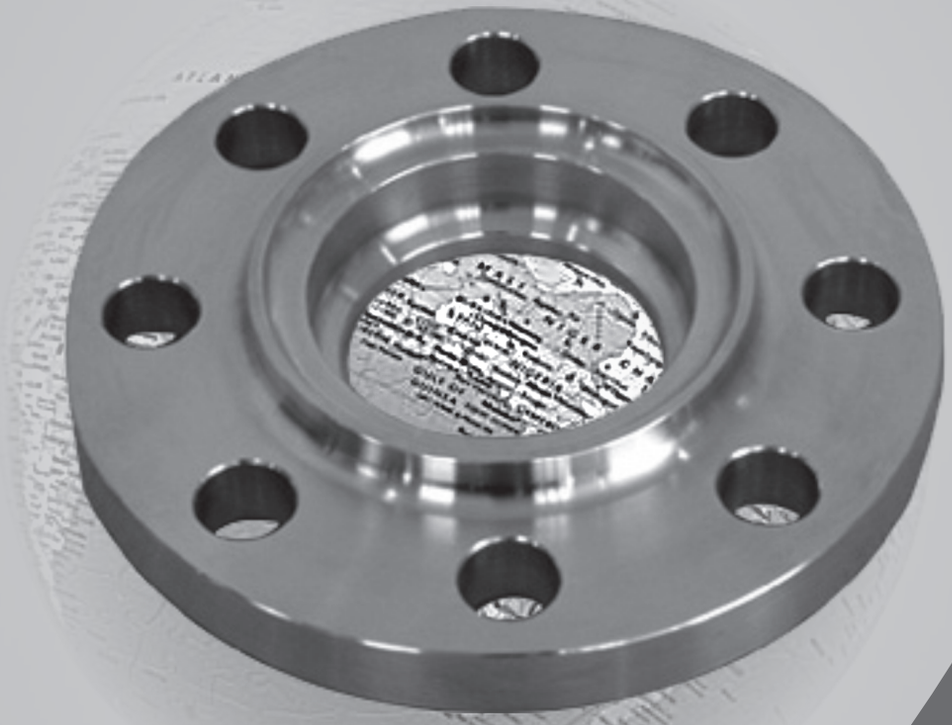
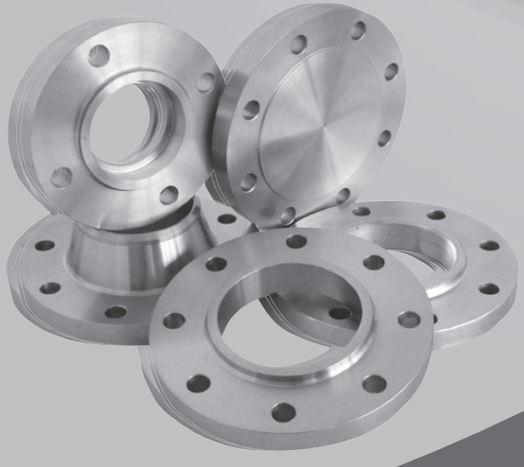
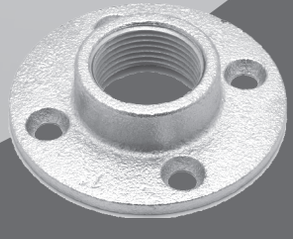
Shree Ganesh Forgings Ltd.







Annual Report 2018

SHREE GANESH FORGINGS LIMITED

CIN: -L17200MH1972PLC016008

45TH ANNUAL REPORT
2017-2018

BOARD OF DIRECTORS

Mr. Deepak Balkrishan Sekhri	- Director
Mrs. Anita Deepak Sekhri	- Director
Mr. Manoj B. Chaudhari	- Director
Mr. Sharad Y. Dighe	- Director
Mr. Gain Prakash Singh	- Independent Director
Mr. Pronab Kumar Chakravarty	- Chief Financial Officer

AUDITORS
R.K.Chaudhary & Associates
Chartered Accountants

SECRETARIAL AUDITOR
Mr. Madhukar Apte, Company Secretary

REGISTERED OFFICE
412, EMCA House,
S.B.S. Road,
Fort, Mumbai – 400001

BANKERS
IDBI Bank

SHARE TRANSFER AGENT
M/s Bigshare Services Private Limited,
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki NakaAndheri-East
Mumbai–400072.

Notice .....
Directors Report .....
Management Discussion And Analysis.....
Corporate Governance Report .....
Independent Auditors Report.....
Balance Sheet .....
Profit And Loss .....
Notes On Financial Statement.....
Cash Flow Statement .....
Attendance Slip .....
Proxy Form.....

SHREE GANESH FORGINGS LIMITED

Regd. Office : 412, Emca House. S.B.S Road, Fort. Mumbai-400001, Maharashtra, India
CIN: - L17200MH1972PLC016008
Email : companysecretary@shreeganeshforgins.com
Tel : 27681158

NOTICE

Notice is hereby given that the 45th Annual General Meeting of the shareholders of M/s Shree Ganesh Forgings Limited shall be held on Monday, 24th day of September, 2018 at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai-400001at 3.30 p.m. to transact the following business as:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the year ended March 31, 2018 together with the Reports of Directors and Auditors thereon.

SPECIAL BUSINESS:

2. **Regularization of the Appointment of Mr Manoj B. Chaudhari (DIN: 08175104), as Director of the Company:**

   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 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and on the basis recommended by Nomination and Remuneration Committee and the Board of Directors of the Company, Mr Manoj B. Chaudhari (holding DIN: 08175104), who was appointed as an Additional Director pursuant to the provisions of Section 161 and other applicable provisions of the Act to hold Office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing his candidature for the office of director, be and is hereby appointed as Director of the Company."

3. **Regularization of the Appointment of Mr Sharad Y. Dighe (DIN: 08177368), as Director of the Company:**

   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 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and on the basis recommended by Nomination and Remuneration Committee and the Board of Directors of the Company, Mr Sharad Y. Dighe (holding DIN: 08177368), who was appointed as an Additional Director pursuant to the provisions of Section 161 and other applicable provisions of the Act to hold Office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing his candidature for the office of director, be and is hereby appointed as Director of the Company."

4. To consider and approve the sale/Transfer/ Dispose off the Undertakings/ properties of the Company under Section 180(1)(a) of the Companies Act, 2013

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

   "RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), the rules notified there under and the Articles of Association of the Company, the provisions of the SEBI (LODR) Regulation's, 2015, such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent and approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including power conferred by this resolution), to sell/transfer dispose off the Undertakings/ properties/business or substantial part of the undertaking / properties/business of the Company together with all specified tangible and intangible assets, including land, plant and machinery and other assets in relation to the undertaking as going Concern or in any other manner as the Board may deem fit in the interest of the Company, on such terms and conditions as may be deemed fit by the Board.

   RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board / Committee of the Board or officers authorized by them in this regard be and are hereby authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and do all such acts, deeds, matters and things, as they may deem necessary and/or expedient to give effect to the above resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the undertaking as they may in their absolute discretion deem fit."

By Order of the Board of Directors
FOR SHREE GANESH FORGINGS LIMITED

Place: Mumbai
Date: 23.08.2018

DEEPAK BALKRISHAN SEKHRI
CHAIRMAN
DIN: 00054671

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE FORTY FIFTH ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
2. Proxy/Proxies submitted on behalf of limited Companies, etc., must be supported by appropriate resolutions / authority, as applicable. A person shall act as proxy for only fifty (50) members and holding in aggregate not more than ten (10) per cent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. If a Person is appointed as Proxy for more than 50 Members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the Meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.
4. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 of the Companies Act, 2013 with respect to item nos. 2 and 3 of the Notice is annexed hereto and forms part of this Notice.
5. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but shall not have a right to vote.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 22nd September 2018 to Monday, 24th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
7. Duly executed and stamped transfer deeds, along with the share certificates, should be submitted to the Company's Registrar and Share Transfer Agents before the closure of the Register of Members for registration.
8. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
9. Members holding shares in physical form and wishing to make / change in a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company.
10. The Company has entered into necessary arrangement with Central Depository Services (India) Limited (CDSL) to enable the Shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant.
11. Electronic copy of the Annual Report, Notice of the Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
12. In view of Go Green initiative being undertaken by the Company, Members who have not yet registered their e-mail address so far are requested to register/update their e-mail addresses with the Company's RTA or with the Company. Shareholders holding shares in dematerialized form are requested to register their e-mail addresses and changes therein with the concerned Depositories through their Depository Participant.
13. Members are requested to bring their copy of Annual Report to the Meeting. A member desirous of getting any information with regard to Accounts of the Company is requested to send the queries to the Company at least 10 days before the meeting to the Company Secretary at the Registered Office of the Company.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
15. In the general interest of the Members, it is requested of them to update their bank mandate / NECS / Direct credit details / name / address / power of attorney and update their Core Banking Solutions enabled account number:
    - For shares held in physical form: with the Registrar and Transfer Agent of the Company.
    - For shares held in dematerialized form: with the depository participant with whom they maintain their demat account.

16. Members are requested to mention their Folio Number/ Client ID/DP ID Number (in case of shares held in dematerialized form) in all their correspondence with the Company / Depository Participant in order to facilitate response to their queries promptly.

17. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission at the entrance to the place of the meeting.

18. Members who are holding shares of the Company in physical form through multiple folios in identical order of names are requested to write to the Company, enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.

19. In case of joint holders attending the meeting, 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, whether in person or by proxy.

20. Pursuant to the provisions of section 205A of the Companies Act, 1956 as amended, dividend for the Financial year 2005-06 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of 7 years are transferring to IEPF Account.

21. Members are requested to contact the Company's RTA for reply to their queries/redressal of complaints.

BIGSHARE SERVICES PRIVATE LIMITED
E-2/3,Ansa Industrial Estate, Sakivihar Road,
Saki Naka,Andheri (E),Mumbai-400 072
Tel no: 2852 3474,2856 0652/53,2690 1335, Fax-2852 5207
Email ID:bigshare@bom7.vsnl.net.in.

22. Details of Director Seeking Re-Appointment/Appointment at the Annual General Meeting

Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meeting, the relevant details of Director seeking re-appointment are provided as below:

Name	**Mr. Manoj B. Chaudhari**	**Mr. Sharad Y. Dighe**
Date of Birth	03/06/1974	19/03/1959
Directors Identification Number (DIN)	08175104	08177368
Age	44 Years	59 Years
Qualification	B.com	B.com
Expertise in Specific Area	Purchase Department	Accounts Department
Date of first Appointment on board of the Company	11th July, 2018	11th July, 2018
Shareholding in SHREE GANESH FORGINGS LIMITED	NA	NA
List of Directorship held in other companies	NA	NA
Membership/Chairmanships of Audit and stakeholders relationship committees	Nil	Nil

23. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder will be available for inspection by the members at the Meeting.

24. The relevant documents referred to in this Notice and Explanatory Statement are open for inspection at the Meeting and such documents will also be available for inspection in physical or in electronic form at the registered office and copies thereof shall also be available for inspection in physical or electronic form at the registered office from the date of dispatch of the Notice till the date of the Meeting on all working days, from 10 A.M TO 12 P.M.,except Saturdays.

25. Voting through electronic means:

I. In Compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Amendment Rules, 2015('Amendment Rules') and the regulation 44 of SEBI Listing Regulations, 2015,and Secretarial Standard, on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 45thAnnual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

i. The facility of voting through ballot or polling paper shall also be made available for the members at the Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have casted their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.

I. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

Commencement of e-voting	*From (09.00 a.m.) on 21.09.2018*
End of e-voting	*Upto (05.00 p.m.) on 23.09.2018*
Cut-off Date	*17.09.2018*

II. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

III. The company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Authorized Agency to provide e-voting facilities.

IV. The company has appointed Mr. Anish Gupta, Company Secretaries (CP NO. 4092), as 'Scrutinizer' for conducting and scrutinizing the e-voting process in a fair and transparent manner.

V. The login ID and password for e-voting are being sent to the members, who have not registered their e-mail IDs with the company, along with a physical copy of the notice. Those members who have registered their e-mail IDs with the company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.

VI. "Voting by electronic means" or "electronic voting system" means a 'secured system' based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate 'cyber security'. It also helps the shareholders to cast their vote from anywhere and at any time during E-voting period. A separate communication containing all necessary instructions and relevant information is enclosed separately in the Annual Report.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Friday, 21st September, 2018 (9.00 A.M. IST) and ends on Sunday, 23rd September, 2018 (5.00 P.M. IST).During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) on Monday, 17th September, 2018 may cast their vote electronically.

The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on Shareholders.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are • requested to • use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's • before the number • after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh • Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member • id / folio number in the Dividend Bank details field as mentioned in instruction (v).

If you are a first time user follow the steps given below:

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <SHREE GANESH FORGINGS LIMITED> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(i) The Board of Directors has appointed Mr. Anish Gupta, Practising Company Secretary (FCS 5733, CP 4092) as Scrutinizer for conducting the remote electronic voting process in a fair and transparent manner.

(ii) The Scrutinizer shall submit his report, to the Chairman, on the votes cast in favour or against, if any, within a period of three working days from the date of conclusion of the e-voting period.

(iii) The results declared along with the Consolidated Scrutinizer's report shall be placed on the website of the Companywww.sicl.in The results shall simultaneously be communicated to the Stock Exchanges.

(iv) Route map giving directions to the venue of the meeting is annexed to the Notice.

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

Item No. 2

Mr. Manoj B. Chaudhari was appointed as an Additional director with the recommendation of Nomination and Remuneration committee and Board of Director and subject to the approval by the Shareholders of the Company w.e.f. 11th July, 2018 in accordance with the provisions of Section 161 of the Companies Act, 2013. He holds office upto the date of ensuing Annual General Meeting of the Company.

In terms of Section 160 of the Act, the Company has received a notice in writing from a Member signifying his intention to propose the candidature of Mr. Manoj B. Chaudhari for the office of Director.

Mr. Manoj B. Chaudhari is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has furnished consent/ declarations for his appointment as required under the Act and the Rules thereunder.

Mr. Manoj B. Chaudhari having more than 15 years of experience in Accounts and Finance. Considering his vast expertise and knowledge, it would be in the interest of the Company that Mr. Manoj be appointed as a Non-Executive Director, liable to retire by rotation, on the Board of the Company.

Your Directors, therefore, recommend the appointment of Mr. Manoj B. Chaudhari (DIN: 08175104) as a Director of the Company, as set forth in Item No. 2 of this Notice.

Except Mr. Manoj B. Chaudhari, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No 2.

Item No. 3

Mr. Sharad Yashwant Dighe was appointed as an Additional director with the recommendation of Nomination and Remuneration committee and Board of Director and subject to the approval by the Shareholders of the Company 11th July, 2018 in accordance with the provisions of Section 161 of the Companies Act, 2013. He holds office upto the date of ensuing Annual General Meeting of the Company.

In terms of Section 160 of the Act, the Company has received a notice in writing from a Member signifying his intention to propose the candidature of Mr. Sharad Yashwant Dighe for the office of Director.

Mr. Sharad Yashwant Dighe is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has furnished consent/ declarations for his appointment as required under the Act and the Rules thereunder.

Mr. Sharad Yashwant Dighe having more than 10 years of experience in Accounts and Administration of the Company. Considering his vast expertise and knowledge, it would be in the interest of the Company that Mr. Sharad be appointed as a Non-Executive Director, liable to retire by rotation, on the Board of the Company.

Your Directors, therefore, recommend the appointment of Mr. Sharad Yashwant Dighe (DIN: 08177368) as a Director of the Company, as set forth in Item No. 3 of this Notice.

Except Mr. Sharad Yashwant Dighe, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No 3.

Item no. 4

The Company's share capital was eroded and our accounts with the banks were designated as Non- Performing Asset (NPA) by the bankers due to non-payment of dues. The Company is taking all requisite measures to ensure that the outstanding dues to the bankers is settled and has already given its proposal for one-time settlement with the bankers.

The Board is also evaluating various options with respect to raising the funds required for settling the banks' dues, including selling or leasing the land on which the factory is situated and shifting the operations to an alternate site.

The settlement are on with the bankers and other options such as sale or lease of land and buildings and shifting operations to another location, or sale of business are being explored actively so as to generate the required funds.

The Board of Directors of the Company recommends the special resolution as set out in the accompanying notice at item no. 4 for approval of the shareholders to authorise Board of Directors including any committee if formed thereof, to sell/transfer/ dispose off the Undertakings/ properties/business or substantial part of the undertaking / properties/business/tangible/ intangible assets/land/ plant and machinery/other assets of the Company.

Mr. Deepak B. Sekhri, Mrs. Anita Sekhri, their relatives and associate Companies considered as related parties to the extent of the funding by them to the Company towards settlement of the Loan with the Bankers/ARC's and the matters related to this resolution.

No other Directors and/or Key Managerial Personnel of the Company or their relatives are concerned or interested in the said Special Resolution as set out in Item No.4.

By Order of the Board of Directors
FOR SHREE GANESH FORGINGS LIMITED

Place: Mumbai
Date: 23.08.2018

DEEPAK BALKRISHAN SEKHRI
CHAIRMAN
DIN: 00054671

Directors' Report

To,
The Shareholders,

Your Directors have pleasure in presenting the Forty Fifth Annual Report along with the Audited Financial statements of the Company for the financial year ended 31st March, 2018.

First year of implementation of Indian Accounting Standards (Ind AS):

This is the first year of implementation of the Indian Accounting Standards (Ind AS). The standalone financial statements for the year ended March 31, 2018 have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. The financial statements for the year ended March 31, 2017 have been restated in accordance with Ind AS for comparative information.

FINANCIAL RESULTS:

Particulars	For the Year ended on 31.03.2018	For the Year ended on 31.03.2017
Total Income	43,54,664	1,91,37,496
Total Expenditure	6,01,34,408	13,96,97,271
Profit/(Loss) before taxation	(5,57,79,744)	(12,05,59,775)
Provision for Tax	-	(1,27,10,094)
Profit/(Loss) after Taxation	(5,57,79,744)	(10,78,49,681)

WORKING RESULTS:

During the year, the company has net loss of Rs.5,57,79,744/- (Previous Year loss of Rs. 10,78,49,681/-).

BUSINESS OUTLOOK:

The company has been mainly servicing customers whose requirements matched the company's stock of semi-finished and finished goods entirely or partially. In several cases, semi-finished and finished goods have been re-worked to meet the current customers' requirements.

The production facility of the company is still in partial closure mode due to lack of availability of working capital funds and persistent labour problem and the possession has been taken.

The reworked Corporate Debt Restructuring (CDR) package although sanctioned by the CDR Cell in March 2010 and sanctioned individually by all the lender bankers was not implemented at all though it was expected to be implemented by July 2010. Further, the banks unilaterally decided to exit from the CDR scheme.

Meanwhile, our accounts with the banks were designated as Non- Performing Asset (NPA) by the bankers and in May, 2011 the bankers initiated recovery action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. The Company is taking all requisite measures to ensure that the outstanding dues to the bankers is settled and has already given its proposal for one-time settlement with the bankers. State Bank of India, which became our lead bank after the merger of State Bank of Indore with it in August 2010, also sent us a possession notice in October, 2011 against which the company has already filed an application with the Debt Recovery Tribunal. The management is making constant endeavors to move on with discussions with the bankers so as to arrive at a mutually acceptable proposal.

The management is also evaluating various options with respect to raising the funds required for settling the banks' dues, including selling or leasing the land on which the factory is situated and shifting the operations to an alternate site. As of date, the management is seriously considering a couple of proposals, although a structured outcome is yet to emerge.

Members are aware that the company had filed a reference under section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 due to erosion of its net worth. As of 31st March, 2015, the net worth remains negative in view of the accumulated losses. But the matter has been dismissed on 5th February, 2015 by AAIFR and writ petition has been filed with honorable Delhi high court against AAIFR.

The Company had received an order dated 27th January, 2016 by the Board of Industrial and Financial Reconstruction (BIFR) that reference of the Company registered. However after the repeal of the BIFR Act in December 2016, the reference to the BIFR was expired. The Company is working on various other option for the revival.

The Company is in process of one time settlement with various banks. The Company has settled

all type of loan of State Bank of Patilala and State Bank of Hyderabad. The loan has been taken over by ARC Companies.

Possession of plant by SBI

During the month of 2nd January, 2018, SBI Bank has after sending the legal notice had taken the possession of its factory, plant and all properties attached to it for non-payment of dues to the Bank and issued notice for e-auction. However as on the date, no assets or property could be sold in e-auction. The company is taking all its efforts to save it from e-auction.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

For the financial year ended 31st March, 2018, the Company has incurred losses therefore no amount is transferred to General Reserve Account.

DIVIDEND:

In view of past losses, Directors did not recommend any dividend to the equity shareholders for the financial year 2017-18.

DEPOSITS:

The Company has not invited and/ or accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 made thereunder.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Particulars of Loans, Guarantees or Investments under Section 186 of Companies Act, 2013, are given in the notes forming part of Financial Statements for the year ended 31st March, 2018.

SHARE CAPITAL:

Presently, the Paid up Share Capital of the Company is Rs. 12,50,04,740/- divided into 1,25,00,474 equity Shares of Rs. 10/- each.

DETAILS OF SUBSIDIARY COMPANIES/ASSOCIATES/JOINT VENTURE:

During the year under review, no Company has become or ceased to be Subsidiary/Associate/Joint Venture Company of your Company.

CORPORATE GOVERNANCE:

Your Company complies with the provisions laid down in Corporate Governance laws to the extent possible. It believes in and practices good corporate governance. The Company maintains transparency and also enhances corporate accountability. Pursuant to Regulation 27 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges and Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, the following forms part of this Annual Report:

i. Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel;

ii. Management Discussion and Analysis;

iii. Report on the Corporate Governance; and

Auditors' Certificate regarding compliance of conditions of Corporate Governance.

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

There are no significant and material orders passed by the regulators or courts or tribunals.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments have occurred subsequent to the close of FY 2017-18 till the date of this report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Provision of Section 135 and Schedule VII of the Companies Act, 2013 in respect to Corporate Social Responsibility (CSR) is not applicable on the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014, in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under the Act and the Companies (Accounts) Rules, 2014 are as under:

(a) Conservation of energy measures taken:

The Board of Directors has taken following steps to conserve the energy:

- Switching off lights, A/C and computers whenever not used.
- Power utilization on all computers, pantry and cabins.
- Planning to replace lights with low energy consumption units
- Controlled the energy consumption by optimizing the temperature inside the office premises is the major contributor for the energy conservation for the stores.
- Optimized lighting consumption by strictly controlling the operating hours as per the usage pattern.

Impact:

The board is constantly taking initiatives and steps to reduce the bills and is optimist for a favorable output. The Board is planning to use energy saver equipment.

(b) Technology absorption measures:

(i)	The efforts made towards Technology Absorption	The Company is trying its best to save electricity, due to its sick status, company is unable to use any modern technology for technology absorption.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	-
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	--
	(a) the details of technology imported	--
	(b) the year of import;	--
	(c) whether the technology been fully absorbed	--
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	--
(iv)	the expenditure incurred on Research and Development	--

(c) Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year under review.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of The Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration of Directors, Key Managerial Personnel and other related disclosures are as below

1. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Operating Officer, Company Secretary and ratio of the remuneration of each Director to the Median remuneration of the employees of the Company for the financial year 2017-18:

Name of Director/ KMP	Percentage increase in remuneration	Ratio of remuneration of each Director / KMP to Median remuneration of employees
Mr. Deepak B. Sekhri	N.A.	N.A.
Mrs. Anita D. Sekhri	N.A.	N.A.
Mr. Gyan Prakash Singh	N.A.	N.A.
Mr.Pranob Kumar Chakravarty	N.A.	N.A.

2. **The percentage increase in the median remuneration of employees in the financial year ended March 31, 2018: 0%**

3. **The number of permanent employees on the rolls of the Company with effect from January 2018, company has no permanent employee**

4. **Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof:** Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 0%, whereas the increase in the managerial remuneration for the same financial year was Nil%.

   The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per the market trend.

5. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

   Remuneration to Directors, Key Managerial Personnel and other employees is as per the remuneration policy of the Company.

   Information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 viz Details of Top Ten Employees of the Company in terms of remuneration drawn during 2017-18 is not applicable as none of the employee is drawing remuneration in excess of the limits specified in the said Rule 5(2).

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. Suitable disclosures as required under AS-18 have been made in the Notes to the financial statements.

RISK POLICY:

The Company has formulated Risk Management Policy. The Board takes all necessary steps to identify and evaluate business risks and opportunities and take corrective steps.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size and the limited nature of its business activities.

DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. In the preparation of the annual accounts, the applicable accounting standards have been followed.

b. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review.

c. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. The directors have prepared the annual accounts on a going concern basis.

e. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

DETAILS OF DIRECTORS AND KMPs APPOINTMENT OR RESIGNATION DURING THE YEAR:

Mr. Deepak B. Sekhri, and Mrs. Anita Sekhri are disqualified to be directors pursuant to section 164 and 167 of Companies Act, 2013 read with Rule 14 of Companies (Appointment and Qualification of Directors)Rules, 2014 due to striking of other associate companies in which they are directors. However the Company has no other active director who can run the company in the current troubled situations. Further both the directors are trying their best possible measures to remove their disqualification. Further due to this reason, no director is proposed for retire by rotation in the ensuing Annual General Meeting.

The Board recommends regularization of Mr. Manoj B. Chaudhari and Mr. Sharad Y. Dighe, who were appointed as additional directors by the Board and their office cease on the date of the ensuing annual general meeting, for the consideration of the Members of the Company at the ensuing Annual General Meeting. Members are requested to refer the Notice of ensuing Annual General Meeting for breif profile and other related information of Directors to be appointed in the AGM.

There was no other change in the directors and KMP during the year under review.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Section 203 of the Companies Act, 2013, as on 31st March, 2018 , the following are the Key Managerial Personnel (KMP) of the Company:

In terms of the provisions of Section 203 of the Act, Mr. Deepak Sekhri, Director, Mrs. Anita Sekhri, Director, and Mr. Pronab Kumar Chakravarty, Chief Financial Officer are the Key Managerial Personnels' of your Company.

During the year, the non-executive directors of the Company had no pecuniary relationship or transaction with the Company, other than reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

BOARD MEETINGS:

The Board of Directors of your Company met 4 Times during the year to carry the various matters. The Meetings were convened on 30.05.2017, 10.08.2017, 14.11.2017, 12.02.2018 respectively and further details of which are given in the Corporate Governance Report forming part of this Annual Report.

BOARD EVALUATION:

The Board of Directors has made the formal annual evaluation of its own performance and that of its committees and individual directors and found it to be satisfactory.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KMP AND REMUNERATION POLICY:

The Company's policy on director's appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which form part of this report.

NOMINATION AND REMUNERATION COMMITTEE:

The composition and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

AUDIT COMMITTEE:

The Audit Committee comprises of Mr. Gyan Prakash Singh who serves as the Chairman of the Committee and Mr. Deepak B. Sekhri & Mrs. Anita Deepak Sekhri as other members. The terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

VIGIL MECHANISM:

The Company has a vigil mechanism in terms of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 to deal with instances of fraud and mismanagement, if any, and to report concerns about unethical behavior, wrongful conduct and violation of the Company's code of conduct or ethics policy.

AUDITORS:

The Members at the 44thAnnual General Meeting of the Company held on 26thSeptember, 2017, had appointed M/s. R. K. Chaudhary & Associates (Firm Registration No. 133512W) Chartered Accountant, Mumbai as the Statutory Auditors of the Company to hold office for a term of five years i.e., from the conclusion of the said Annual General Meeting until the conclusion of 49thAnnual General Meeting of the Company to be held in 2022, subject to ratification of their appointment by the shareholders, every year. The Ministry of Corporate Affairs vide its Notification dated 7th May 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

STATUTORY AUDITORS' OBSERVATIONS& COMMENTS FROM BOARD:

Remark:- According to the information and explanations given to us and based on the records of the company examined by us, the Company is not regular in depositing the undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax and other material statutory dues, as applicable, with the appropriate authorities in India

Justification from management:- Due to huge losses and financial problem, the Company is finding it difficult to pay its dues, however the management is trying its best efforts to settle all pending dues.

SECRETARIAL AUDITORS:

In terms of the provisions of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has appointed M/s. Madhukar K. Apte & Associates, Company Secretaries, Indore as Secretarial Auditor for conducting Secretarial Audit of your Company for the financial year 31.03.2018. The report of the Secretarial Auditor is annexed herewith as "**AnnexureA**"

SECRETARIAL AUDITORS' OBSERVATIONS & COMMENTS FROM BOARD:

a) The Company has not appointed Company Secretary as KMP as required under section 203 of Companies Act, 2013 and Compliance Officer as required under regulation 6 of SEBI (LODR) Regulations 2015. Further, the managing director and whole time director are disqualified under Sections 164 and 167 of the Companies Act, 2013, and, therefore, the company has no Key Managerial Personnel except Chief Financial Officer:- The Company is looking for a suitable candidate for the Company Secretary, but being a sick company and due to weak financial problem, no candidate is willing to join the company. The Company is in process of removal of disqualification of directors.

b) The Company has not updated its website and uploaded the documents and information as required under the Companies Act 2013 and Regulation 46 of SEBI (LODR) Regulations 2015:- Due to financial problems, it is unable to continue the services of consultant to update the website.

c) The Company has not published notices in newspaper as required under Listing Guidelines and regulation 47 of SEBI(LODR) Regulations, 2015: Except Board Meeting notices, the Company has published financials results and notice of general meeting in the news paper.

d) The Company has not appointed Internal Auditor during the period under review:- Due to financial problems, it is unable to appoint internal auditor as operations are closed.

e) The Constitution of the Nomination & Remuneration Committee is not in accordance with section 178 of Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015:- Since the Company is sick company no one is interested to be an Independent and Non-Executive Director.

f) Code of Conduct for Independent Director and meeting at least one meeting in a year not held as per under Schedule IV:- Since, the company has only one independent director, the meeting with one ID is not held.

g) The Company has Unpaid/ Unclaimed Dividend and Share Application Money of Rs. 1,83,957 and Rs. 1,54,786 respectively for more than 7 years and which is required to be transferred to IEPF Account, which is yet to be complied with:- Due to financial problem, the company is unable to transfer the funds the money is in account.

h) The Company has defaulted in payment of statutory dues and the company has defaulted in repayment of interest and loans borrowed from banks:- Due to financial problem, the Company is not in a position to clear statutory dues. The management is trying its best efforts to settle the dues.

i) The Company has not complied with the regulation 31(2) of LODR according to which 100% shareholding of promoters shall be in Demat Form:- The same will be complied in due course of time.

j) The Company has not complied with the Rule 20 of Companies (Management and Administration) Rules, 2014 of E-voting Facility provided to the members for the Annual general Meeting:- Due to financial problem, the company could not provide the same.

k) Mr. Deepak B. Sekhri, Managing Director and Mrs. Anita Sekhri, Whole time Director are disqualified and ceased to be Directors pursuant to section 164 and 167 of Companies Act, 2013 read with Rule 14 of Companies (Appointment and Qualification of Directors)Rules, 2014 due to non-filing of returns of other companies where they are directors:- The directors are taking their best efforts to remove the disqualification of directorship. Further due to this reason, no director is proposed for retire by rotation in the ensuing Annual General Meeting.

EXTRACT OF ANNUAL RETURN:

In terms of the provisions of Section 92 (3) of the Act read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of your Company for the financial year ended 31st March, 2018 is given in **Annexure B**.

OTHER DICLOSURES:

- Your Company has not issued any shares with differential voting.
- There was no revision in the financial statements.
- Your Company has not issued any sweat equity shares.

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

The compliance regarding Disclosures under Section 22 of Sexual Harassment of Women at Work (Prevention, Prohibition and Redressal) Act does not apply to the Company. However the Company is committed to provide a safe & conducive work environment to its employees.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Directors and the designated employees have confirmed compliance with the Code.

APPRECIATIONS:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, Staff and workers at all levels for their continuous co-operation and assistance.

By Order of the Board of Directors
For Shree Ganesh Forgings Limited

Mr. Deepak B. Sekhri
Chairman
DIN:00054671

Place: Mumbai
Date: 23.08.2018

ANNEXURE A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2018

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

To,
The Members,
Shree Ganesh Forgings Limited
CIN: L17200MH1972PLC016008
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shree Ganesh Forgings Limited (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder by the Depositories with regard to dematerialization / rematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company;

(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 (No Transactions during the period under review);

(v) The following Regulations and Guidelines, to the extent applicable, prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:

  (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, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period);

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; ;(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) Regulation, 2009;(Not applicable to the Company during the Audit Period);

  (h) The Securities and Exchange Board of India (Buyback of Securities), Regulation, 2008; (Not applicable to the Company during the Audit Period);

  (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;

(vi) Other Laws applicable specifically to the Company:

(vii) During the year under audit, the company has not carried any operational activities except wholesale trading in scrap metals. However the company being a manufacturing unit till few years back, it has all necessary licenses under the factory act to carry on its manufacturing activities. However from last few years the company is not carrying any manufacturing activities, thus the specific acts applicable to the manufacturing unit is not applicable to the company during the year under review.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India on meetings of the Board of Directors and General Meeting, notified with effect from July 1, 2015 and it was noted that the Company has complied with the same to the extent possible,

however the stricter applicability of the Secretarial Standards is to be observed by the company.

2. Listing Agreements entered into by the Company with the Stock Exchange:

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Etc. mentioned above except as below:

a) *The Company has not appointed Company Secretary as KMP as required under section 203 of Companies Act, 2013 and Compliance Officer as required under regulation 6 of SEBI (LODR) Regulations 2015. Further, the managing director and whole time director are disqualified under Sections 164 and 167 of the Companies Act, 2013, and, therefore, the company has no Key Managerial Personnel except Chief Financial Officer.*

b) *The Company has not updated its website and uploaded the documents and information as required under the Companies Act 2013 and Regulation 46 of SEBI (LODR) Regulations 2015*

c) *The Company has not published notices in newspaper as required under Listing Guidelines and regulation 47 of SEBI (LODR) Regulations, 2015*

d) *The Company has not appointed Internal Auditor during the period under review. Therefore, the internal controls cannot be examined, in absence of any internal audit report.*

e) *The Constitution of the Nomination & Remuneration Committee is not in accordance with section 178 of Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 Due to disqualification of managing director and whole time director, the composition of audit committee and other committees are not valid.*

f) *Code of Conduct for Independent Director and meeting: at least one meeting in a year not held as per under Schedule IV.*

g) *The Company has Unpaid/ Unclaimed Dividend and Share Application Money of Rs. 1,83,957 and Rs. 1,54,786 respectively for more than 7 years and which is required to be transferred to IEPF Account, which is yet to be complied with.*

h) *The Company has defaulted in payment of statutory dues and the company has defaulted in repayment of interest and loans borrowed from banks.*

i) *The Company has not complied with the regulation 31(2) of LODR according to which 100% Shareholding of Promoters shall be in Demat Form.*

j) *The Company has not complied with the Rule 20 of Companies (Management and Administration) Rules, 2014 relating to E-voting Facility to be provided to the members for the Annual general Meeting.*

k) *Mr. Deepak B. Sekhri, Managing Director and Mrs. Anita Sekhri, Whole time Director are disqualified and ceased to be Directors pursuant to section 164 and 167 of Companies Act, 2013 read with Rule 14 of Companies (Appointment and Qualification of Directors)Rules, 2014 due to non-filing of returns of other companies where they are Directors.*

We have not examined Compliance with applicable Financial Laws, like Direct and Indirect Tax Laws, since the same have been subject to review by statutory financial Audit and other designated professionals.

We further report that,

The Board of Directors of the Company is duly constituted as required under the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 except that *it does not have the optimum combination of Executive and Non – Executive Directors in Audit Committee and Nomination and Remuneration committee.* There were no changes in the composition of the Board of Directors during the period under review *except the disqualification of two directors under Section 164 and 167 of the Companies Act, 2013.*

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

The minutes of the meetings duly recorded and signed by the chairman, the decisions of the Board were Unanimous and no dissenting views have been recorded.

We further report that systems and processes in the company needs to be further strengthened commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no specific event /action having major bearing on the Company's affair in pursuance to the above referred laws, rules, regulations, guidelines etc referred to above.

For Madhukar K. Apte & Associates
Company Secretaries

Madhukar Apte
Proprietor
FCS 8147/ CP No. 8674

Place: Mumbai
Date: 23.08.2018

ANNEXURE A

To,

The Members,

Shree Ganesh Forgings Limited

CIN: L17200MH1972PLC016008

Our report of even date is to be read along with this letter.

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices I followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events etc.
5. 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 Madhukar K. Apte & Associates
Company Secretaries

Madhukar Apte
Proprietor
FCS 8147/ CP No. 8674

Place: Mumbai
Date: 23.08.2018

ANNEXURE B

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. **REGISTRATION & OTHER DETAILS:**

1.	CIN	L17200MH1972PLC016008
2.	Registration No.	016008
3.	Name of the Company	Shree Ganesh Forgings Limited
4.	Category/Sub-category of the Company	Public Company having Share Capital
5.	Address of the Registered office & contact details	412, EMCA House, S.B.S. Road, Fort, Mumbai – 400 001.
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Bigshare Services Private Limited, Add:- E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka Andheri - East Mumbai – 400 072. Phn No.022-40430200

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Wholesale of metal and non-metal waste and scrap	46699	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY ANDASSOCIATE COMPANIES:

SN	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of shares held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) **Category-wise Share Holding**

	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2017 00:0				No. of Shares held at the end of the year :31/03/2018				
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% Change
(A) Shareholding of Promoter and Promoter Group										
Indian										
(a)	INDIVIDUAL / HUF	5802715	1112500	6915215	55.32	5802715	1112500	6915215	55.32	0.00
(b)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)									
(i)	GROUP COMPANIES	0	250125	250125	2.00	0	250125	250125	2.00	0.00
(ii)	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(iii)	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(1) :	**5802715**	**1362625**	**7165340**	**57.32**	**5802715**	**1362625**	**7165340**	**57.32**	**0.00**

	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2017 00:0				No. of Shares held at the end of the year :31/03/2018				
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% Change
Foreign										
(a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
(c)	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total holding for promoters									
	(A)=(A)(1) + (A)(2)	**5802715**	**1362625**	**7165340**	**57.32**	**5802715**	**1362625**	**7165340**	**57.32**	**0.00**
(B) Public shareholding										
Institutions										
(a)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	FINANCIAL INSTITUTIONS / BANKS									
(c)	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
(e)	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
(f)	FII'S	0	0	0	0.00	0	0	0	0.00	0.00
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
(h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(i)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(j)	FOREIGN PORTFOLIO INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(k)	ALTERNATE INVESTMENT FUND	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(1) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Non-institutions										
(a)	BODIES CORPORATE	310180	0	310180	2.99	310180	0	310180	(0.51)	(1.24)
(b)	INDIVIDUAL									
(i)	(CAPITAL UPTO TO Rs. 1 Lakh)	2782921	697	2783618	22.27	2753633	697	2783618	22.03	(0.23)
(ii)	(CAPITAL GREATER THAN Rs. 1 Lakh)	2101590	0	2035813	16.29	2101590	0	2283749	18.27	1.46
(c)	ANY OTHERS (Specify)									
(i)	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	CLEARING MEMBER	15403	0	15403	0.12	18257	0	18257	0.15	0.02
(iii)	NON RESIDENT INDIANS (NRI)	866	0	866	0.01	0	0	0	0	(0.01)
(iv)	NON RESIDENT INDIANS (REPAT)	118320	0	118320	0.95	119320	0	119320	0.95	0.01
(v)	NON RESIDENT INDIANS (NON REPAT)	4807	0	4807	0.04	4166	0	4166	0.03	(0.01)
(vi)	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
(vii)	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
(viii)	OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0.00
(ix)	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
	Corporate body NBFC	350	0	350	0.00	350	0	350	0.00	0.00
	SUB TOTAL (B)(2) :	**5334437**	**697**	**5335134**	**42.68**	**5334437**	**697**	**5335134**	**42.68**	**0.00**
	Total Public Shareholding									
	(B)=(B)(1) + (B)(2)	**5334437**	**697**	**5335134**	**42.68**	**5334437**	**697**	**5335134**	**42.68**	**0.00**

	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2017 00:0				No. of Shares held at the end of the year :31/03/2018				
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% Change
(C)	Shares held by Custodians and against which Depository Receipts have been issued									
(a)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (C)(1) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	(C)=(C)(1)		**0**		**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Grand Total (A) + (B) + (C)	**11137152**	**1363322**	**12500474**	**100.00**	**11137152**	**1363322**	**12500474**	**100.00**	**0.00**

Note: Name, Number of Shares Held & Percentage of Entities / persons holding more than 1% of the total shares of the Company is as per Annexure

B. Shareholding of Promoters :

Sr. No	NAME	Shareholding at the beginning of the year 01/04/2017			Shareholding at the end of the year 31/03/2018			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Anita Deepak Sekhri	917499	7.34	0.0000	917499	7.34	0.0000	0.0000
2	M/S Namha Profile Inc	250125	2.0009	0.0000	250125	2.0009	0.0000	0.0000
3	Deepak Balkrishan Sekhri	3029089	24.23	2525072	3029089	24.23	2525072	0.0000
4	Namha Sekhri	840348	6.7225	0.0000	840348	6.7225	0.0000	0.0000
5	Akshatt Deepak Sekhri	1015779	8.1259	0.0000	1015779	8.1259	0.0000	0.0000
6	Deepak SekhriHUF	1112500	8.8997	0.0000	1112500	8.8997	0.0000	0.0000
		7165340	**57.3205**	**0.0000**	**7165340**	**57.3205**	**0.0000**	**0.0000**

C) Change in Promoters' Shareholding - There is no change in shareholdings

Particulars	Share holding at the beginning of the year 01/04/2017		Share holding at the end of the year 31/03/2018	
	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	No. of Shares at the begining/End of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
1	VANDANA RAKESH MAHNOT	245,440	31-Mar-17	0	Transfer	245,440	1.96
		245,440	31-Mar-18	0	Transfer	245,440	1.96
2	KEWALCHAND JAIN	223,150	31-Mar-17	0	Transfer	223,150	1.79
		223,150	31-Mar-18	0	Transfer	223,150	1.79
3	BINENDRA M	138,646	31-Mar-17	0	Transfer	138,646	1.11
			31-Mar-18	0	Transfer	167,335	1.34
4	RAJESH DOULATRAM BHATIA	112,000	31-Mar-17	0	Transfer	112,000	0.90
		112,000	31-Mar-18	0	Transfer	112,000	0.90

Sr. No.	Name	No. of Shares at the begining/End of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
5	GIRDHARI BHATIA	94,345	31-Mar-17	0	Transfer	94,345	0.75
		94,345	31-Mar-18	0	Transfer	94,345	0.75
6	ANKUR CHOPRA	0	31-Mar-17		Transfer	0	0.00
		73,568	31-Mar-18	0	Transfer	73,568	0.59
7	NARESH DEVAYA	69,551	31-Mar-17	0	Transfer	69,551	0.56
		69,551	31-Mar-18	0	Transfer	69,551	0.56
8	LALIT AMARSHIBHAI SORIA	65,000	31-Mar-17	0	Transfer	65,000	0.52
		65,000	31-Mar-18	0	Transfer	65,000	0.52
9	NINJA SECURTIES PRAVITE LIMITED	55,851	31-Mar-17	0	Transfer	55,851	0.45
		55,851	31-Mar-18	0	Transfer	55,851	0.45
10	Ashok Vinayakrao Warade	53,725	31-Mar-17	0	Transfer	53,725	0.43
		53,725	31-Mar-18	0	Transfer	53,725	0.43

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding end of the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Deepak B Sekhri	3029089	24.23%	3029089	24.23%
2	Anita Deepak Sekhri	917499	7.3%	917499	7.3%

V INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	1,37,43,46,581	1,92,76,353	29,54,478	1,39,65,77,412
i) Principal Amount	0	1,92,76,353	29,54,478	1,39,65,77,412
ii) Iterest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**1,37,43,46,581**	**1,92,76,353**	**29,54,478**	**1,39,65,77,412**
Change in Indebtedness during the financial year	0	0	0	0
* Addition	0	1,33,18,027	0	1,33,18,027
* Reduction	0	82,82,335	25,79,478	1,08,61,813
Net Change	0	0	0	0
Indebtedness at the end of the financial year	1,37,43,46,581	2,43,12,045	3,75,000	1,39,90,33,626
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**1,37,43,46,581**	**2,43,12,045**	**3,75,000**	**1,39,90,33,626**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SR. NO.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total (A)			

B. Remuneration to other directors: N.A.

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**
	Total (B)=(1+2)	**-**	**-**	**-**	**-**	**-**
	Total Managerial Remuneration	**-**	**-**	**-**	**-**	**-**

C. Remuneration to key managerial personnel other than MD/Manager/WTD : NA

SN	Particulars of Remuneration	Key Managerial Personnel			
		Pronab Kumar Chakravarty - CFO			**Total**
1	Gross salary	240000	-	-	240000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**240000**	**-**	**-**	**240000**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	None	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	None	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	None	-	-
Compounding	-	-	-	-	-

By Order of the Board of Directors
For Shree Ganesh Forging Limited

DEEPAK B. SEKHRI
CHAIRMAN
DIN NO. 00054671

Place: Mumbai
Date: 23.08.2018

MANAGEMENT DISCUSSION & ANALYSIS REPORT

I. Industry Structure, Opportunities and Threats:

The forging industry in India traditionally catered to the automotive sector and moved to the infrastructure industries after the growth of infrastructure and related industries picked up. The Indian auto industry which has witnessed substantial growth in the year under review has given a spurt to the forging units catering to that sector. However, forging units catering to the infrastructure industries generally tend to have lower margins in view of customized and specialized end products which can be improved upon only if they can become more cost- efficient.

With the growth in the automotive sector, and the recovery of the developed economies, overall growth in all segments is expected. Of course, the major threat faced by the forging industry being the easy availability of cheap imported forged products in the domestic and the international markets has not receded.

II. Segment-wise or Product-wise performance

During the year company was not in operation.

III. Outlook for the Company:

We, at Shree Ganesh Forgings Ltd have made substantial investments in high tech, state -of- the- art equipment of the highest international standards. Although our products were well established in the international market, the company has been undergoing a long phase of business losses owing to various factors including radiation- related problems, labour issues and our bankers' reluctance to implement the reworked CDR scheme sanctioned by the CDR Cell. The Company has thus been saddled with recovery claims from the bankers on one side and partial closure of operations on the other. Negotiations for settlement are on with the bankers and other options such as sale or lease of land and buildings and shifting operations to another location, or sale of business are being explored actively so as to generate the required funds.

IV. Risks and concerns:

The Company has declared as sick company on 27th January, 2016 by the Board of Industrial and Financial Reconstruction (BIFR).

The Board of Directors of the company reviews and assesses the risk factors on a continuous basis. The Chief Executive Officer of the Company is the Chairman and Director, who is also responsible for the overall risk governance in the Company. The prime concern now is to repay the banks outstanding and revive the company.

V. Internal Control Systems and their adequacy:

In the opinion of the management, the Company has adequate internal audit and control systems, to ensure that all business transactions are recorded, approved and reported correctly and wherever required it will make all possible efforts to strengthen its internal audit and control system.

VI. Financial and Operating Performance:

The financial and operating performance has already been discussed in the Directors' Report. The management is actively considering various options to restart operations.

VII. Human Resources:

he Company has high regard for its human resources and considers it as amongst its most valuable assets. However, operational difficulties and labour problems have forced the company to lay off some of its employees.

VIII. Cautionary Statement

This report contains forward-looking statements based on certain assumptions and expectations of future events. Actual performance, results or achievements may differ from those expressed or implied in any such forward - looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

For Shree Ganesh Forgings Limited

Deepak B. Sekhri
Chairman
DIN: 00054671

Date: 23.08.2018
Place: Mumbai

REPORT ON CORPORATE GOVERNANCE

I. **Company's philosophy on Code of Governance:-**

Your Company's philosophy on the Code of Governance envisages the enhancement of the long term economic value of the company, its shareholders and all its stakeholders by adopting better corporate practices with highest levels of transparency, accountability and equity in all phases of its operations.

II. **BOARD OF DIRECTORS**

a) **Composition**

Board of Director: The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

As on 31st March, 2018, the company were not having an optimum combination of Executive and Non-Executive directors, where the company does not have fifty percent of the Board of Directors comprising of Non-Executive and independent directors. The Company has only one Non-Executive director and independent director. The audit committee and Nomination and Remuneration Committee do not have required number of non-executive and independent directors. The company is a Sick and loss making Company, thus no one is willing to join the Board of Directors of the Company.

However, the Board of your company at present consists of 5 directors, consists of 2 Executive, 2 non-executive and one Independent Director. The company has inducted two non-executive directors w.e.f. 11th July, 2018. Thus as on the date of this report the company has 3 non-executive directors.

All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year give a declaration that they meet with the criteria of independence as provided under Companies Act, 2013 and Reg. 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The necessary disclosure regarding Committee positions have been made by all the Directors. The names and categories of the Directors on the board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanship/Membership held by them in other Companies are given herein below:

Din No.	Name of Directorship	Category (1)	Board Meetings during FY 2017-18		Last AGM Attended held on 26.09.2017	No. of outside directorship(s) held (2)	No. of outside committee position(s) held (3)		Relationship with Director	No. of shares and Convertible instruments held by non-executive director
			Held	Attendance		Public	Chairman	Member		
00054671	Mr. Deepak B. Sekhri	P & C	4	4	Yes	-	-	-	Husband of Mrs Anita Sekhri	N.A.
00054725	Mrs. Anita D.Sekhri	P & E.D	4	3	Yes	1	-	-	Wife of Mr. Deepak Sekhri	N.A.
00055331	Mr. Gyan Prakash Singh	I & N.E.D.	4	4	No	-	-	-	Nil	-
08175104	Mr. Manoj B. Chaudhari*	N.E.D	NA	NA	No	-	-	-	Employee	-
08177368	Mr. Sharad Y. Dighe**	N.E.D	NA	NA	No	-	-	-	Employee	-

*Appointed w.e.f. 11th July, 2018

**Appointed w.e.f. 11th July, 2018

Notes:

(1) Category:

P & C – Promoter and Chairman

I & N.E.D. – Independent and Non-executive Director

E.D. – Executive Director

(2) It does not include Alternate Directorship, Directorship in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and private limited companies.

(3) Includes only Audit Committee and Stakeholder Relationship Committee of Public Limited Companies

b) Board Meetings

4 (Four) Board Meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held during the Financial Year and attendance on the same are as follows:

Sr. No.	Date of Meetings	Board Strength	No. of Directors present
1	30/05/2017	3	2
2	10/08/2017	3	3
3	14/11/2017	3	3
4	12/02/2018	3	3

III. **AUDIT COMMITTEE:**

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

a) Composition

The Committee's composition does not meet with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Chairman of the audit Committee is a Non-executive and Independent Director. The composition of the Audit Committee as on 31st March, 2018 and particulars of meetings attended by them for the period are given below:

Sr. No.	Name of Directorship	Chairman/ Member	Category	No. of Meetings during FY 2017-18	
				Held	Attended
1	Gyan Prakash Singh	Chairman	I & N.E.D.	4	4
2	Deepak B. Sekhri	Member	P & C	4	4
3	Anita D. Sekhri	Member	E.D	4	3

During the Financial Year 2017-18, 4 Meetings were held on **30.05.2017, 10.08.2017, 14.11.2017, 12.02.2018**

b) **Terms of reference:**

The terms of reference of the Audit Committee are wide enough to cover the matters specified for Audit Committee under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as well as in Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are broadly as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
10. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders(in case of non-payment of declared dividends) and creditors;

1. any other function as is mentioned in the terms of reference of the Audit Committee.

c) Review of Information by Audit Committee:

1. The Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions submitted by management.
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal audit reports relating to internal control weaknesses

IV. **NOMINATION AND REMUNERATION COMMITTEE:**

During the year no committee meeting took place.

The broad terms of reference of Remuneration Committee are as under:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

(b) Formulation of criteria for evaluation of Independent Directors and the Board;

(c) Devising a policy on Board diversity;

(d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

(e) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

(f) To perform such other functions as may be necessary or appropriate for the performance of its duties.

d) **Composition:**

The composition of the Committee does not meet with requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the details of meeting attended by the members of the Committee are given below:

Sr. No.	Name of Directorship	Chairman/ Member	No. of Meetings during FY 2017-18	
			Held	Attended
1	Mr. Gyan Prakash Singh	Chairman	-	-
2	Mr. Deepak B. Sekhri	Member	-	-
3	Mr. Anita D. Sekhri	Member	-	-

V. **REMUNERATION TO DIRECTORS**

a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the company has been disclosed in the Annual Report in Note to Accounts under Disclosure of transaction with the related parties.

b) **Remuneration to Non-Executive Directors:**

The Board of Directors is not paying any remuneration or sitting fees to the Non-executive directors of the Company.

Executives Directors are also not being paid sitting fees for attending meetings of the Board of Directors/Committees.

There were no material pecuniary relationships or transactions by the Company with the Non-Executive and Independent Directors of the Company.

c) **Remuneration to Executive Directors:**

The Company has not paid any remuneration to its Executive Directors during the period under review.

d) **Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Chairman and Director and the Non-Independent Directors was carried out by the Board of Directors in place of Independent Directors due to inability on the health ground. The Board expressed their satisfaction with the evaluation process.

e) **Remuneration Policy:**

Service contract, severance fees and notice period:

The appointment of the Whole Time Directors is governed by the Articles of Association of the Company and the Resolution passed by the Board of Directors and the Shareholders of the Company.

No separate Service Contract is entered into by the Company with the Directors.

f) **ESOP Scheme:**

No Stock Options were to any Employee of the Company during the year 2017-2018. The Executive and Non-Executive Directors of the Company have not been granted any stock options in terms of the provisions under the SEBI Guidelines/Regulations.

VI. **STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Board of Directors of the Company in its meeting held on 02nd June, 2014 changed the nomenclature of "Shareholders'/ Investors' Grievances Committee" to "Stakeholders' Relationship Committee" and also modified its terms of reference to comply with the requirements of the Companies Act, 2013 and LODR Guidelines. The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and LODR Guidelines.

Terms of Reference:

(a) Oversee and review all matters connected with the transfer of the Company's securities.

(b) Monitor redressal of investors' / shareholders' / security holders' grievances.

(c) Oversee the performance of the Company's Registrar and Transfer Agents.

(d) Recommend methods to upgrade the standard of services to investors.

(e) Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

During the year 2017-2018, four meetings of "Stakeholders' Relationship Committee" were held on 30.05.2017, 10.08.2017, 14.11.2017 and 12.02.2018 respectively.

The Composition of "Stakeholders' Relationship Committee" and the details of the meetings attended by its members are as follows:

Sr. No.	Name of Directorship	Chairman/ Member	Category	No. of Meetings during FY 2017-2018	
				Held	Attended
1	Mr. Gyan Prakash Singh	Chairman	ID	4	4
2	Mr. Deepak B. Sekhri	Member	P & C	4	4
3	Mr. Anita D. Sekhri	Member	P &EC	4	3

(i) Details of Share Holders' Complaints received and redressed during the year 2017-18:

Opening	Received during the year	Resolved during the year	Closing Balance
NIL	NIL	NIL	NIL

(ii) Investors' Grievance Redressal Cell:

The Company has designated Mr.Deepak Sekhri, Director as the compliance officer of the investors' grievance redressal cell. For the purpose of registering complaints by investors, the Company has designated an e-mail ID - edp@shreeganeshforgings.com

VII. **Separate Independent Director Meeting**

The independent Directors meet at least once in a quarter, without the presence of Executive Directors or Management Representatives.

Since the Company had only one Independent Director, therefore company fails to conduct separate independent Directors meeting

VIII. **General Body Meeting** :

F.Y.	Meeting and Venue	Day, Date and Time	Special Resolution Passed
2014-15	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai – 400001	Monday, 28th September, 2015 at 3.30 p.m.	(i) Alteration of Articles of Association (ii) Appointment of Independent Director
2015-16	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai – 400001	Monday, 12th September, 2016 at 3.30 p.m.	-
2016-17	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai – 400001	Tuesday, 26th September, 2017 at 3.30 p.m	(i) Resolution under 180(1)(a) (ii) Resolution under 180(1)(c)

No resolution was passed through Postal Ballot during the Financial Year 2017-2018 and no resolution is proposed to be passed by Postal Ballot.

IX. **MEANS OF COMMUNICATION:**

a) Financial Results: The annual, half yearly and quarterly results are submitted to the Stock Exchanges.

b) The company does not publish financial result in the news-paper due to financial problem.

c) No Press Releases were made by the Company during the period under review.

d) No Corporate presentations were made to institutional investors or to analysts during the period under review.

X. **GENERAL SHAREHOLDERS INFORMATION:**

a) 45th Annual General Meeting

Day, Date and Time	Monday, 24th Day of September, 2018 at 3.30 P.M.
Venue	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai - 400001
Book Closure	Saturday, 22nd September, 2018 to Monday, 24th September, 2018 (both days inclusive)
Dividend Payment Date	No dividend is declared

b) Financial Calendar

The Company follows the period of 1st April to 31st March, as the Financial Year. For the Financial year 2018-2019, Financial Results will be announced as per the following tentative schedule:

Results for 1st Quarter 2018-2019 (Unaudited)	On or before 14th August,2018
Results for 2ndQuarter 2018-2019 (Unaudited)	On or before 14th November,2018
Results for 3rdQuarter 2018-2019 (Unaudited)	On or before 14th February,2019
Results for 4thQuarter and year 2018-2019 (Audited)	On or before 30th May,2019
Annual General Meeting for financial year	On or before 30th September,2019

c) Dividend Payment Date:- Not Applicable

d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);

Stock Exchanges /Type of Instruments/ Stock Code F.Y.	Address	Stock Code / ID	Listing fees Paid (Yes/No)
Bombay Stock Exchange	25TH Floor, P.J. Tower, Dalal Street, Fort, Mumbai-400001	532643	No
National Stock Exchange	National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	SGFL	No

e) Market Price Data:

The share price data of the Company from 1st April, 2017 to 31st March, 2018 as compared to BSE Sensex are as follows:

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty to Traded Qty	Spread High-Low	Spread Close-Open
Apr-17	1.74	1.84	1.63	1.64	6732	24	11341	6732	100	0.21	-0.1
May-17	1.62	1.90	1.45	1.52	28208	64	47047	28208	100	0.45	-0.1
Jun-17	1.59	2.04	1.59	2.04	3989	22	6872	3989	100	0.45	-0.1
Jul-17	2.14	2.14	1.75	1.90	37691	32	72302	37691	100	0.39	0.24
Aug-17	1.81	1.81	1.38	1.38	9932	11	15588	9932	100	0.43	-0.43
Sep-17	1.44	1.44	1.12	1.12	25105	25	32709	25105	100	0.32	-0.32
Oct-17	1.17	1.17	1.02	1.02	3981	9	4178	3981	100	0.15	-0.15
Nov-17	0.97	1.06	0.94	1.06	7578	18	7411	7578	100	0.12	-0.09
Dec-17	1.01	1.41	1.01	1.41	5440	21	6823	5440	100	0.4	0.4
Jan-18	1.35	1.72	1.35	1.56	7676	25	11970	7676	100	0.37	-0.21
Feb-18	1.35	1.72	1.35	1.56	7676	25	11970	7676	100	0.37	-0.21
Mar-18	1.49	1.49	1.23	1.23	6935	35	9000	6935	100	0.26	-0.26

f) In case the securities are suspended from trading, the directors report shall explain the reason thereof:-

Not Applicable.

g) Registrar to an Issue and Share Transfer Agent

BIGSHARE SERVICES PRIVATE LIMITED
E-2/3,Ansa Industrial Estate, Sakivihar Road,
Saki Naka,Andheri (E),Mumbai-400 072
Tel no: 2852 3474,2856 0652/53,2690 1335, Fax-2852 5207
Email ID:bigshare@bom7.vsnl.net.in.

h) Share Transfer System

Share transfer requests received in physical form are registered within 15 days from the date of receipt, subject to documents being valid and complete in all respect and Demat requests are normally confirmed within an average of 10 days from the date of receipt.

i) Distribution of Shareholding as on 31.03.2018

Holding of Nominal Value of Shares	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Up to 5000	3558	74.4663	6278130	5.0223
5001 to 10000	551	11.5320	4735670	3.7884
10001 to 20000	279	5.8393	4405230	3.5241
20001 to 30000	124	2.5952	3194750	2.5557
30001 to 40000	56	1.1720	1978900	1.5831
40001 to 50000	49	1.0255	2330910	1.8647
50001 & above	161	3.3697	102081150	81.6617
TOTAL	**4778**		**125004740**	

j) Categories of Shareholders as on 31st March, 2018

Category	Total Shareholders	% of Shareholders	Total Shares	% Shares
Promoters Holding	5	0.1046	5059088	40.4712
Public	4646	97.2373	4885208	39.0802
Relatives of Director	2	0.0419	1856127	14.8485
Non Resident Indians	26	0.5442	123993	0.9919
Group Companies	1	0.0209	250125	2.009
Corporate Body NBFC	1	0.0209	350	0.0028
Corporate Bodies	94	1.9674	310180	2.4813
Clearing members	3	0.0628	15403	0.1232
TOTAL	**4778**		**12500474**	

k) Dematerialization of Shares & Liquidity:

The Shares are compulsorily traded in dematerialized form. The details of dematerialization of shares as on 31st March, 2018 are as below:

Electronic/ Physical	No. of Shares	No. of Shares	Percentage (%)
NSDL	88,23,515	88,23,515	70.59
CDSL	23,13,637	23,13,637	18.51
Physical	13,63,322	13,63,322	10.91
TOTAL	**1,25,00,474**	**1,25,00,474**	**100**

l) Outstanding GDR/ADR/Warrants/Convertible instruments

The Company has not issued Global Depository Receipts or American Depository Receipt or Warrants or any Convertible instruments.

m) Commodity price risk or foreign exchange risk and hedging activities.

The Company did not engage in hedging activities.

n) Plant Location :-

Industrial Area, **Pawane, Navi Mumbai**

o) Address for correspondence:-

(a) For Transfer of Shares, request for dematerialization of shares, change of address or any other query : M/s. Bigshare Services Private Limited.
E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka,
Andheri (E), Mumbai-400 072
Tel no: 2852 3474,2856 0652/53,2690 1335
Fax-2852 5207
Email ID:bigshare@bom7.vsnl.net.in

(b) For other investor grievance : Mr. Deepak Sekhri
412, EMCA HOUSE, S.B.S. Road, Fort, Mumbai-400001.
Email: edp@shreeganeshforgings.com

XI. **OTHER DISCLOSURES:**

a) **Disclosure on materially significant related party transactions:**

No transactions of material nature has been entered into by your Company with any related parties as per Accounting Standard that may have any potential conflict with the interests of your Company. The related party transactions have been disclosed under Note forming part of the financial statements. The Audit Committee reviewed the related party transactions undertaken by the Company in the ordinary course of business.

b) **Details of non-compliance by the Company**:

There were no instances of non-compliance except as mentioned elsewhere in the report by the Company on any matters relate to various capital markets.

During the last three years, no penalties have been imposed by stock exchange or any other statutory authority on any matter related to capital market.

c) **Details of Vigil Mechanism &Whistle Blower Policy:**

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with the requirements under the Companies Act, 2013 and Listing Agreement:

- For employees to report concerns about unethical behavior;
- To establish a mechanism to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Integrity Policy; and
- To ensure that adequate safeguards shall be provided to the whistle blowers against any victimization or vindictive practices like retaliation, threat or any adverse (direct or indirect) action on their employment and direct access to the Chairperson of the Audit Committee in exceptional cases. The Policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern

No personnel/ person have been denied access to the Audit Committee.

d) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has to the extent possible complied with the mandatory and non-mandatory requirements.

e) **Web link where policy for determining material subsidiaries is disclosed**

The Company has yet to upload the policy on website.

f) **Web link where policy on dealing with related party transactions**

The Company has yet to upload on the website.

g) **Disclosure of commodity price risks and commodity hedging activities.**

Not Applicable.

XII. **Non-compliance of any requirement of corporate governance report**

The Board takes all necessary precautions to comply with the same to the extent possible. However due to non-availability of qualified staff, there could be delays some time in submission of documents. Further due to financial problems the company does not publish the results and notice of board meeting in the newspaper and website updating is required to be complied as per the guidelines.

XIII. **The corporate governance report shall also disclose the extent to which the discretionary requirements have been adopted.**

The board of directors has to the extent possible adopted and complied with the discretionary requirements.

XIV. **The 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 shall be made in the section on corporate governance of the annual report.**

Pursuant to Schedule V of the SEBI Listing Regulations, 2015, the company hereby confirms that it has to the extent possible complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) inter-alia.

CEO AND CFO CERTIFICATION

The Chairman and Director and Chief Financial Officer of the Company give annual Compliance Certificate in accordance with Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Clause 49 of Listing Agreement with the Stock Exchange(s). The annual Compliance Certificate given by Chairman and Director and Chief Financial Officer is published in Annual Report.

For Shree Ganesh Forgings Limited

Deepak B. Sekhri
Chairman
(DIN :00054671)

Date: 23.08.2018
Place: Mumbai

CEO DECLARATION FOR COMPLIANCE OF THE COMPANYS CODE OF CONDUCT

I hereby affirm that all the Board Members and senior Management Executives of the Company have affirmed compliance with the Code of Conduct for Directors and senior Management Executives of Shree Ganesh Forgings Limited as applicable to them for the year ended 31st March, 2018.

For Shree Ganesh Forgings Limited
Deepak B. Sekhri
Director
Din: 00054671

Place: Mumbai
Date:- 23/08/2018

CEO/CFO CERTIFICATE

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

To,
The Board of Directors
Shree Ganesh Forgings Limited
412, EMCA HOUSE, S.B.S. Road,
Fort, Mumbai-400001.

We hereby certify that:-

A. We have reviewed the financial statements and cash flow statement for the said period and that to the best of our knowledge and belief:

   (i) These statements together present true and fair view of the Company and are in compliance with existing accounting standards, applicable laws & regulations.

   (ii) There are, to the best of our knowledge and belief, no transaction entered into by the company during the period which are fraudulent, illegal or violate of the Company's code of conduct.

B. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors, and to the audit committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

C. We have indicated to the auditor and the audit committee that:

   (i) there has not been significant changes in internal control during the period.

   (ii) there has not been Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and

   (iii) we are not aware any significant fraud of with involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Shree Ganesh Forgings Limited
Deepak B. Sekhri
Director
Din: 00054671

Place: Mumbai
Date:- 23/08/2018

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Shree Ganesh Forgings Limited
Mumbai

We have examined the compliance of conditions of Corporate Governance by Shree Ganesh Forgings Limited for the year ended on 31st March, 2018 as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring 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 our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of the Corporate Governance except that

- the Company has not appointed the Company Secretary and Compliance Officer;
- delay in submission of documents as required under the Listing Agreement and SEBI LODR Guidelines;
- Updation of website as required under Regulation 46 of SEBI LODR Guidelines;
- Optimum combination of Non-Executive and Independent Directors in the Board;
- Publication of notice of Board Meeting in the newspaper;
- some of the other clauses are not properly complied.

Further it was noted that the Company has complied with the provisions of the SEBI LODR Guidelines and other applicable guidelines and regulation to the extent possible, however the stricter applicability of the same is to be observed by the company.

However, though it has been explained to us the management of the company is committed to be persistent in their efforts to ensure that these conditions are also fulfilled at the earliest.

We 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 Anish Gupta & Associates
Company Secretaries

Anish Gupta
Proprietor
FCS 5733 / CP No. 4092

Place: Mumbai
Date: 23.08.2018

INDEPENDENT AUDITOR'S REPORT

To the Members of

SHREE GANESH FORGINGS LIMITED

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **SHREE GANESH FORGINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

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

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

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

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

Basis for Qualified Opinion

(a) The company was not able to produce the fixed deposit receipts. The banks are not cooperating to provide any conformations of balances as the matter is pending with **DEBTS RECOVERY TRIBUNAL COURT, MUMBAI**. Thus we are not able to comment on the actual balances.

(b) Impairment of assets not done as per Accounting Standard (AS) 28 Impairment of Assets, the impact of such impairment is not ascertainable.

(c) **Bank balance confirmations** have not been provided to us during the audit hence we are unable to comment on the actual balances and the consequent impact on the loss & reserve of the company. The banks are not cooperating to provide any confirmations of balances as the matter is pending with **DEBTS RECOVERY TRIBUNAL COURT, MUMBAI**.

(d) **Advance due** from certain parties which, in our opinion, are considered **doubtful of recovery** against which adequate provision has not been made.

(e) The Company has failed to provide necessary information and data and has not disclosed the impact of pending litigation as on March 31, 2018 on its financial position in its financial statement.

(f) **Balance confirmation** for Trade receivable (Debtors) and other receivable (Advance to creditors) have not been provided as no suppliers are showing their interest to cooperate us during the audit hence we are not able to comment on the actual balance & the consequent impact on the loss & reserve of the company.

(g) Depreciation as per the Schedule III of Company Act 2013 has not been calculated an accounted due to non-availability of passed data of addition of fixed assets.

(h) Both the directors of the company are disqualified as on March 31, 2018 from being appointed as directors in terms of section 164(2) of the Companies Act. The Directors have filed an appeal before the NCLT for restoration of DIN.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Material Uncertainty Related to Going Concern

We draw attention to the financial statements, which indicates that the company incurred a net loss of Rs. 5,57,79,744/- during the year ended March 31, 2018 and, as of that date, the company's liabilities exceeded its total assets by Rs.80,59,52,088/-. As stated above, these events or conditions, along with other matters as set forth, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Emphasis of matter

We draw you attention to the following matters in the Notes to the Financial Statements:

(a) The financial statements indicate that the company has accumulated losses and its net worth has been substantially eroded; the company has incurred net loss during the current and previous year. These conditions, along with other matters set forth in note, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis. Our opinion is not modified in respect of these matters.

(b) Loan of State Bank of Hyderabad and State Bank of Patiala have been transferred by the bank to Asset Reconstruction Company. This ARC has assigned the liability of payment of these loans to the Guarantor of Shree Ganesh Forgings Ltd at a reconstructed amount. This does not have any impact or adjustment to the financial statement during the year.

(c) State Bank of India in terms of SARFAESI Act has taken over the control of land, building and other fixed assets along with stocks etc. lying in the factory premises of the company situated at C-3/C, TTC Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai.

Other Matters

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated 04.08.2016 and 25.05.2017 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) Except for the possible effect of the matter describe in the basis for qualified opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) The matter describe in the basis for qualified opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.

   f) The going concern matter described under the Material Uncertainty Related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

   g) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, both the directors are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act. The Directors have filed an appeal before the NCLT for restoration of DIN.

   h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

   i) 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:

      1. The Company has failed to provide the necessary information and data and has not disclosed the impact of pending litigations as on March 31, 2018 which would impact its financial position.

      2. The Company did not have any long term contracts including derivative contracts, as such the question of commenting on any material foreseeable losses thereon does not arise.

      3. The company has failed to transfer unpaid / unclaimed dividend amounting to Rs.1,83,958/- and share application money amounting to Rs.1,54,786/- to the Investor Education and Protection Fund.

For R. K. CHAUDHARY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.133512W

(R. K. CHAUDHARY)
PROPRIETOR
M.NO. 035487

PLACE: MUMBAI
DATE: 30/05/2018

ANNEXURE-A TO INDEPENDENT AUDITORS REPORT

Referred to in Paragraph 11(f) of the Independent Auditors Report of even date to the members of **SHREE GANESH FORGINGS LIMITED** on the Financial Statement for the year ended March 31, 2018

Report on the Internal Financial Control Under Clause (i) of Sub-Section 3 of Section 143 of the Act.

We have audited the financial control over financial reporting of **SHREE GANESH FORGINGS LIMITED** ("The Company") as of March 31, 2018 in conjunction with our audit of the Financial Statements of the Company for the year ended on the date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible of 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 control that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention & detection of frauds & errors, the accuracy & completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors Responsibility

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

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

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

Meaning of Internal Financial Control 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 & the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting included those policies & procedures that

a) Pertain to the maintenance of records that, in reasonable detail, accurately & fairly reflect the transaction & disposition of the assets of the company.

b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accounting principles, & the receipts & expenditures of the company are being made only in accordance with authorizations of management & directors of the company.

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use of disposition of the company's assets that could have as material effect on the financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitation 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, projection of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of change in conditions, or that the degree of compliance with the policies or procedure may deteriorate.

Disclaimer of Opinion

According to the information & explanations given to us, the Company has not established its internal financial controls over financial reporting on criteria considering the essential components of internal controls stated in the Guidance Note on Audit of internal financial control over financial Reporting issued by the Institute of Chartered Accountants of India , even though the Company has existing internal standard operating procedure & manuals for its various function prepared in accordance with the operational functionality of the industry in which the company operates. Because of the reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for the opinion whether the company had adequate internal financial control over financial reporting and whether such internal financial control over operating effectively as at March 31, 2018.

We have considered the disclaimer reported above along with implemented checks and balances for various functions of the company of the company in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the company, & the disclaimer does not affect our opinion on the financial statement of the company

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For R. K. CHAUDHARY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.133512W

(R. K. CHAUDHARY)
PROPRIETOR
M.NO. 035487

PLACE: MUMBAI
DATE: 30/05/2018

ANNEXURE-B TO INDEPENDENT AUDITOR'S REPORT

With reference to the annexure referred in the Auditors Report to the members of the company on the financial statement for the year ended March 31, 2018 and on the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that

1. (a) The Company has maintained proper records showing particulars, including quantitative details and situation of its fixed assets;

   (b) As explained to us all the fixed assets, according to the practice of the Company are physically verified by the Management at reasonable intervals, in a phased verification-programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business.

   (c) The Company has not disposed off any substantial part of its Fixed Assets so as to affect its going concern;

   (d) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Title Deeds of all immovable properties are in the name of the company.

2. None of the Fixed Assets of the Company have been re-valued during the year.

3. We have not been able to physically verify the inventory due to the fact that the possession of the factory premises was taken over by State Bank of India.

4. The Company has not produced any register required to be maintained under Section 189 of the Companies Act, 2013.

5. In our opinion and according to the information and explanations given to us, the company has complied with the Provisions of Section 185 & 186 of the Companies Act, 2013 with respect to the loans & investment made.

6. The Company has not accepted any deposits from the public during the year.

7. As informed to us, the Central Government has prescribed maintenance of cost record under sub section (1) of section 148 of the Act in respect of the Companies products.

8. According to the information and explanations given to us and based on the records of the company examined by us, the Company is not regular in depositing the undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax and other material statutory dues, as applicable, with the appropriate authorities in India

Head	Assessment Year	Amount in Rupees
NMMC CESS	2012-13	10,50,184
Property Tax	2012-13	44,68,088
Property Tax	2013-14	29,80,392
Property Tax	2014-15	33,94,170
Property Tax	2015-16	1,60,05,747
Property Tax	2016-17	76,40,045
Property Tax	2017-18	84,57,912
CST	2013-14	1,56,580
CST	2017-18	1,12,655
VAT	2015-16	48,44,942
VAT	2016-17	1,32,202
TCS	2017-18	50,569
TDS	2016-17	8,01,918
Income Tax	2006-07	1,85,25,222

9. The Company has not borrowed any loans from Financial Institution, Bank or Government.

10. The Company has not made any initial public offer.

11. The Company has not noticed any fraud by it officers or employees.

12. The Company has not paid any Managerial Remuneration.

13. The Company is not a Nidhi Company.

14. We observed that inventory includes (Stores, Spares & Loose Tools) are non moving items because that value shown in the Balance Sheet is more than 10 years old.

15. All the transactions with related parties are in compliance with section 177 & 188 of the Companies Act, 2013.

16. The Company has not made any preferential allotment or private placement of shares.

17. The Company has not entered to any non cash transaction with directors or persons connected with them.

18. The Company has accumulated losses at the end of the financial year and has incurred cash losses, both, in the financial year under report and the immediately preceding financial year.

19. In our opinion and according to the information and explanations given to us, the Company has not raised any term loans during the year.

20. The company is not a Non-Banking Financial Institution U/s.45-IA of the Reserve Bank of India Act, 1934.

For R. K. CHAUDHARY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.133512W

(R. K. CHAUDHARY)
PROPRIETOR
M.NO. 035487

PLACE: MUMBAI
DATE: 30/05/2018

Notes forming part of the financial statements for the year ended 31.03.2018

Note	Particulars

1 Corporate information

The company was incorporated in 1972 vide CIN L17200MH1972PLC016008. The Registered office of the company is situated at 412, Emca House, Shahid Bhagat Singh Road, Fort, Mumbai - 400 001, Maharashtra.

2 Significant accounting policies (Illustrative)

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

We observed that inventory include (Stores and Spares and Loose Tools) are non-moving items because that value shown in balance sheet is more than 4 year old.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Enclosed

2.6 Depreciation and amortisation

Depreciation has been provided as per Companies Act 2013 on W.D.V. of Assets

2.7 Revenue recognition

Sale of goods

Revenues / Income and Cost /Expenditure are genrally accounted on accrual basis as they are earned or incurred. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainity in receiving the same.

2.8 Other income

Not Applicable

2.9 Tangible fixed assets

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any.
The Company has not revalued it's assets.

2.10 Intangible assets

Not Applicable

Notes forming part of the financial statements for the year ended 31.03.2018

Note	Particulars
2.11	**Foreign currency transactions and translations** Not Applicable
2.12	**Government grants, subsidies and export incentives** Not Applicable
2.13	**Investments** Long-term investments, are carried individually at cost
2.14	**Employee benefits** Employee benefits include salary and other allowances as applicable.
2.15	**Borrowing costs** The companies accounts are under NPA
2.16	**Segment reporting** Not Applicable
2.17	**Earnings per share** Basic earning per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any
2.18	**Taxes on income** 'Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Notes to the Financial Statements for the period ended March 31, 2018

Notes to Accounts

NOTE 1: COMPANY OVERVIEW

Shree Ganesh Forgings Limited was incorporated on September 18, 1972.

The company is involved in manufacturing of steel flanges. Company was a leading company in forging industry for nearly 15 to 20 years but during the last 7 years company is on the decline due to financial problems.

2. Secured Loans:

During the period under review, interest accrued on secured loans has not been accounted in the books since interest by the lender banks has not been charged in the account consequent to the amount being declared as non-performing assets.

The company is presently under negotiation with the consortium for settling the outstanding dues.

3. Contingent Liabilities:

i) Interest on secured loans for the period under review has not been debited by the banks and accordingly, not provided for amount is not ascertainable as of date.

ii) The Sales tax department has raised demand on the company which has been contested. In the opinion of the management this amount will not be payable, therefore not provided for.

4. The Income Tax Assessment of the company have been completed upto assessment year ended 31st March 2015.

5. Sales Tax Assessment has been completed upto the year ended 31st March 2006.

6. The balances of Sundry debtors, Sundry creditors, advances and deposits are subject to Reconciliation, conformation and acceptance from the parties.

7. In view of doubt about the going concern of the company, deferred tax has not been ascertained.

Balance Sheet as at 31 March 2018

	Particulars	Note No	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	ASSETS				
1	**Non-current assets**				
(a)	Property, Plant and Equipment	2	200,544,556	246,143,181	291,658,452
(b)	Financial Assets				
	(i) Non Current Investments	3	-	-	63,232,390
	(ii) Trade receivables	4	17,175,306	17,388,899	54,473,910
	(iii) Non Current Loans	5	-	-	8,000
	(iv) Other Non Current Financial Assets				
(c)	Deferred tax assets (net)	6	310,595,945	310,595,945	297,885,851
(d)	Non Current Tax Assets	7	721,975	721,975	671,975
(e)	Other non-current assets	8	72,142,725	72,142,725	72,142,725
	Total Non Current Assets		**601,180,507**	**646,992,725**	**780,073,304**
2	**Current assets**				
(a)	Inventories	9	18,773,003	18,773,003	39,217,203
(b)	Financial Assets				
	(i) Current Investments		-	-	-
	(ii) Trade receivables		-	-	-
	(iii) Cash and cash equivalents	10	20,087,610	20,008,822	19,979,707
	(iv) Current Loans	11	-	2,000,000	-
	(v) Other Current Financial Assets	12	8,068,077	8,068,077	8,464,136
(c)	Current Tax Assets (Net)		-	-	-
(d)	Other current assets	13	50,666,124	51,114,452	60,295,983
	Total Current Assets		**97,594,814**	**99,964,354**	**127,957,029**
	TOTAL ASSETS		**698,775,321**	**746,957,079**	**908,030,333**
	EQUITY AND LIABILITIES				
	Equity				
(a)	Equity Share capital	14	125,004,740	125,004,740	125,004,740
(b)	Other Equity				
	(i) Equity component of other financial instruments				
	(ii) Retained earnings	15	(1,061,707,835)	(1,005,928,091)	(898,078,409)
	(iii) General Reserve	15	8,159,000	8,159,000	8,159,000
	(iv) Share Premium Account	15	100,009,480	100,009,480	100,009,480
	(v) Revaluation Reserve	15	22,582,527	25,046,508	27,510,489
	(vi) Money received against share warrants				
	Total Equity		**(805,952,088)**	**(747,708,363)**	**(637,394,700)**
	LIABILITIES				
1	**Non-current liabilities**				
(a)	Financial Liabilities				
	(i) Long Term Borrowings	16	1,083,399,589	1,078,363,897	1,108,879,738
	(ii) Trade payables		-	-	-
	(iii) Other Non Current Financial Liabilities		-	-	-
(b)	Long Term Provisions	17	-	967,844	2,577,553
(c)	Deferred tax liabilities (Net)		-	-	-
(d)	Other non-current liabilities		-	-	-
	Total Non Current Liabilities		**1,083,399,589**	**1,079,331,741**	**1,111,457,291**
2	**Current liabilities**				
(a)	Financial Liabilities				
	(i) Short Term Borrowings	18	315,634,037	318,213,514	321,347,514
	(ii) Trade payables	19	23,189,040	23,372,237	44,059,927
	(iii) Other Current Financial Liabilities		-	-	-
(b)	Other current liabilities	20	62,233,917	53,089,361	47,059,629
(c)	Short Term Provisions	21	-	387,764	1,229,848
(d)	Current Tax Liabilities (Net)	22	20,270,825	20,270,825	20,270,825
	Total Current Liabilities		**421,327,819**	**415,333,701**	**433,967,743**
	TOTAL EQUITY AND LIABILITIES		**698,775,321**	**746,957,079**	**908,030,333**
	Significant Accounting Policies	**1**	**-**	**0**	**1**

The notes referred to above and other notes form an integral part of Standalone Financial Statements

As per our report attached of even date
For and on behalf of
R. K. Chaudhary & Associates
Chartered Accountants

For and on behalf of Board of Directors of
Shree Ganesh Forgings Limited

R. K. Chaudhary
Proprietor
M.No.035487
Firm Registration No.133512W
Date: 30/05/2018

Deepak B. Sekhri
(Director)

Anita D. Sekhri
(Director)

Statement of Profit and Loss for the year ended 31 March 2018

	Particulars	Note No	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
	Income				
	Revenue From Operations	23	88,000	5,006,802	2,250,250
	Other Income	24	4,266,664	14,130,694	1,045,162
	Total Income		**4,354,664**	**19,137,496**	**3,295,412**
	Expenses				
	Cost of materials consumed				
	Purchases of Stock-in-Trade				
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	25	-	20,444,200	10,541,721
	Employee benefits expense	26	723,335	1,625,362	2,505,057
	Finance costs	27	5,926,293	5,109,201	4,537,115
	Depreciation and amortization expense	28	43,134,645	43,126,290	43,114,061
	Other expenses	29	10,350,134	69,392,219	39,376,935
	Total expenses		**60,134,408**	**139,697,271**	**100,074,889**
	Profit/(loss) before tax		**(55,779,744)**	**(120,559,775)**	**(96,779,477)**
	Tax expense				
	Earlier Year Tax		-	-	487,325
	Current tax		-	-	-
	Deferred tax		-	(12,710,094)	(12,298,658)
	Total Tax Expense		-	(12,710,094)	(11,811,333)
	Profit/(loss) for the period		**(55,779,744)**	**(107,849,681)**	**(84,968,144)**
	Other Comprehensive Income				
(a)	Items that will not be reclassified to profit or loss		-	-	-
	(i) Re-measurements of defined benefit liability		-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
(b)	Items that will be reclassified to profit or loss		-	-	-
	(i) Items that will be reclassified to profit or loss		-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
	Total Comprehensive Income for the period		-	-	-
	Earnings per equity share				
	Basic		(4.46)	(8.63)	(6.80)
	Diluted				

The notes referred to above and other notes form an integral part of Standalone Financial Statements

As per our report attached of even date
For and on behalf of
R. K. Chaudhary & Associates
Chartered Accountants

R. K. Chaudhary
Proprietor
M.No.035487
Firm Registration No.133512W
Date 30/05/2018

For and on behalf of Board of Directors of
Shree Ganesh Forgings Limited

Deepak B. Sekhri
(Director)

Anita D. Sekhri
(Director)

Statement of Changes in Equity as at 31 March 2018

A. Equity Share Capital

Particulars	31 March 2018	31 March 2017	31 March 2016
Balance at the beginning of the reporting period	125,004,740	125,004,740	125,004,740
Changes in equity share capital during the year	-	-	-
Balance at the end of the reporting period	125,004,740	125,004,740	125,004,740

B. Other Equity

Particulars	Reserves and Surplus				Total
	Retained Earnings	General Reserves	Share Premium Account	Revaluation Reserve	
Balance at 1 April 2016	**(898,078,409)**	**8,159,000**	**100,009,480**	**27,510,489**	**(762,399,440)**
Profit for the year	(107,849,681)	-	-	-	(107,849,681)
Transfer to Retained Earnings	-	-	-	-	-
Transfer to Revaluation Reserve	-	-	-	(2,463,981)	(2,463,981)
Total Comprehensive Income for the year	-	-	-	-	-
Balance at 31 March 2017	**(1,005,928,091)**	**8,159,000**	**100,009,480**	**25,046,508**	**(872,713,103)**
Profit for the year	(55,779,744)	-			(55,779,744)
Transfer to Retained Earnings	-	-	-	-	-
Transfer to Revaluation Reserve	-	-	-	(2,463,981)	(2,463,981)
Total Comprehensive Income for the year	-	-	-	-	-
Balance at 31 March 2018	**(1,061,707,835)**	**8,159,000**	**100,009,480**	**22,582,527**	**(930,956,828)**

Notes to Financial Statements

Note 2 : Property, Plant & Equipment

Particulars	Rate	Gross Block				Accumulated Depreciation				Net Block	
		As at 31 March 2017	Additions	Deletions	As at 31 March 2018	Upto 31 March 2017	For the year	Deletions	Upto 31 March 2018	As at 31 March 2018	As at 31 March 2017
Lease Hold Land		45,480,656	-	-	45,480,656	-	-	-	-	45,480,656	45,480,656
Factory Building	3.17%	107,656,975	-	-	107,656,975	41,687,479	3,412,726	-	45,100,205	62,556,770	65,969,496
Plant & Machinery	6.33%	652,608,588	-	-	652,608,588	519,018,430	41,310,124	-	560,328,554	92,280,034	133,590,158
Furniture & Fixtures	9.50%	5,225,854	-	-	5,225,854	4,519,051	496,456	-	5,015,507	210,347	706,804
Office Equipments	19.00%	1,613,664	-	-	1,613,664	1,449,343	306,596	-	1,755,939	(142,275)	164,321
Computer & Software	15.83%	12,581,074	-	-	12,581,074	12,565,501	-	-	12,565,501	15,572	15,572
Other Assets	6.33%	1,148,876	-	-	1,148,876	1,102,182	72,724	-	1,174,906	(26,030)	46,694
Vehicles	15.83%	3,528,720	-	-	3,528,720	3,359,240	-	-	3,359,240	169,480	169,480
Total		**829,844,407**	**-**	**-**	**829,844,407**	**583,701,226**	**45,598,626**	**-**	**629,299,852**	**200,544,556**	**246,143,181**
Less: Transfer to Revaluation Reserve							**2463981**				
Total							**43,134,645**				

Note 2 : Property, Plant & Equipment

Particulars	Rate	Gross Block				Accumulated Depreciation				Net Block	
		As at 1 April 2016	Additions	Deletions	As at 31 March 2017	Upto 1 April 2016	For the year	Deletions	Upto 31 March 2017	As at 31 March 2017	As at 1 April 2016
Lease Hold Land		45,480,656	-	-	45,480,656	-	-	-	-	45,480,656	45,480,656
Factory Building	3.17%	107,656,975	-	-	107,656,975	38,274,753	3,412,726	-	41,687,479	65,969,496	69,382,222
Plant & Machinery	6.33%	652,608,588	-	-	652,608,588	477,708,306	41,310,124	-	519,018,430	133,590,158	174,900,281
Furniture & Fixtures	9.50%	5,225,854	-	-	5,225,854	4,022,595	496,456	-	4,519,051	706,803	1,203,260
Office Equipments	19.00%	1,538,664	75,000	-	1,613,664	1,151,102	298,241	-	1,449,343	164,321	387,563
Computer & Software	15.83%	12,581,074	-	-	12,581,074	12,565,501	-	-	12,565,501	15,572	15,572
Other Assets	6.33%	1,148,876	-	-	1,148,876	1,029,458	72,724	-	1,102,182	46,694	119,418
Vehicles	15.83%	3,528,720	-	-	3,528,720	3,359,240	-	-	3,359,240	169,480	169,480
Total		**829,769,407**	**75,000**	**-**	**829,844,407**	**538,110,955**	**45,590,271**	**-**	**583,701,226**	**246,143,181**	**291,658,452**
Less: Transfer to Revaluation Reserve							**2,463,981**				
Total							**43,126,290**				

Notes to Financial Statements

Note 3 : Non Current Investment

	Particulars	31 March 2018	31 March 2017	1 April 2016
	Investments in Equity Instruments			
(a)	Joint Venture Companies at Cost			
	SGFL Internaltion B V	-	-	63,232,390
	Total	**-**	**-**	**63,232,390**

Note 4 : Trade Receivables

Particulars	31 March 2018	31 March 2017	1 April 2016
Secured, considered good	17,175,306	17,388,899	54,473,910
Unsecured, considered good	-	-	-
Doubtful	-	-	-
Less: Provision for doubtful trade receivables	-	-	-
Total	**17,175,306**	**17,388,899**	**54,473,910**

Note 5 : Non Current Loans

Particulars	31 March 2018	31 March 2017	1 April 2016
Unsecured and considered good			
Loans to Related Parties	-	-	8,000
Total	**-**	**-**	**8,000**

Note 6 : Deferred Tax Assets

Particulars	31 March 2018	31 March 2017	1 April 2016
Business Losses	310,595,945	310,595,945	297,885,851
Total	**310,595,945**	**310,595,945**	**297,885,851**

Movement in Deferred Tax Assets

Particulars	Depreciation
Balance as at 1 April 2016	297,885,851
(Charged) / Credited	
- to profit or loss	12,710,094
- to other comprehensive income	-
Balance as at 31 March 2017	310,595,945
(Charged) / Credited	
- to profit or loss	-
- to other comprehensive income	-
Balance as at 31 March 2018	310,595,945

Notes to Financial Statements

Note 7 : Non Current Tax Assets

Particulars	31 March 2018	31 March 2017	1 April 2016
Advance income tax -net of provisions	721,975	721,975	671,975
Total	**721,975**	**721,975**	**671,975**

Note 8 : Other Non Current Assets

Particulars	31 March 2018	31 March 2017	1 April 2016
Long-term trade receivables (including trade receivables on deferred credit terms)			
Secured, considered good	72,142,725	72,142,725	72,142,725
Unsecured, considered good	-	-	-
Doubtful	-	-	-
Less: Provision for doubtful trade receivables	-	-	-
Total	**72,142,725**	**72,142,725**	**72,142,725**

Note 9 : Inventories

Particulars	31 March 2018	31 March 2017	1 April 2016
(a) Raw Material	-	-	-
(b) Semi-Finished Goods	-	-	20,444,200
(c) Finished Goods	-	-	-
(d) Stores and Spares	7,184,653	7,184,653	7,184,653
(e) Loose Tools	11,588,350	11,588,350	11,588,350
(f) Others	-	-	-
Total	**18,773,003**	**18,773,003**	**39,217,203**

Note 10 : Cash and Cash Equivalents

Particulars	31 March 2018	31 March 2017	1 April 2016
(a) Cash on hand	41,041	4,235	10,651
(b) Balances with banks			
(i) In current accounts	1,532,765	1,528,716	1,493,186
(ii) In earmarked accounts			
- Unpaid dividend accounts	183,957	183,957	183,957
- Share application money received for allotment of securities and due for refund	93,586	93,586	93,586
- Balances held as margin money or security against borrowings, guarantees and other commitments	18,236,261	18,198,328	18,198,328
Total	**20,087,610**	**20,008,822**	**19,979,707**

Notes to Financial Statements

Note 11 : Current Loans

Particulars	31 March 2018	31 March 2017	1 April 2016
Unsecured and considered good			
Loans to Others	-	2,000,000	-
Total	**-**	**2,000,000**	**-**

Note 12 : Other Current Financial Assets

Particulars	31 March 2018	31 March 2017	1 April 2016
Security Deposits	8,068,077	8,068,077	8,464,136
Total	**8,068,077**	**8,068,077**	**8,464,136**

Note 13 : Other Current Assets

Particulars	31 March 2018	31 March 2017	1 April 2016
Prepaid Expenses	-	50,790	126,502
Advance to Creditors	45,673,408	46,071,610	54,933,986
Interest Receivable	-	37,933	37,933
Contractually Reimbursable Expenses	-	-	16,746
CENVAT credit receivable	3,444,902	3,455,902	3,685,486
VAT credit receivable	31,118	31,118	30,100
Service Tax credit receivable	1,516,697	1,467,099	1,465,230
Total	**50,666,124**	**51,114,452**	**60,295,983**

Note 14 : Share Capital

Particulars	31 March 2018		31 March 2017		1 April 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
(a) Authorised						
Equity shares of 205,00,000 each with voting rights Rs.10/-Each	20,500,000	205,000,000	20,500,000	205,000,000	20,500,000	205,000,000
20,00,000 Compulsorily convertible Preferrence Shares of Rs.10/-each	2,000,000	20,000,000	2,000,000	20,000,000	2,000,000	20,000,000
	22,500,000	225,000,000	22,500,000	225,000,000	22,500,000	225,000,000
(b) Issued, Subscribed and Fully Paid up						
Equity shares of 1,25,00,474 of Rs.10/ each fully paid	12,500,474	125,004,740	12,500,474	125,004,740	12,500,474	125,004,740
Total	**12,500,474**	**125,004,740**	**12,500,474**	**125,004,740**	**12,500,474**	**125,004,740**

Notes to Financial Statements

A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2018		31 March 2017		1 April 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	12,500,474	125,004,740	12,500,474	1,250,047,400	12,500,474	1,250,047,400
Shares Issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	12,500,474	125,004,740	12,500,474	1,250,047,400	12,500,474	1,250,047,400

B Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	31 March 2018		31 March 2017		1 April 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Deepak B.Sekhri	3,029,089	24.23%	3,029,089	24.23%	3,029,089	24.23%
Deepak Sekhri H.U.F.	1,112,500	8.90%	1,112,500	8.90%	1,112,500	8.90%
Akshatt Deepak Sekhri	1,015,779	8.13%	1,015,779	8.13%	1,015,779	8.13%
Namha Sekhri	840,348	6.72%	840,348	6.72%	840,348	6.72%
Anita Deepak Sekhri	917,499	7.34%	917,499	7.34%	917,499	7.34%
Total	**6,915,215**		**6,915,215**		**6,915,215**	

C Terms / Rights attached to the Equity Shares

The company has one uniform class of Equity Shares having par value of Rs.10 each.Each shareholder is eligible for one vote per share held and to receive dividend as proposed by the Board of Directors,subject to approval of the shareholders in the annual general meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all prefrential amounts, in proportion to their shareholding

Note 15 : Other Equity

Particulars	Retained Earnings	General Reserves	Share Premium Account	Revaluation Reserve	Total
Balance as at 1 April 2016	**(898,078,409)**	**8,159,000**	**100,009,480**	**27,510,489**	**(762,399,440)**
Profit for the year	(107,849,681)				(107,849,681)
Other Comprehensive Income					-
Transfer during the year				(2,463,981)	(2,463,981)
Balance as at 31 March 2017	**(1,005,928,091)**	**8,159,000**	**100,009,480**	**25,046,508**	**(872,713,103)**
Profit for the year	(55,779,744)	-	-	-	(55,779,744)
Other Comprehensive Income	-	-	-	-	-
Transfer during the year				(2,463,981)	(2,463,981)
Balance as at 31 March 2018	**(1,061,707,835)**	**8,159,000**	**100,009,480**	**22,582,527**	**(930,956,828)**

Notes to Financial Statements

Note 16 : Long Term Borrowings

	Particulars	31 March 2018	31 March 2017	1 April 2016
	Secured			
(a)	Term Loans from Banks	845,816,610	845,816,610	845,816,610
(b)	Other Loans & Advances	213,270,934	213,270,934	213,270,934
(c)	Loans & Advances From Related Parties	24,312,045	19,276,353	49,792,194
	Total	**1,083,399,589**	**1,078,363,897**	**1,108,879,738**

Note:
The consortium bankers viz State Bank of India, State Bank of Patiala, State Bank of Hyderabad and Bank of Maharashtra hold pari passu charge over the entire fixed assets and current assets of the company in respect of the various facilities granted to the company. Also secured by personal security of Directors.
The loans received by the company from related parties as above and are on an interest free basis with no covenant in respect of the tenure thereof.

	Particulars	31 March 2018		31 March 2017		1 April 2016	
		Period of default	Amount	Period of default	Amount	Period of default	Amount
(a)	**Term loans from banks**						
	Principal	NPA for 10 years	740,400,000	NPA for 9 years	740,400,000	NPA for 8 years	740,400,000
	Interest	NPA for 10 years	318,022,074	NPA for 9 years	318,022,074	NPA for 8 years	318,022,074
(b)	**Term loans from other parties**						
	Principal	10 Years	9,489,469	9 Years	9,489,469	8 Years	9,489,469
	Interest	10 Years	20,561	9 Years	20,561	8 Years	20,561

Note 17 : Long Term Provisions

	Particulars	31 March 2018	31 March 2017	1 April 2016
	Provision for employee benefits	-	-	1,609,709
	Provision for gratuity	-	967,844	967,844
	Total	**-**	**967,844**	**2,577,553**

Note 18 : Short Term Borrowings

	Particulars	31 March 2018	31 March 2017	1 April 2016
	Secured			
(a)	Cash Credits	315,259,037	315,259,037	315,259,037
(b)	Deposits	375,000	2,954,478	2,954,478
(c)	Other Loans and Advances	-	-	3,134,000
	Total	**315,634,037**	**318,213,514**	**321,347,514**

Note 19 : Trade Payables

	Particulars	31 March 2018	31 March 2017	1 April 2016
	Trade Payables	23,189,040	23,372,237	44,059,927
	Total	**23,189,040**	**23,372,237**	**44,059,927**

Notes to Financial Statements

Note 20 : Other Current Liabilities

	Particulars	31 March 2018	31 March 2017	1 April 2016
(a)	Unclaimed dividend	183,958	183,958	183,957
(b)	Application money received for allotment of securities and due for refund and interest accrued thereon	154,786	154,786	154,786
(c)	Other payables			
(i)	Statutory remittances (Contributions to PF and ESIC, Withholding Taxes,Excise Duty,VAT,Service Tax etc.)	58,308,151	49,156,965	40,478,088
(ii)	Contractually Reimbursable Expenses	-	-	1,054,931
(iii)	Trade / security deposits received	1,355,052	1,361,682	1,361,682
(iv)	Advances from customers	1,181,786	1,181,786	2,776,001
(v)	Others - NMMC CESS	1,050,184	1,050,184	1,050,184
	Total	**62,233,917**	**53,089,361**	**47,059,629**

Note 21 : Short Term Provisions

Particulars	31 March 2018	31 March 2017	1 April 2016
Provision for employee benefits	-	387,764	406,082
Provision for Bonus	-	-	823,766
Total	**-**	**387,764**	**1,229,848**

Note 22 : Current Tax Liabilities

Particulars	31 March 2018	31 March 2017	1 April 2016
Provision for Tax	20,270,825	20,270,825	20,270,825
Total	**20,270,825**	**20,270,825**	**20,270,825**

Note 23 : Revenue from Operations

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
Sale of products	88,000	5,006,802	2,250,250
Total	**88,000**	**5,006,802**	**2,250,250**

Note 24 : Other Income

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
Excess provisions written off	4,266,664	14,130,694	1,045,162
Total	**4,266,664**	**14,130,694**	**1,045,162**

Notes to Financial Statements

Note 25 : Changes in inventories of finished goods, Stock-in -Trade and work-in-progress

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
Opening Stock			
Finished Goods	-	-	19,649,510
Semi-finished Goods	-	20,444,200	4,656,817
Stock-in-trade	18,773,003	18,773,003	25,452,597
	18,773,003	**39,217,203**	**49,758,924**
Closing Stock			
Finished Goods	-	-	-
Semi-finished Goods	-	-	20,444,200
Stock-in-trade	18,773,003	18,773,003	18,773,003
	18,773,003	**18,773,003**	**39,217,203**
Total	**-**	**20,444,200**	**10,541,721**

Note 26 : Employee Benefit Expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
Salaries and incentives	665,937	1,362,136	1,433,871
Contribution to Provident & Other Funds	-	-	-
Staff welfare expenses	57,398	89,950	136,866
Labour Charges Paid		173,276	934,320
Total	**723,335**	**1,625,362**	**2,505,057**

Note 27 : Finance Cost

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
Bank Charges	27,318	1,080	103,640
Interest On Delayed Payment	5,898,975	5,108,121	4,433,475
Total	**5,926,293**	**5,109,201**	**4,537,115**

Notes to Financial Statements

Note 28 : Depreciation and Amortization Expense

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
Depreciation & Amortization Expense	43,134,645	43,126,290	43,114,061
Total	**43,134,645**	**43,126,290**	**43,114,061**

Note 29 Other Expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
Advertisement Expenses	53,915	50,232	195,549
Power & Fuel & Water	574,528	802,767	867,166
Rent Rates & Taxes	3,694,170	3,454,478	3,454,170
Repairs and maintenance	154,212	137,772	375,993
Motor Car Expenses	170,153	327,421	397,951
Insurance	213,675	164,775	151,746
Security Charges	783,867	919,669	-
Telephone Expenses	198,222	198,498	225,809
Internet Expenses	-	5,539	22,935
Postage & Courier	82,976	53,047	73,498
Travelling and conveyance	63,820	329,342	1,432,513
Office Expenses	-	153,294	164,814
Printing and stationery	106,608	91,429	84,698
Freight & Forwarding	11,600	20,395	16,100
Membership & Subscription	-	151,547	183,799
Legal and Professional Charges	3,115,961	3,955,621	7,920,351
Auditors Remuneration	-	100,000	101,605
Bad Debts written off	-	-	22,161,984
Net Loss on Foreign Investments	-	58,098,390	-
Miscellaneous expenses	1,082,705	378,003	111,502
Repairs to Buildings	-	-	47,712
Business Promotion	-	-	217,941
Loss on Sale of Fixed Assets	-	-	299,748
Other Manufacturing Expenses	-	-	842,351
Prior Period Items	-	-	27,000
Exchange Rate Diff	43,723	-	-
Total	**10,350,134**	**69,392,219**	**39,376,935**

Details of Payment to Auditors

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2017
Audit fee			
As Auditors	-	100,000	101,605
Total	**-**	**100,000**	**101,605**

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 March 2018

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit before income tax	(55,779,744)	(120,559,775)
Adjustments		
Depreciation and amortisation expense	43,134,645	43,126,290
Finance Costs	5,926,293	5,109,201
Operating profit before working capital changes	**(6,718,806)**	**(72,324,285)**
(Increase)/Decrease in trade receivables	213,593	37,085,011
(Increase)/Decrease in Inventories	-	20,444,200
(Increase)/Decrease in other current financial asset	-	396,059
(Increase)/Decrease in other current asset	448,327	9,181,531
Increase/(Decrease) in trade payables	(183,196)	(20,687,690)
Increase/(Decrease) in provisions	(1,355,608)	(2,451,793)
Increase/(Decrease) in other current liabilities	9,144,556	6,029,733
	1,548,866	(22,327,233)
Income taxes paid	-	(50,000)
Net cash generated from operating activities	1,548,866	(22,377,233)
Cash flows from investing activities		
Sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	-	(75,000)
Sale of Investments	-	63,232,390
Net cash flow from investing activities	-	63,157,390
Cash flows from financing activities		
Proceeds from loans	2,000,000	(1,992,000)
Proceeds from borrowings	2,456,215	(33,649,841)
Finance Costs	(5,926,293)	(5,109,201)
Net cash flow from financing activities	(1,470,079)	(40,751,041)
Net increase (decrease) in cash and cash equivalents	78,787	29,115
Cash and cash equivalents at the beginning of the financial year	20,008,822	19,979,707
Cash and cash equivalents at end of the year	20,087,610	20,008,822
	20,087,610	20,008,822

The notes referred to above and other notes form an integral part of Standalone Financial Statements

As per our report attached of even date
For and on behalf of
R. K. Chaudhary & Associates
Chartered Accountants

R. K. Chaudhary
Proprietor
M.No.035487
Firm Registration No.133512W
Date: 30/05/2018

For and on behalf of Board of Directors of
Shree Ganesh Forgings Limited

Deepak B. Sekhri (Director)
Anita D. Sekhri (Director)

ATTENDANCE SLIP

SHREE GANESH FORGINGS LIMITED

CIN No.L17200MH1972PLC016008

Regd Office: 412, EMCA House, S.B.S. Road, Fort, Mumbai-400001

Phone .....Email id.....web.....

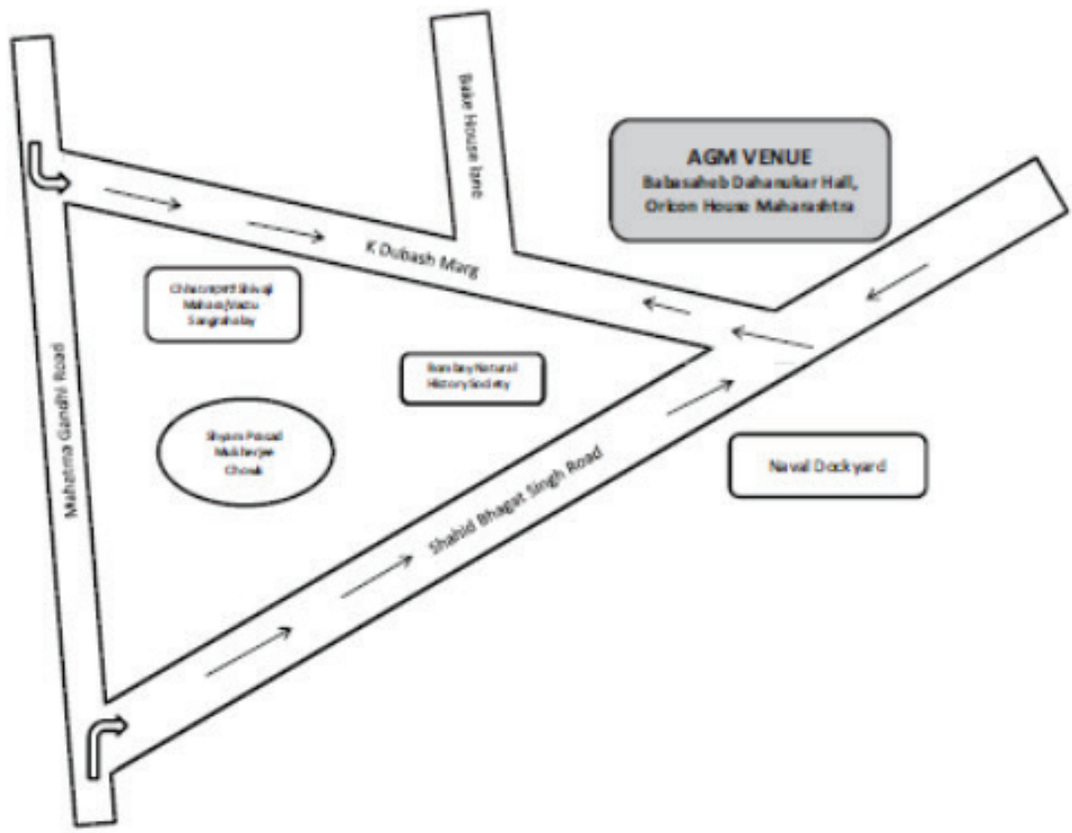
DP ID.*	Client ID*	Folio No.	No. ofShare(s) held

* Applicable for members who are holding shares in dematerialized form

I hereby record my presence at the 45thAnnual General Meeting of the Company on 24thSeptember, 2018 at 3:30 p.m. at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai – 400 001.

Name of the Member(s)	
Signature of the Member	
Name of the Proxy	
Signature of the Proxy	

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.



PROXY FORM NO. MGT-11

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

SHREE GANESH FORGINGS LIMITED

CIN No.L17200MH1972PLC016008

Regd Office: 412, EMCA House, S.B.S. Road, Fort, Mumbai-400001

Phone .....Email id.....web.....

Name of the Member:	
Name of the Member(s)	
Registered Address:	
Email-Id:	
CLIENT ID/Folio No.	DP ID:

I/We , being the member(s) of ……..shares of the above named company, hereby appoint:

1. Name .....Address.....

   Email Id.....

   or failing him

2. Name.....Address.....

   Email Id.....

   or failing him

3. Name.....Address.....

   Email Id.....

   or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45thAnnual General Meeting of the company to be held on 24thSeptember, 2018 at 03.30 p.m. at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai – 400 001or at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No.	Resolutions
1	Adoption of the Audited Financial Statement for the financial year ended 31stMarch, 2018 together with the Auditor's and Director's Report thereon
2	Appointment of Mr Manoj B. Chaudhari (DIN: 08175104), as Director of the Company
3	Appointment of Mr Sharad Y. Dighe (DIN: 08177368), as Director of the Company
4	To consider and approve the sale/Transfer/ Dispose off the Undertakings/ properties of the Company under Section 180(1)(a) of the Companies Act, 2013

Rs. 1/-
Revenue
Stamp

Signed this……day of ……..2017.

Signature of Shareholder:……

Signature of the Proxy Holder(s) (1) ……(2)……(3)……...

Note: The proxy form must be deposited at the Registered office of the company not less than 48 hours before thetime of the holding the meeting. The proxy need not be a member of the company.

SHREE GANESH FORGINGS LIMITED

CIN No.L17200MH1972PLC016008

Regd Office: 412, EMCA House, S.B.S. Road, Fort, Mumbai-400001

BALLOT FORM

(To be returned to Scrutinizer appointed by the Company)

Name and Registered Address of the sole / First named Member	:	
Name (s) of the Joint Holder (s) (if any)	:	
Registered Folio No./		
DP ID No. and Client ID No.		
Number of share(s) held	:	
EVSN (Electronic Voting Sequence Number)	:	
User ID & Password	:	If you are registered with CDSL on e-voting system, please use your existing used ID and password. If you are a first time user follow the steps given in Note No. 22 to the AGM Notice.

I / We hereby exercise my / our vote(s) in respect of the Resolutions set out in the Notice of the 45thAnnual General Meeting (AGM) of the Company to be held on Monday, 24th September, 2018 at 3:30 p.m. and at any adjournment thereof by sending my / our assent or dissent to the said Resolutions by placing the tick (√) mark at the appropriate box below:

Item No.	Resolution	Type of Resolution	No. of Shares	For	Against
1.	Adoption of the Audited Financial Statement for the financial year ended 31st March, 2018 together with the Auditor's and Director's Report thereon	Ordinary			
2.	Appointment of Mr Manoj B. Chaudhari (DIN: 08175104), as Director of the Company:	Ordinary			
3.	Appointment of Mr Sharad Y. Dighe (DIN: 08177368), as Director of the Company:	Ordinary			
4.	To consider and approve the sale/Transfer/ Dispose off the Undertakings/ properties of the Company under Section 180(1)(a) of the Companies Act, 2013	Special			

Place: Mumbai
Date: 23.08.2018

(Signature of Member)

INSTRUCTIONS

1 A Member desiring to exercise vote by ballot form may complete this ballot form and send it to the Scrutiniser, appointed by the Board of Directors of the Company viz. Anish Gupta & Associates, Practicing Company Secretaries at M/s Bigshare Services Private Limited, Add:- E-2/3, Ansa Industrial Estate, Saki vihar Road, Saki Naka Andheri – East, Mumbai – 400 072.

2. In case of shares held by companies, trusts, societies etc., the duly completed ballot form should be accompanied by a certified true copy of Board Resolution/Authority.

3. Unsigned ballot forms will be rejected.

4. A member need not cast all the votes in the same manner.

5. Duly completed ballot form should reach the Scrutiniser not later than 24th, September, 2018.

6. The Scrutiniser's decision on the validity of the ballot form will be final.

ROAD MAP TO REACH VENUE OF AGM

BOOK - POST

If undelivered please return to:
Bigshare Services Pvt. Ltd.
E-2, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Mumbai - 400 072.

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