Nariman Point, Mumbai-400021. Tele. 022-22828933/22821486. Fax: 022-66365964. Email: amfcosec@mtnl.net.in / secretarial@amforgeindustries.com. Website: www.amforgeindia.in.

11. Other Disclosures:**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

During the financial year under review, there were no materially significant related party transactions with the Promoters, Directors, etc. that may have potential conflict with the interests of the Company, at large.

(b) Details of non-compliance by the Company, penalties, strictures imposed by Stock Exchange(s), SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years:

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties imposed neither by Stock Exchanges, Securities and Exchange Board of India or any other Statutory Authorities.

- (c) Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

In accordance with Companies Act, 2013, and SEBI (LODR) Regulations, 2015, the Board of Directors has adopted a Whistle Blower Policy.

- (d) Details of compliance with mandatory / adoption of the non- mandatory requirements:

The Company has complied with all the mandatory requirements of the Schedule V of the LODR.

- (e) Web link where policy for determining 'material' subsidiaries:

Not applicable.

- (f) Web link where policy on dealing with related party transactions:

<http://www.amforgeindia.in>

- (g) Disclosure of commodity price risks and commodity hedging activities:

Not applicable.

- (h) Risk Management:

Not Applicable.

- (i) Reconciliation of Share Capital Audit:

Pursuant to regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996, listed companies are required to submit Reconciliation of Share Capital Audit Report on a quarterly basis to the stock exchanges duly audited by a qualified Chartered Accountant or a Practicing Company Secretary for the purpose of Reconciliation of Share Capital held in Depositories and in physical form with the issued / listed capital of the Company. A qualified Practicing Company Secretary is issuing the said audit report on a quarterly basis.

12. Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) above, with reasons thereof:

The Company has complied with all the requirement of Corporate Governance Report of sub-paras (2) to (10) of the Schedule-V of the Listing Regulations.

13. Compliance with mandatory / Non-mandatory requirements:

The Company has adopted following non-mandatory requirements as specified in Part-E of Schedule II of the SEBI (LODR) Regulations. 2015.

a) Shareholders Rights:

The Company is publishing Notices, Financial Results and other events in the newspapers viz. Navshakti (in Marathi) and Free Press Journal (in English). The shares listed / traded on the BSE Limited, Mumbai and uploading the same on its website: www.amforgeindia.in, and on BSE's website: www.listing.bseindia.com.

The Company is providing electronic voting facilities to its shareholders.

b) Modified opinion(s) in Audit Report:

During the year, under review, there was no audit qualification in the auditor's report on the Company's Financial Statements.

c) Reporting of Internal Auditor:

Internal Auditor directly reports to the Audit Committee.

14. Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub - Regulation (2) of Regulation 46:

The Company has complied compliances pursuant to Regulation 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.

15. Code for prevention of insider trading practices:

The Company has formulated, adopted and implemented Code of Conduct for prevention of insider trading in the shares of the Company pursuant to provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is applicable to senior management and certain other Employees, Directors, etc. while in possession of unpublished price sensitive information in relation to the Company.

16. Codes of Conduct:

A Code of Conduct has been prescribed for all senior management personnel and directors to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. The Directors have given annual confirmation of adherence to the Code of Conduct.

For and on behalf of the Board of Directors
AMFORGE INDUSTRIES LIMITED
Hudson D 'costa
Managing Director
DIN: 07893177

Place: Mumbai
Date: 24/08/2020

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Amforge Industries Limited
1104-A, Raheja Chambers, 11th Floor,
Free Press Journal Marg,
Nariman Point,
Mumbai-400021.

I have examined the compliance of conditions of Corporate Governance by Amforge Industries Limited for the year ended on 31st March, 2020, pursuant to Regulation of 15(2) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was carried out in accordance with the guidance note on certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance, as stipulated in the LODR 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sandeep Dubey & Associate
(Practicing Company Secretary)
CS Sandeep Dubey
ACS No.: 47940 COP No.: 17902

Place: Mumbai
Date: 28/07/2020

Independent Auditor's Report

To the Members of
Amforge Industries Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Amforge Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, and the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

- 2) 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of Matter

- 3) We draw your attention to the following matter :

Note 21 to the financial statements which states that the Exceptional Item shown in statement of Profit and loss account of ₹ 5153.65 thousands is on account of additional sales tax deferral liability determined on completion of the Sales Tax Assessments of earlier years.

Our opinion is not modified in respect of the above matter.

Key Audit Matter

- 4) 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.

The auditor determines that there are no Key Audit Matter during the year.

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

- 5) The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other

information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

- 6) The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 7) In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- 8) Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements:

- 9) 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.
- 10) As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of the management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions

that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and the content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 11) We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 - 12) We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 - 13) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements:

- 14) 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 'B' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 15) As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of written representations received from the directors as on 31st March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position vide Note 18.1 in its financial statements.

- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 16) 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.

For J Singh & Associates
Chartered Accountants
(Firm Reg. No: 110266W)
(S. P. Dixit)
(Partner)
(Membership No.: 041179).
UDIN : 20041179AAAAAY3690.

Place: Mumbai
Dated: 31st July, 2020.

Annexure “A” to the Independent Auditors’ Report

The Annexure referred to in paragraph (15)(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).

We have audited the internal financial controls over financial reporting of Amforge Industries Limited (“the Company”) as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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 were 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 auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of the 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, to the best of our information and according to the explanations given to us, 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 31st March, 2020, based on the criteria for internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J Singh & Associates
Chartered Accountants
(Firm Reg. No. 110266W)
S. P. Dixit
(Partner)

Membership No. : 041179.
UDIN : 20041179AAAAAY3690.

Place: Mumbai
Dated: 31st July, 2020.

Annexure “B” to the Independent Auditors’ Report

The Annexure referred to in paragraph (14) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- 1) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular programme 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 size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of the Company are held in the name of the Company except in case of

Particular of Property	Status
3 Residential Flats at Khopoli, Maharashtra	Titles in the name of the Company but ownership of the Flats are under dispute.

2. The nature of business of the Company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order is not applicable to the Company.
3. The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or Other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
6. In our opinion and according to the information and explanations given to us ,it has been explained to us that the maintenance of cost records has not been prescribed under section 148(1) of the Companies Act, 2013.
7. According to the information and explanations given to us and the records of the Company examined by us , in respect of statutory dues:
 - a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales-tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Service Tax, Customs Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.
 - c) There were no dues of income Tax, sales Tax, service Tax , duty of Customs and duty of excise or value added tax or goods and service Tax except dues of Sales tax and excise duty which have not been deposited as at 31st March, 2020 on account of any disputes are given below :.

Name of the statute	Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount in ₹('000)
Central Excise Act, 1944	Excise Duty	F.Y. 2003-04	CESTAT Mumbai Asst./ Addl./ Joint Commissioner of Central Excise	46,524/-
Central Sales Tax Act,1956	Sales Tax	F.Y. 2005-06	Commissioner of Appeals (Sales Tax)	2,057/-
Central Sales Tax Act,1956	Sales Tax	F.Y. 2005-06	Joint Commissioner of Sales Tax	11,175/-

8. According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not defaulted during the year in repayment of loan or borrowing to a financial institution, Banks , Government or dues to debenture holders. The Company did not have any outstanding debentures during the year.
9. According to the information and explanations given to us , the term loans were applied for the purposes they were raised during the year. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
10. To the best of our knowledge and according to the information and explanations given to us and based on audit procedures performed , no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year nor we have been reported of such case by the management .
11. According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
12. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, reporting under clause (xii) of the Order is not applicable to the Company.
13. To the best of our knowledge and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements as required by the applicable Accounting Standards.
14. According to information and explanations given to us , the Company has not made any preferential allotment or any private placement of shares or fully or partly convertible debentures and hence compliance under section 42 of the Companies Act, 2013 is not applicable to the Company during the year.
15. To the best of our knowledge and according to the information and explanations given to us ,the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company during the year.
16. According to the information and explanations given to us ,the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 accordingly the provisions of Clause 3(xvi) of the Order are not applicable to the Company during the year.

For J Singh & Associates
Chartered Accountants
(Firm Regn. No. 110266W)
S. P. Dixit
(Partner)

Membership No.: 041179.
UDIN : 20041179AAAAAY3690.

Place: Mumbai
Dated: 31st July, 2020.

BALANCE SHEET AS AT 31ST MARCH

(₹ 000's)

	Note No.	2020	2019
I. ASSETS			
1. Non-Current Assets			
(i) Property, Plant & Equipment	1	53,917.27	58,852.55
(ii) Other Intangible Assets	1	13.37	55.79
(iii) Investments	2	11,329.40	22,329.40
(iv) Other Non- current assets	3	124,660.69	100,282.92
		189,920.72	181,520.66
2. Current Assets			
Cash and Cash Equivalents	4	4,456.91	4,021.69
		4,456.91	4,021.69
TOTAL ASSETS		194,377.63	185,542.35
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share capital	5	28,774.42	28,774.42
(b) Other Equity	6	74,745.67	74,487.94
(c) Money received against share warrants		-	-
		103,520.09	103,262.36
2. Liabilities			
Non Current Liabilities			
(i) Financial Liabilities			
Borrowings	7	45,132.69	35,362.73
Other Financial Liabilities			
(ii) Other Current Liabilities	8	21,833.68	22,762.01
(iii) Deferred Tax Liability	9	9,077.00	9,391.00
		76,043.37	67,515.74
3. Current Liabilities			
(i) Financial Liabilities			
Trade payables	10	1,397.86	1,499.13
(ii) Provisions	11	13,416.31	13,265.11
		14,814.17	14,764.24
TOTAL EQUITY AND LIABILITIES		194,377.63	185,542.34
Significant Accounting Policies	17		
See accompanying Notes to the Financial Statements	18		

As per our report of even date For J. Singh & Associates Chartered Accountants (Firm Regn No. : 110266W)	On behalf of the Board of Directors		
S. P. Dixit Partner Membership No. 041179 UDIN: 20041179AAAAAY3690	Puneet Makar DIN-00364000	Reshma Makar DIN:00019758	Hudson D'Costa DIN:07893177
Place: Mumbai Date: 31st July, 2020.	Place: Mumbai Date: 31st July, 2020.	Sanjay Patel DIN: 02421964	Rakesh Khanna DIN:00040152

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH

(₹ 000's)

	Note No.	2020	2019
I. Revenue from Operations		-	-
II. Other Income	12	29,450.32	25,173.37
III. Total Revenue		29,450.32	25,173.37
IV. Expenses:			
Employee benefits expenses	13	2,323.12	2,590.27
Finance Costs	14	4,296.48	3,757.11
Depreciation	1	4,948.57	4,976.22
Other Expenses	15	12,784.77	17,853.07
Total Expenses		24,352.94	29,176.67
V. Profit /(Loss) Before Exceptional items (III- IV)		5,097.38	(4,003.30)
VI. Exceptional items		(5,153.65)	-
VII. Profit before extraordinary items and tax (V+VI)		(56.27)	(4,003.30)
VIII. Extraordinary items		-	-
IX. Profit / (Loss) before Tax		(56.27)	(4,003.30)
X. Tax Expense			
1) Tax for earlier year		-	66.83
2) Deferred Tax		(314.00)	(1,118.00)
XI. Profit / (Loss) for the year (VI - VII)		257.73	(2,952.13)
XII. Earnings per Equity share (Face value ₹2)	16		
Basic & Diluted		0.02	(0.21)
Significant Accounting Policies	17		
Notes forming part of Financials Statement	1-23		

As per our report of even date
For J. Singh & Associates
Chartered Accountants
(Firm Regn No. : 110266W)

S. P. Dixit
Partner

Membership No. 041179
UDIN: 20041179AAAAAY3690

Place: Mumbai
Date: 31st July, 2020.

On behalf of the Board of Directors

Puneet Makar
DIN-00364000

Reshma Makar
DIN:00019758

Hudson D'Costa
DIN:07893177

Sunil Aggarwal
DIN:00005385

Sanjay Patel
DIN: 02421964

Rakesh Khanna
DIN:00040152

Place: Mumbai
Date: 31st July, 2020.

CASH FLOW FOR THE YEAR ENDED 31ST MARCH

(₹ 000's)

	2020	2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before Tax and Exceptional items	5,097.38	(4,003.30)
Adjustments for :		
Depreciation	4,948.57	4,976.22
Interest on Borrowings	4,296.48	3,757.11
Interest / Dividends (Net)	(14,513.28)	(10,221.86)
(Profit) / Loss on sale of assets (Net)	(884.76)	2,939.70
(Profit) / Loss on sale of investments(Net)	(1,568.41)	-
Rent Received/Other Income	(12,483.87)	(13,430.30)
Exceptional Item	(5,153.65)	-
Provision for Wealth-tax & Income-tax	-	(66.83)
	(25,358.92)	(12,045.96)
Operating Profit / (Loss) before Working Capital changes	(20,261.54)	(16,049.26)
Adjustments for :		
Trade and Other receivables	(1,833.25)	(869.98)
Trade and Other payables	(878.41)	(987.76)
	(2,711.66)	(1,857.74)
Cash generated from Operations	(22,973.20)	(17,907.00)
Direct Taxes / TDS	(2,544.53)	(5,153.94)
	(2,544.53)	(5,153.94)
Net Cash generated in Operating activities (A)	(25,517.73)	(23,060.94)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(86.09)	(16,680.06)
Sale of Fixed Assets	1,000.00	4,448.96
Purchase / (Sale) of Investments (Net)	12,568.41	(4,395.33)
Intercorporate deposits	(20,000.00)	5,100.00
Interest / Dividends Received (Net)	14,513.28	10,221.86
Rent Other Income Received (net)	12,483.87	13,430.30
Net Cash from Investment Activity (B)	20,479.47	12,125.73
CASH FLOW FROM FINANCING ACTIVITIES		
Received / (Repaid) - Secured Loans	(2,818.80)	6,830.75
Received / (Repaid) - Unsecured Loans	12,588.76	5,779.22
Interest on Borrowings	(4,296.48)	(3,757.11)
		-
Cash from Financing Activity (C)	5,473.48	8,852.86
Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)	435.22	(2,082.36)
Cash or Cash Equivalents as on 01/04/2019 (Opening Balance)	4,021.69	6,104.05
Cash or Cash Equivalents as on 31/03/2020 (Closing Balance)	4,456.91	4,021.69
Net Increase /(Decrease) in Cash and cash Equivalents	435.22	(2,082.36)

As per our report of even date For J. Singh & Associates Chartered Accountants (Firm Regn No. : 110266W)	On behalf of the Board of Directors		
S. P. Dixit Partner Membership No. 041179 UDIN: 20041179AAAAAY3690	Puneet Makar DIN-00364000	Reshma Makar DIN:00019758	Hudson D'Costa DIN:07893177
Place: Mumbai Date: 31st July, 2020.	Sunil Aggarwal DIN:00005385	Sanjay Patel DIN: 02421964	Rakesh Khanna DIN:00040152
	Place: Mumbai Date: 31st July, 2020.		

Note 1 : Property Plant and Equipments

Particulars	Gross Carrying Value		Depreciation/ Amortization			Net Carrying Value	
	Balance as at 01/04 2019	Balance as at 31/03/2020	Up to 31/03/2019	On deletions / Adjustments	Up to 31/03/2020	Balance as at 31/03/2020	Balance as at 31/03/2019
A Tangible assets							
Buildings	46,536.66	46,335.56	9,685.90	637.03	85.86	10,237.07	36,850.76
Office equipment's	3,580.34	3,580.34	3,444.13	2.66		3,446.79	136.21
Vehicles	25,591.20	25,591.20	8,663.42	2,747.02		11,410.44	16,927.78
Furniture and fixtures	28,964.32	28,964.32	24,096.03	1,477.00	0.03	25,573.01	4,868.29
Data processing equipment's	815.26	901.35	745.75	42.44		788.19	69.51
Sub Total (A)	105,487.78	105,372.77	46,635.23	4,906.15	85.89	51,455.50	58,852.55
B Intangible assets							
Computer software (Acquired)	267.25	267.25	211.46	42.42		253.88	55.79
C Capital Work in Progress							
Sub Total (B)	-	-	-	-	-	-	-
Total (A) + (B)	105,755.03	105,640.02	46,846.69	4,948.57	85.89	51,709.38	58,908.34
Previous year	100,679.40	105,755.03	46,086.24	4,976.22	4,215.78	46,846.69	54,593.16

1 Buildings include ₹ 0.5 thousand being cost of shares in Co-operative Housing Societies.

2 Buildings include three ownership flats, the possession of which is under dispute.

3 Vehicles include ₹ 20446.14 thousand purchased on loan against hypothecation of such assets (Previous Year ₹ 21592.95 thousand).

Note 2 : Investments

₹ 000's

As at 31st March	2020	2019
Other Investments (valued at cost unless stated otherwise)		
A. Quoted equity instruments - Fully paid up :		
800 (800) Shares of ₹ 10/- each in Firth (India) Steels Ltd.	11.75	11.75
6362 (5302) Shares of ₹ 1/- each in Indian Hotels Co. Ltd.	636.57	636.57
836 (105836) Shares of ₹ 10/- each in Mahindra CIE Automotive Limited	48.08	48.08
B. In Debentures or Bonds - Quoted or Unquoted - Fully Paid		
10(10), 11.80 % NCD of Tata Steels Limited of ₹ 1 Lakh each fully paid up	10,633.00	10,633.00
C. In Mutual Funds - Quoted		
Nil (62429.721) ICICI Prudential Liquid Fund - Reg- Growth	-	11,000.00
Total	11,329.40	22,329.40
Particulars		
Aggregate amount of quoted investments	11,329.40	22,329.40
Aggregate market value of listed and quoted investments	11,168.29	22,811.32
Aggregate amount of unquoted investments	-	-

10 NCD of Tata Steel Limited is pledged against the loan taken from one of the Financial Institution

Note 3 : Other Non Current Assets

₹ 000's

As at 31st March	2020	2019
Considered in good		
A. Security Deposits	2,630.92	2,630.92
B. Loans to Employees	1,568.08	2,005.62
C. Advance payment of taxes	20,185.62	17,641.09
D. Loans and Advances to others		
- intercorporate deposit (secured)	93,400.00	73,400.00
E. Other current advances	6,876.07	4,605.29
Total	124,660.69	100,282.92
Inter Corporate Deposit is secured against Bank Guarantee		

Note 4 : Cash and Cash Equivalents

₹ 000's

As at 31st March	2020	2019
A. Cash on hand	91.78	101.45
B. Balances with banks		
-in current accounts	4,343.49	3,898.60
-in Margin Money Deposits	21.64	21.64
Total	4,456.91	4,021.69

Note 5: Equity Share capital

(A) Authorised, Issued, Subscribed and Paid up Share Capital				
As at 31st March	2020		2019	
	Number	₹ 000's	Number	₹ 000's
Authorised				
Equity shares of ₹ 2/- each	98,750,000	197,500.00	98,750,000	197,500.00
15% Redeemable Cumulative Preference Shares of ₹100/-each	25,000	2,500.00	25,000	2,500.00
Total		200,000.00		200,000.00
Issued Subscribed & Paid up				
Equity Shares of ₹ 2/- each fully paid up	14,387,212	28,774.42	14,387,212	28,774.42
Total share capital	14,387,212	28,774.42	14,387,212	28,774.42
(B) Reconciliation of the number of shares outstanding at the beginning and at the end of the year :				
As at 31st March	2020		2019	
	Number	₹ 000's	Number	₹ 000's
Outstanding at the beginning of the year	14,387,212	28,774.42	14,387,212	29,640.41
Outstanding at the end of the year	14,387,212	28,774.42	14,387,212	29,640.41
(C) Shareholders holding more than 5% equity shares of the Company:				
As at 31st March	2020		2019	
	No. of Shares held	Holding %	No. of Shares held	Holding %
Viniyog Investment and Trading Company Private Limited	2,739,880	19.04	2,889,880	20.09
Nainesh Trading and Consultancy LLP	2,680,245	18.63	2,530,245	17.59
Mr. Puneet Makar	2,513,219	17.47	2,513,219	17.47
Total	7,933,344	55.14	7,933,344	55.14

Rights, preferences and restriction attached to shares

Equity Shares :

The Company has one class of equity shares having at par value of ₹ 2/- per equity share held.

Each shareholder is eligible for one vote per share.

If any dividend is proposed by the Board of Directors, then the same is subject to approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend.

In the unlikely event of the liquidation of the Company, the equity shareholders are eligible to receive the residual value of assets of the Company, if any, after all secured and unsecured creditors of the Company are paid off, in proportion of their shareholding in the Company.

Note 6: Other Equity

₹ 000's

As at 31st March	2020	2019
A. Capital Reserve		
Balance at the beginning and at the end of the year	1,626.13	1,626.13
B. General Reserve		
Balance at the beginning of the year	430,267.06	430,267.06
Balance at the end of the year	430,267.06	430,267.06
C. Securities premium		
Balance at the beginning and at the end of the year	183,194.90	183,194.90
D. Surplus / (Deficit) in the Statement of Profit and Loss		
Balance at the beginning of the year	(540,600.15)	(537,648.02)
Add: Profit / (Loss) for the year	257.73	(2,952.13)
Balance at the end of the year	(540,342.42)	(540,600.15)
Total	74,745.67	74,487.94

Note 7 : Borrowings Non Current - Liabilities

₹ 000's

As at 31st March	2020	2019
Secured		
- Long Term Maturities Finance Lease Obligations	7,180.39	9,999.19
- Loan from a Financial Institution	5,002.30	-
Unsecured		
-Inter Corproate Deposit from related parties	32,950.00	25,363.54
Total	45,132.69	35,362.73

Finance Lease Obligations are secured by exclusive hypothecation of respective vehicles.

Loan availed from Financial Institution is secured against pledge of NCD of Tata Steels Ltd., @ ROI of 10.60% per annum.

Note 8 : Other Current Liabilities

₹ 000's

As at 31st March	2020	2019
- Statutory dues	1,044.42	690.44
- Current Maturities of Finance Lease Obligations	2,818.80	3,204.89
Interest accrued & due on borrowings	8,727.49	10,069.89
Security Deposit received	6,427.00	6,027.00
Other payables	2,815.97	2,769.79
Total	21,833.68	22,762.01

Note 9 :Deferred Tax Liability

₹ 000's

Particulars	As at March 31, 2020	As at March 31, 2019
A. Deferred tax liabilities:		
- On difference between book balance and tax balance of Fixed Assets	9,077.00	9,391.00
Total	9,077.00	9,391.00

Note 10 : Trade Payables

₹ 000's

As at 31st March	2020	2019
Trade payables		
- to others	1,397.86	1,499.13
Total	1,397.86	1,499.13

According to the records available with the Company, there were no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year-end together with the interest paid/ payable as required under the said Act have not been given.

Note 11 : Provisions

₹ 000's

As at 31st March	2020	2019
Provision for		
(i) Provision for Income Tax	12,866.00	12,866.00
(ii) Provision for Expenses	550.31	399.11
Total	13,416.31	13,265.11

Note 12 : Other Income

₹ 000's

As at 31st March	2020	2019
A. Interest income		
- Interest on Inter Corporate Deposits, Debentures & Bonds	14,488.30	10,244.44
B. Dividend Income		
- Dividend on Long-term investments	24.98	293.23
C. Other Non Operating Income		
- Profit on Short-term investments	1,568.41	-
- Profit on Sale of Assets	884.76	-
- Rental income from operating Lease	12,054.00	12,054.00
- Other Income	429.87	2,581.70
Total	29,450.32	25,173.37

Note 13 : Employee Benefit Expenses

₹ 000's

As at 31st March	2020	2019
Salaries and wages	1,741.42	1,822.20
Contribution to provident and other funds	187.42	289.11
Staff welfare expenses	394.28	478.96
Total	2,323.12	2,590.27

Note 14 : Finance Cost

As at 31st March	2020	2019
Interest expenses	4,296.48	3,757.11
Total	4,296.48	3,757.11

Note 15 : Other Expenses

(₹000's)

As at 31st March	2020	2019
Rent, Rates & Taxes and Commission & Brokerages of Rentals	4,609.08	5,172.57
General repairs	460.59	749.04
Loss on sale of Assets	-	2,939.70
Legal & Professional fees	2,619.34	3,251.55
Telephone expenses	192.19	260.09
Travelling & Conveyance expenses	1,528.84	1,655.94
Entertainment expenses	-	20.78
Electricity expenses	275.62	347.51
Office Maintenance	19.09	38.66
House Keeping Charges	330.31	315.27
Listing Fees	300.00	250.00
Service Charges	1,055.19	971.96
Auditor's Remuneration	350.00	400.00
Prior Period expenses	-	159.78
Other expenses	1,044.52	1,320.22
Total	12,784.77	17,853.07
Other expenses include payment to Auditors		
(a) for audit fees	250.00	250.00
(b) for tax audit	50.00	50.00
(c) for other services (Certifications/Limited Review Reports)	25.00	75.00
(d) for reimbursement of expenses	25.00	25.00
Total	350.00	400.00

Note 16 : Earnings per Equity Share

₹ 000's

As at 31st March	2020	2019
Basic and Diluted EPS		
(A) Profit after tax	257.73	(2,952.13)
(B) Weighted average number of ordinary shares	14,387,212	14,387,212
(C) Nominal value per ordinary share	2.00	2.00
(D) Earnings per share (Basic and Diluted)	0.02	(0.21)

Note: 17

(All amounts are in ₹ thousands unless otherwise stated)

1. Corporate information

Amforge Industries Limited (“AIL” or “the Company”) is a Public Limited Company domiciled and incorporated in India having its registered office at 1104-A, Raheja Chambers, 11th Floor, Free Press Journal Marg, Nariman Point, Mumbai – 400 021 (Maharashtra). The equity shares of the Company are listed / trading on BSE Limited, Mumbai.

2. Significant Accounting Policies

2.1. Basis of Preparation of financial statements

In accordance with the notification dated 16/02/2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under section 133 of the Companies Act, 2013 read together with Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 01/04/2016.

These financial statements have been prepared and presented under historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each accounting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

Fair Value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company’s assumptions about pricing by market participants.

Current / Non-Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- The asset / liability is expected to realized / settled in the Company’s normal operating cycle;

- ii. The asset is intended for sale or consumption;
- iii. The asset / liability is held primarily for the purpose of trading;
- iv. The asset / liability is expected to be realised / settled within twelve months after the reporting period;
- v. The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. In the case of a liability, the company does not have an unconditional right to differ settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.3. Non-current assets held for sale:

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

2.4. Revenue Recognition:

- 2.4.1. Sales are recognised when risks and rewards (transfer of custody of goods) are passed to customers and includes all statutory levies except Value Added Tax (VAT) and is net of discounts.
- 2.4.2. Dividend income is recognised when the right to receive the dividend is established.
- 2.4.3. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rates applicable (which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition).
- 2.4.4. For non-financial assets, interest income is recognised on a time proportion basis.
- 2.4.5. Revenue from sale of scrap are recognised when risks and rewards (transfer of custody of goods) are passed to customers.
- 2.4.6. Revenue in respect of Liquidated Damages from contractors/ suppliers is recognised when determined as not payable.
- 2.4.7. Goods and Service Tax (GST) is presented as expense in the statement of profit and loss. GST duty in respect of difference between closing and opening stock of excisable goods is included under "Other Expenses".

2.5. Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leasehold lands where the ownership of the land will not be transferred to Company at the end of lease period are classified as operating leases.

Upfront operating lease payments are recognized as prepayments and amortised on a straight-line basis over the term of the lease. Leasehold lands are considered as finance lease where ownership will be transferred to the Company as at the end of lease period. Such leasehold lands are presented under property, plant and equipment and not depreciated.

2.6. Foreign currencies:

The functional currency of the Company is Indian Rupees, which represents the currency of the primary economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated using closing exchange rate prevailing on the last day of the reporting period.

Exchange difference arising in respect of long term foreign currency monetary items is recognised in the statement of profit and loss except for the exchange difference related to long term foreign currency monetary items those were recognized as at 31/03/2016, in so far as, they relate to the acquisition of depreciable assets, are adjusted against the cost of such assets and depreciate the said adjustment, over the balance life of asset.

2.7. Borrowing Costs:

Borrowing costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged in the statement of profit and loss.

2.8. Employee Benefits:

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, post-employment medical benefits and resettlement allowances.

Defined contribution plans:

Employee benefit under defined contribution plans comprising of provident fund and superannuation fund are recognized based on the amount of obligation of the Company to contribute to the plan. The same is paid to a Provident Fund Trust authorities and to Life Insurance Corporation of India respectively, which are expensed during the year.

Defined benefit plans:

Defined retirement benefit plans comprising of gratuity, post-retirement medical benefits and other long-term retirement benefits, which are recognized based on the present value of defined benefit obligation and is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted as current employee cost or included in cost of assets as permitted.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognized in the statement of profit and loss except those included in cost of assets as permitted.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognised in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The Company contributes all ascertained liabilities with respect to Gratuity to the MRPL's Gratuity Fund Trust (MGFT). Other defined benefit schemes are un-funded.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans.

Any surplus resulting from the actuarial calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees rendered the service. These benefits include performance incentive and compensated absences, which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.9. Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred taxes are recognised in respect of temporary differences, which originate during the tax holiday period but reverse after the tax holiday period. For this purpose, reversal of temporary difference is determined using first in first out method.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

Current and deferred tax for the year:

Current and deferred tax are recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.10. Property, plant and equipment (PPE):

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses if any. Freehold land is not depreciated.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management. It includes professional fees and borrowing costs for qualifying assets capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful life and material value as assessed by management and subsequent capital expenditure on Property, Plant and Equipment are accounted for as separate components.

PPE are stated at cost less accumulated depreciation and accumulated impairment losses if any.

Depreciation of PPE commences when the assets are ready for their intended use.

Depreciation is provided on the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful life using Straight Line Method, over the useful life of component of various Assets as specified in Schedule II to the Companies Act, 2013, except in case of certain components of the Plant and Equipment whose useful life are determined based on technical evaluation and the useful life considered under Company's policy for the employee's vehicle and furniture scheme.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Expenditure on overhaul and repairs on account of planned shutdown, which are of significant value (5% of the value of particular assets) is capitalized as component of relevant, items of PPE and is depreciated over the period till next shutdown on straight line basis. Catalyst whose life is more than one year is capitalised as property, plant and equipment and depreciated over the guaranteed useful life as specified by the supplier when the catalyst is put to use.

Insurance spares received along with the plant or equipment and those purchased subsequently for specific machinery and having irregular use are capitalised.

Major capital spares are capitalised as property, plant and equipment. Depreciation on such spares capitalised as property, plant and equipment are depreciated over the period starting when it is brought into service and continuing over the shorter of its useful life and the remaining expected useful life of the asset to which it relates and written down value of the spare is charged to the statement of profit and loss as and when replaced.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000/- (other than company purchase scheme for employees) which are fully depreciated at the time of addition.

Estimated useful life of the assets are as follows:

Sr.No.	Particulars	Life (in years)
1.	Buildings	1-60
2.	Plant and equipment – catalysts	2-10
3.	Plant and equipment – computers	3 – 7
4.	Plant and equipment – continuous process plant not covered under specific industries (Triple shift)	7-5
5.	Plant and equipment – electrical/ lab/ canteen/ school	10
6.	Plant and equipment – instrumentation items/ DCS/ hospital/ others	15
7.	Plant and equipment – refinery assets	25
8.	Plant and equipment – pipelines/ SPM/ offshore component/ civil structure	30
9.	Plant and equipment – power plant	40
10.	Office equipment	5
11.	Furniture and fixtures	6-10
12.	Vehicles	4-8

Assets held under finance leases are depreciated over their expected useful life on the same basis as owned assets.

An item of property, plant and equipment is derecognised upon disposal, replacement or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11. Intangible assets:

2.11.1. Intangible assets acquired separately:

Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful life that are acquired separately are carried at cost less accumulated impairment losses if any.

2.11.2. Derecognition of intangible assets:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

2.11.3. Useful life of intangible assets:

Estimated useful life of the intangible assets are as follows:

Sr.No.	Particulars	Life (in years)
1	Computer software	3-10
2	Licence and franchise	3

2.12. Impairment of tangible and intangible assets other than goodwill:

The Company reviews the carrying amounts of its intangible assets and Property, plant and equipment (including capital works-in-progress) of a "Cash Generating Unit" (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

An assessment is made annually as to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Reversals of Impairment loss are recognized in the statement of profit and loss.

2.13. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

The cash flows are segregated into operating, investing and financing activities.

2.14. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

2.15. Financial instruments:

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.16. Financial assets:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Cash and cash equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks, which are unrestricted for withdrawal and usage.

(ii) Financial assets at amortised cost:

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iv) Financial assets at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

(v) Impairment of financial assets:

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

(vi) Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

2.17. Financial liabilities and equity instruments:**2.17.1 Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by the Company are recognised at the proceeds received. Incremental costs directly attributable to the issuance of new ordinary equity shares are recognised as a deduction from equity, net of tax effects.

2.17.2 Financial liabilities:**a) Financial Guarantee:**

When the Company receives financial guarantee from its holding company, initially it measures guarantee fees at the fair value. The Company records the initial fair value of fees for financial guarantee received as "Deemed Equity" from holding company with a corresponding asset recorded as prepaid guarantee charges. Such deemed equity is presented under the head 'other equity' in the balance sheet. Prepaid guarantee charges are recognized in statement of profit and loss over the period of financial guarantee received.

b) Financial liabilities subsequently measured at amortised cost:

Financial liabilities are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

c) Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

2.18. Insurance Claims:

In case of total loss of asset, on intimation to the insurer, either the carrying cost of the asset or insurance value (subject to deductible excess) whichever is lower is treated as claims recoverable from insurance company. In case insurance claim is less than the carrying cost of the asset, the difference is charged to statement of profit and loss.

In case of partial or other losses, expenditure incurred / payments made to put such assets back into use, to meet the third party or other liabilities (less deductible excess) if any, are accounted for as claims receivable from insurance company.

Insurance Policy deductible excess are expensed in the year in which corresponding expenditure is incurred.

As and when claims are finally received from the insurance company, the difference, if any, between the claim receivable from insurance company and claims received is adjusted to statement of profit and loss.

All other claims and provisions are booked on the merits of each case.

3. Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty:

Inherent in the application of many of the accounting policies used in preparing the financial statements is the need for management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of judgments, assumptions and estimation uncertainty in the preparation of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful life of property, plant and equipment, employee benefit obligations, provision for income tax and measurement of deferred tax assets.

3.1. Critical judgments in applying accounting policies:

The following are the critical judgements, apart from those involving estimations (Refer note 4.2), that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

Determination of functional currency:

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (₹) in which the company primarily generates and expends cash. Accordingly, the management has assessed its functional currency to be Indian Rupee (₹).

3.2. Assumptions and key sources of estimation uncertainty:

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

a) Useful life of property, plant and equipment and intangible assets:

Management reviews its estimate of the useful life of PPE and intangible assets at each reporting date, based on the future economic benefits expected to be consumed from the assets.

b) Defined benefit obligation (DBO):

Impact of the DBO amount Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly and the annual defined benefit expenses.

c) Provision for income tax:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

d) Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties.

Note: 18

1. Contingent liabilities and commitments (to the extent not provided for)

As at 31st March	2020	2019
Towards Excise Duty demands against which the Company has preferred appeal	46,524	46,524
Towards Sales Tax demands against which the Company has preferred appeal	13,167	13,167
Claims against the Company not acknowledged as debts	1,132	1,132

2. In terms of Accounting Standard – 17 (Segment Reporting) issued by the Institute of Chartered Accountants of India, there is no reportable segment for the activities carried on by the Company.
3. The outstanding balances as at 31st March 2020 in respect of trade receivables, trade payables, short-term loans and advances and deposits are subject to confirmation from the respective parties and consequential reconciliation / adjustments arising there from if any. The management, however, does not expect any material variation.
4. Figures for the previous year have been given in the bracket and are regrouped and rearranged wherever necessary.
5. Disclosures as required by the Accounting Standard (AS) 18 "Related Party Transactions" are given below:

A) Name of the Related Parties as Description of Relationship:

Holding / Associates	Nainesh Trading and Consultancy LLP
	Viniyog Investment and Trading Company Private Limited (Holding by virtue of control the composition of Board of Directors)
Interested by Director	M/s. Makar Estate

(B) Transactions for the year ended 31/03/2020:

(₹ 000's)

Nature of Transaction	Nainesh LLP	Viniyog	Maker Estate	Total
Short-term Inter Corporate Deposit received	2500.00	13000.00	-	15500.00
Short-term Inter Corporate Deposit repaid	7500.00	-	-	7500.00
Interest paid on Inter Corporate Deposit	202.36	2705.33	-	2907.69
Payment of Rent	-	-	120.00	120.00

(C) Balance outstanding as at 31/03/2020:

Inter Corporate Deposit payable	-	32950.00	-	32950.00
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6. Disclosures as per revised AS 15 for Defined Benefit plan

(₹000's)

Reconciliation of opening and closing balance of obligation	01/04/2019 to 31/03/2020	01/04/2018 to 31/03/2019
Actuarial Value of Projected Benefit Obligations (01/04/2019)	5,91,661	10,05,573
Interest Cost from 01/04/2019 to 31/03/2020	38,597	57,713
Service Cost from 01/04/2019 to 31/03/2020	52,309	46,566
Benefits Paid from 01/04/2019 to 31/03/2020	-	-4,69,125
Actuarial Gain / (Loss) on obligations	28,529 GAIN	49,067 GAIN
PBO at the end (31/03/2020)	6,54,038	5,91,661

Expenses recognized in profit & loss account (P & L A/c Statement)

(₹000's)

Interest Cost from 01/04/2019 to 31/03/2020	38,597	57,713
Service Cost and Expenses from 01/04/2019 to 31/03/2020	52,309	46,566
Actual return on plan assets from 01/04/2019 to 31/03/2020	-91,474	-73,851
Gain / Loss recognized as on 31/03/2020	28,529 GAIN	49,067 GAIN
Net Loss / Gain to be shown in P & L A/c as expense / income	7,782	4,69,125

Amount recognized in balance sheet (Balance Sheet Statement)

(₹000's)

Present value of the Obligation as at 31/03/2020	5,91,661	5,91,661
Fair value of plan assets as at 31/03/2020	24,68,183	10,62,895
Over-funded Liability as at 31/03/2020	(-)18,14,145	(-)4,71,234
Over-funded liability recognized in Balance Sheet	(-)18,14,145	(-)4,71,234

Principal actuarial assumptions

Date of Valuation	31/03/2020	31/03/2019
Discounting Rate	4.87% p.a.	6.54% p.a.
Rate of Increase in Compensation level	5% p.a.	5% p.a.
Rate of Return on Plan Assets	7.01% p.a.	7.01% p.a.
Mortality Table	100%	100%
Retirement Age	58 Years	58 Years
Adjusted average future service	1	6

Note 19

There are no Companies/enterprises under Micro, Small & Medium Enterprises Development Act, 2006, to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosure have been made. The above information regarding micro, small & medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 20: Impairment of Assets

No material impairment of Assets has been identified by the Company as such no provision is required as per Accounting Standards(AS28) issued by the Institute of Chartered Accountants of India.

Note 21: Exceptional Item

Exceptional Item of ₹ 5153.65 thousands is on account of additional Sales Tax Deferral Liability determined on completion of the Sales Tax Assessments of earlier years.

Note 22: COVID-19 Pandemic

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. This pandemic has resulted in disruption to regular business operations due to lockdown, disruptions in transportation, travel bans, quarantines, social distancing and other emergency measures imposed by the government. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Company believes that the COVID 19 pandemic will only have a short term impact on its operations and after easing of the lockdown restrictions, the business is expected to return to normal. The Company has considered available internal and external information while finalizing various estimates in relation to its financial results upto the date of approval of the financial results by the Board of Directors.. Accordingly, the Management believes that the Company will not have any challenge in meeting its financial obligations for the next 12 months based on the financial position and liquidity as on the date of the balance sheet and as on date of signing of these financial results. The Company will continue to closely monitor any material changes to future economic conditions. However, the pandemic did not have any material impact on the financial result for the year ended 31st March 2020.

Note 23: Employee benefit expenses includes director's remuneration KMP salary

	(₹ '000s)	
	2019-20	2018-19
Salary	576.00	576.00
Monetary value of perquisites(LTA & Car perquisite)	14.00	14.00
TOTAL	590.00	590.00

By Order of the Board of Directors
AMFORGE INDUSTRIES LIMITED
Hudson Joseph D'costa
Managing Director
DIN: 07893177

Place: Mumbai
Date: 31/07/2020

To,

If undelivered, please return to:
Amforge Industries Limited
1104-A, Raheja Chambers,
Free Press Journal Marg,
Nariman Point, Mumbai-400021