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To,
Bombay Stock Exchange
Corporate Relationship Department,
Ground Floor, P J Tower,
Dalal Street, Fort,
Mumbai- 400001.

Date: 06.09.2021

Dear Sir,

Subject: Submission of 50th Annual Report for the Financial Year 2020-2021.

Scrip Code: 505712

Pursuant to regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the financial year 2020-2021.

Kindly take the same on record.

Thanking You,

Yours Faithfully,

For Him Teknoforge Limited



Abhishek Misra
Company Secretary
Manager Secretarial and Legal



GEARING FOR FUTURE



HIM TEKNOFORGE LTD.

50TH
ANNUAL REPORT
2020-21



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Forward-Looking Message

Some of the statements made in this document are forward-looking statements and are based on the current beliefs, assumptions, expectations, estimates, objectives and projections of the Company about its business and the industry and markets in which it operates. These statements are not guarantee of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Company and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risks. The Company does not undertake to update these forward-looking statements to reflect events or circumstances that may arise after publication.



“AS LONG AS YOU WEAR STRONG SHOES, YOU CAN EXPLORE THE ROAD AHEAD WITH COMFORT.”

The pandemic has ushered in uncertain times, as economies recover from its debilitating economic impact and the toll on health and lives.

While Governments, enterprises and individuals are doing their best to adapt to the new normal, such times remind us that the best we can do is to build up our intrinsic strength and immunity to external factors that could impact us adversely.

Long before the crisis, the Company has been gearing for the future by strengthening its manufacturing bases, adopting state-of-the-art technology, building robust systems and processes, expanding and diversifying markets, constantly upgrading its people talent, exploring innovative ideas for progress and staying strategically agile.

The Company is very strongly vertically integrated, with all its facilities in-house to manufacture forgings as well as finished components. In addition, the Company has a fully equipped tool room for forging as well as machining facilities.

In 2020, we upgraded the manufacturing capability by entering the warm forging space and developed the complete spider kit through the warm forging route. The Company is one of the few in the country to have this technology.

The Company has six manufacturing facilities spread across the country. Three facilities are located in North India, two are located in Central India and one, which is a 100% export-oriented unit, is located in Western India. This gives us a locational advantage as we can cater to customers from all over the country by being in close proximity to them.

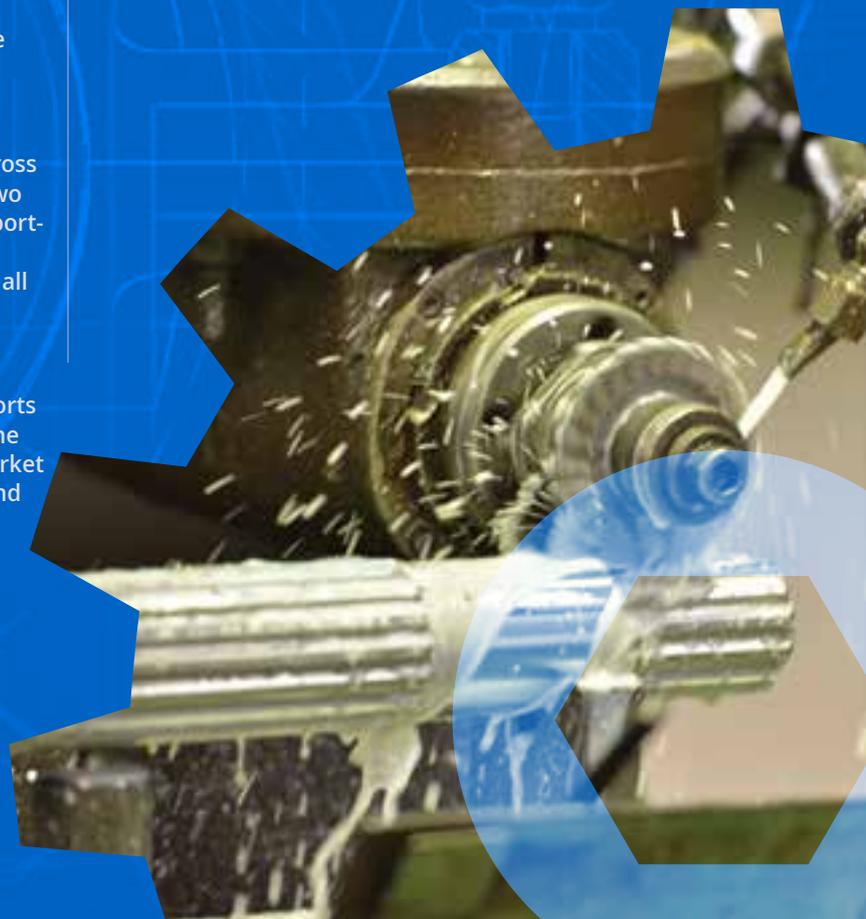
The Company has a strong presence in multiple sectors, namely – agriculture, commercial vehicles, defence, exports and the replacement market. This helps us to mitigate the risks of one sector underperforming. The Company's market is diverse enough to not get affected too much by ups and downs in some segments.

The Company has nurtured well-trained and highly experienced manpower over the years. All our general managers have been with us for over 20 years; they are all engineers and experts in their domains and are well-supported by qualified technical staff at various levels.

The Company has also been selling e-rickshaws and e-loaders in the Indian market for the past 2-3 years. There is a strong push from the Government to transform all two-wheelers and three-wheelers into e-vehicles by 2030. This gives us an opportunity to expand our presence further in the market.

We are one of the few enterprises in the country to be approved by the Indian Defence for supplying track chain assembly for armoured core vehicle.

All these measures have enabled us to deliver sterling results despite the unprecedented crisis during the year gone by. These are only some of the initiatives that we have put in place as a continuous, ongoing process to keep ourselves intrinsically strong and geared for the future.



50 YEARS

>> OF COMMITMENT

TO QUALITY AND CUSTOMER SATISFACTION

IT'S BEEN A LONG AND TRYING JOURNEY FOR THE PROMOTERS OF HIM TEKNOFORGE, WITH LESSONS THAT HAVE FORGED THEM INTO THE STRONG AND SEASONED ENTERPRISE LEADERS THAT THEY ARE TODAY.

It all began in the early 1970s, when Vijay Aggarwal completed his Mechanical Engineering from the Regional Engineering College, Warangal. After working for a few years at a company in Chandigarh, his entrepreneurial spirit was awakened at an entrepreneurial course that he attended. By the mid-1970s he had set up a chemical unit in Himachal Pradesh with capital he borrowed from his father and a small loan from Himachal Pradesh Financial Corporation. The raw material for the chemical unit was 'mentha', more popularly known as 'pudina' in Hindi and Punjabi. Putting his heart and soul into the business, he went about encouraging farmers in the region to cultivate mentha crops, which could be used in his venture, in the hope of developing a strong backward link and spreading the benefits of growth and prosperity from the business to communities around. Despite putting in his best efforts, as destiny would have it, the Government sanctioned the setting up of a thermal power plant in the area. This led to the acquisition of huge acreage, which in turn affected the cultivation and supply of mentha. Consequently, due to this and other looming risks, this first venture had to be closed down.

In 1981, Eicher Ltd. advertised for ancillary units and Vijay Aggarwal was quick to respond. After the mandatory background checks and verifications, he was on-boarded and set-up a new unit under the name of HIM Teknoforge Ltd.

As time went by, the tractor industry saw some difficult times. In a downward spiral, subsidiary units saw their business dwindling and with that, their capital getting wiped out. To make matters worse, banks became cautious, reducing the limits for these units, pushing them deeper into difficulties.

With support from his family, Vijay Aggarwal steered HIM Teknoforge through these dark times, to emerge as one of the few units that survived. Like its counterparts, it was in no position to repay the capital but Vijay Aggarwal ensured that the interest payments were forthcoming, showing the banks that he had clear intentions to repay the loan. This made the Company stand out and it earned the goodwill of the banking community.

Around this time, Rajiv Aggarwal completed his Chartered Accountancy, with meritorious record, and set up a successful practice. He always helped the Company with taxation, legal and financial issues from the sidelines but by 1992, the entrepreneur in him drove him to commit to joining the business full time and he formally took on the role of Director.

The same year, the brothers acquired a defaulting sick unit from the State Bank of Patiala (SBOP), which was in the business of steel shots and castings. In less than two years, they turned it around and began to manufacture fencing and scaffoldings for exports to the US and the Middle East.

In the 1990s, the economy was opening up as the winds of liberalisation swept across the country. These were golden years for business and enterprise and the Aggarwal brothers set up a plant at Pithampur, Indore and were doing well. As they envisaged tapping the equity market with an IPO, the world of stocks went into a tailspin on the back of colossal scams. A recession set in post that and lasted for many years. With its leading clients being unable to make payments, however, it kept itself afloat until 2007, despite many hard ships compounded by stiff competition.

During these dark times, the promoters ensured that their employees never had to bear the brunt of the business exigencies. To pay salaries on time and clear statutory dues as scheduled, the brothers sometimes had to liquidate immovable property. They implemented cost-cutting measures wherever possible and ensured that their debts were paid and the balance sheet stayed healthy. They valiantly and tirelessly fought legal battles to recover the funds that were owed to the Company and after some years, they emerged victorious.

During these trying times, they had the support of their bankers of 25 years. Taking great risks, they sanctioned loans on the character and integrity of the promoters. Their gamble paid off and the brothers were able to turn the Company around through sheer grit, dedication and hard work.

In 2009, a new era began for the Company as HIM Teknoforge acquired a transmission gear company Allied Asia Gears Ltd. Later, in 2013, HIM Teknoforge acquired Gujarat Automotive Gears Ltd., a listed company, and reversed merged into GAGL in 2016, consequently becoming a listed entity. The Company went from strength to strength under the leadership of the Aggarwals to become a leading manufacturer in the domestic and export market by offering a wide range of quality forgings and machined components for leading OEMs, Indian Railways, Defence sector and the aftermarket too. It diversified into the sunrise sector of battery-operated three-wheelers.

As their quest for growth and innovation-led progress continues, the journey of 50 years is a significant milestone that provides an unshakeable foundation for the future of the Company.

The promoters are gearing for the future on the strength of their innate entrepreneurship, learnings from experiences over the years, their never-say-die spirit and the support and goodwill of their stakeholders and well-wishers.

PERFORMANCE IN PICTURES

TOTAL INCOME

(₹ in Crores)

2020-21	241.40
2019-20	227.53
2018-19	327.95
2017-18	277.20
2016-17	252.47

EBITA

(₹ in Crores)

2020-21	30.48
2019-20	28.81
2018-19	45.39
2017-18	32.77
2016-17	31.91

PROFIT BEFORE TAX

(₹ in Crores)

2020-21	7.16
2019-20	4.62
2018-19	20.93
2017-18	10.92
2016-17	10.21

PROFIT AFTER TAX

(₹ in Crores)

2020-21	5.13
2019-20	3.24
2018-19	18.30
2017-18	10.51
2016-17	7.51

EARNINGS PER SHARE

(₹ Per Share)

2020-21	6.53
2019-20	4.13
2018-19	23.27
2017-18	13.37
2016-17	9.1

NET WORTH

(₹ in Crores)

2020-21	154.08
2019-20	148.89
2018-19	146.74
2017-18	134.59
2016-17	124.03

CORPORATE SNAPSHOT



WHO ARE WE?

HIM TEKNOFORGE LTD. (HTL) WAS ESTABLISHED IN 1981 AND IS TODAY AMONG THE LEADING AUTO COMPONENT MANUFACTURERS IN THE COUNTRY. SINCE ITS INCEPTION, IT HAS EARNED A REPUTATION INTERNATIONALLY FOR ITS WORLD-CLASS TECHNOLOGY, ESTABLISHED QUALITY PROCESSES AND OVERALL ENGINEERING CAPABILITIES. PLAYING A SIGNIFICANT ROLE IN THE TRACTOR, AUTOMOTIVE AND ENGINEERING INDUSTRY. THIS PROFESSIONALLY RUN, IATF 16949 ACCREDITED COMPANY IS A TIER 1 SUPPLIER TO INDIA'S TOP OEM'S IN COMMERCIAL VEHICLES, DEFENCE, AGRI-MACHINERY SEGMENTS, AFTERMARKET AND EXPORTS.

3,50,000

FINISHED COMPONENTS PER MONTH

It was founded by its current Chairman & Managing Director, Mr. Vijay Aggarwal, who is a true technocrat. Through his vision, dedication and leadership, he has created a brand which is well recognised in the automotive segment in India. Mr. Rajiv Aggarwal, a Chartered Accountant by profession, joined the Company in 1992 to help the CMD to strengthen the finance, legal and strategy departments of the Company and is now the Joint Managing Director of the Company. Under their able teamwork and leadership, the Company has overcome many obstacles and grown over the years to a manufacturing capacity of around 3,000 MT of Forgings and over 3,50,000 finished components per month.

Over the years, the Company has grown by leaps and bounds and has been manufacturing finished gears since 1995. In 2013, the Company acquired a BSE listed company and got listed on BSE in 2016 through reverse merger.



CORE VALUES

- Customer Satisfaction
- Quality Consciousness
- Integrated Growth, Keeping in Mind all Stakeholders
- Teamwork and an Environment Promoting Regular Brainstorming Generating New Ideas to Meet Customer Demands



OUR VISION

We, at HIM Teknoforge Ltd., strongly believe that our future lies ahead with our astute customers, vendors and partners. By gaining a thorough understanding of their needs, the Company envisions becoming a global player. Our desire and commitment to pursue excellence will continue to be backed by strong teamwork, ethical business practices and an environment that promotes innovative solutions.



OUR MISSION

- Total Customer Satisfaction through good quality, cost-effective solutions and timely delivery
- To Achieve Continuous Growth by adding true value to the business of every customer across the globe
- To Deliver the Best and display continual improvement through value engineering activities and technology upgradation
- To Maintain our Focus on CSR initiatives so as to do our part towards the betterment of society



OUR CORE COMPETENCIES

- Cost Competitiveness
- Excellence in Quality
- On-time Deliveries
- Relationship-building through Customer Delight

In our line of business, the greatest customer expectations relate to CQD – Cost, Quality, Delivery. Every OEM seeks components of the highest quality, at the most competitive cost and ensured on-time delivery. Being a vertically integrated company, wherein we manufacture forgings as well as machined components, we have control over all these three essential elements.

All our facilities from heat treatment to painting and electroplating, powder-coating and hot-dip galvanising, are in-house. This enables us to mitigate risks associated with meeting the urgent requirements of all our customers.

We have a fully equipped toolroom set up in both our forging facilities along with a CMM/Standard room in all our manufacturing facilities with state-of-the-art equipment. This gives us an edge and sets us apart from our competitors.

Cell manufacturing, KAIZEN, 5S and other lean manufacturing techniques have already been deployed at our facilities to enhance our efficiencies and meet the quality and delivery expectations of our customers. Further, as we have been in this industry for five decades now, over the years, we have built up strong inter-personal relationships with all our customers.

In FY 2020, we upgraded our manufacturing capability by entering the Warm Forging space. This is a technology that not many companies in the country have and can deliver considerable cost advantages in production.



CORPORATE SNAPSHOT

OUR JOURNEY

1981

>> Company was set up as HIM Forging India Pvt. Ltd. This Forging unit in Baddi was started by Mr. Vijay Aggarwal (technocrat) as an Ancillary to Eicher Tractors, Parwanoo

1989-94

>> "Best Supplier" Award from Eicher Tractors

1996

>> Gear Manufacturing Plant set up in Baddi, Himachal Pradesh India

1999

>> Certified for ISO 9001:2000

2001-08

>> Undertaken Technology Upgradation by installing in CNC Turning Centres, CNC Hobbing & VMC's

2008

>> Further Technology Upgradation by installing state-of-the-art Sealed Quench Furnace & VMC's for die making

2008-09

>> Got selected as the Preferred Supplier to Ashok Leyland

2009

>> Acquired Gear Manufacturing Facility at Pithampur, Madhya Pradesh

2010

>> Set up new Forging plant at Manpura, Himachal Pradesh. Induction Billet Heaters installed, Ring Rolling, and Pneumatic Hammers installed

2020

>> Company entered into Warm Forging Space by installing CNC Screw Presses of 1,600 Tonne and 1,000 Tonne, 3D Scanning Machine and Precision Die Making Machine

2019

>> Company achieved highest turnover in its history touching approx. ₹ 325 Crores

2018

>> HIM Teknoforge Ltd. got listed on BSE, through reverse merger into Gujarat Automotive Gears Ltd w.e.f. 2016

- Set-up a new state-of-the-art Machining Plant in Gujarat, catering to exports

2016

>> Canbank Venture Capital Fund invested a sum of \$ 4.5 Million for a substantial stake, to help the Company upgrade its plant and machinery

2013

>> Acquired Gujarat Automotive Gears Ltd. (a listed company) in Baroda, Gujarat. A leading manufacturer and exporter of Truck Parts like kingpins, braking, steering, suspension and transmission components for European & North-American Market

2012

>> Further investment into CNC Turning Centres, CNC Hobbing Machines, CNC Grinding Machine got "Best Supplier" award from Mahindra Swaraj

2011

>> CNC Induction Hardening Machines, 1 Sealed Quench Furnace, CNC Hobbing Machines installed

- TS 16949: 2009 Certification
- IFCI Venture Capital Fund invests ₹ 15 Crores in the Company to help the Company upgrade its machining and heat treatment facilities

CLIENTELE



GEOGRAPHICAL PRESENCE

We have a strong footprint in the export as well as the domestic market and a presence in the OEM space as well as the replacement market. The Company has six manufacturing facilities spread across the country. Three facilities are located in North India, two are located in Central India and one, which is a 100% export-oriented unit, is located in Western India.

Apart from catering to the requirements of OEMs, we are also a major player in the replacement market in the Indian Sub-continent for all gears and shafts, under two brand names – KAG and Allied Panther. In India, HIM Teknoforge Limited is considered to be a trustworthy name among all its customers.



EXPORT FOOTPRINT

1	Australia	8	Italy
2	Indonesia	9	Spain
3	Singapore	10	Belgium
4	Malaysia	11	Germany
5	Thailand	12	Poland
6	Sri Lanka	13	UK
7	Dubai	14	USA

06

THE COMPANY HAS SIX MANUFACTURING FACILITIES SPREAD ACROSS THE COUNTRY

EXECUTIVE MESSAGE



I am delighted to share that your Company was featured among the top 10 gear manufacturers of the country by Industry Outlook Magazine in the May 2021 edition.

VIJAY AGGARWAL

CHAIRMAN AND MANAGING DIRECTOR



Dear Stakeholders,

IT IS MY PLEASURE AND PRIVILEGE TO PRESENT TO YOU THE 50TH ANNUAL REPORT FOR FY 2020-21.

DURING THE YEAR GONE BY, THE WORLD WAS GRAPPLING WITH THE COVID-19 PANDEMIC, AS A RESULT OF WHICH, NATIONS WENT INTO LOCKDOWNS IN MULTIPLE PHASES. THIS HAD A DISASTROUS IMPACT ON ALL THE ECONOMIES ACROSS THE WORLD.

India too mandated a strict lockdown and social distancing norms to prevent the spread of the virus. This disruption to economic activity resulted in a 7.3% contraction in GDP for FY 2020-21 for our country. In my opinion, the lockdown was imperative at a macro level, as the country needed adequate healthcare facilities to combat COVID-19. However, at a micro level, managing the situation, wherein the country went into an overnight lockdown was a challenging task.

As a company, we were expecting FY 2020-21 to be much better than FY 2019-20. However, the financial year started with a lockdown and our only thought as a company was to survive through this unprecedented crisis while ensuring that all our employees were safe and not stranded anywhere. We even managed to arrange for the basic necessities for our workforce as and when required, during the lockdown period. Furthermore, your Company organised a vaccination drive for our workforce in April 2021 at two of our facilities, and ensured that all the employees are adequately vaccinated.

At the industry level, supply chains have been disrupted drastically due to COVID-19 in the last one year. Input costs went up by over 40-50% and sales of commercial vehicles has been consistently down for two straight years – FY 2019-20 and FY 2020-21. However, the demand for agri-implements and tractors in FY 2020-21 were on an increasing trend.

With a disrupted supply chain, increase in raw material and other input costs and a high demand for tractors, as an auto-component manufacturer, it was not an easy situation to deal with. However, we motivated our workforce and took the challenge head-on and I am happy to share that despite all the impediments, your Company was able to perform better than the previous year. We ensured that our liquidity position remained strong enough to face any challenge.

While our most significant development has been to survive and perform much better than FY 2019-20, despite battling COVID-19 along the way, we have been able to achieve a lot more. Your Company was able to successfully operationalise the warm forging project and start regular business for the newly developed Bevel gears and Bevel kits. We also upgraded our design and development facilities by installing 3D Scanning Machines and Precision Die Making Machines for forging developments. Furthermore, we have converted all our conventional machines to CNC machines, moving to the latest manufacturing technology and upgraded our heat treatment facilities as well. Through dedicated marketing and communication efforts, your Company was able to add new customers in India and abroad over the last one year, despite disruption in supply chains.

I am delighted to share that your Company was featured among the top 10 gear manufacturers of the country by Industry Outlook Magazine in the May 2021 edition. Another significant achievement of last year has been our move towards green energy by installing roof-top solar power plants of 500kw and 175kw, respectively, at two of our manufacturing facilities. This will also help the Company save on power cost. We also plan to instal roof-top solar power plants at all our other manufacturing facilities, in the next couple of years, in our endeavour to move towards clean energy.

Due to COVID-19, the future of the economy looks uncertain. Inflation is at all-time high and commodity prices are on an upswing too. On the exports front, there is an acute shortage of shipping containers today for most countries across the world and, as a result, shipping freight rates have skyrocketed. However, the manufacturing sector is anticipating a big boost from the 'Atmanirbhar Bharat' mission of the Government. Accordingly, I am quite optimistic that the manufacturing sector will perform better and contribute more towards the GDP of the country. With all these developments, the industry shall be able to move forward in a more sustainable manner.

India is also likely to benefit as multinational companies make an entry into our country and create a new supply chain based out of India. For instance, Tesla has already entered

India and is planning to set up a vehicle manufacturing facility in the country. This will give a huge boost to the automotive segment. I believe that India is going to become a mega auto-component hub for the world in times to come.

Your Company is very uniquely positioned as we cater to two major automotive sectors – Farm Equipment and Commercial Vehicles, along with having a footprint in defence and exports. We also cater to the needs of the replacement market in the Indian sub-continent, with a wide range of products. In India and abroad, your Company is considered to be a trustworthy name among all its customers. Your Company is constantly adding new products as well as new customers, which shall have a positive impact on the performance of the Company in the future.

Looking ahead, I envisage abundant growth opportunities for your Company. With the Government's thrust on doubling farmers' incomes by 2024-25, a number of new opportunities are arising, which in turn, will help your Company to constantly innovate and develop new products for the market.

The commercial vehicle segment has been slow since the mid-2019. However, as per market reports, it is expected that the industry should do better in the next 2-3 years. The Government's push towards infrastructure spending and the introduction of the scrappage policy for old vehicles is likely to give a boost to the commercial vehicle segment, and your Company is definitely going to benefit from it.

From a long-term perspective, we look forward to expanding our export portfolio and moving up the value chain by focussing more on developing new components, sub-assemblies and assemblies. Due to our strong manufacturing capabilities, we are now also aiming to develop new customers in various other segments not related to the automotive sector, in the domestic as well as overseas market.

I would like to take this opportunity to thank all our stakeholders who have enabled us to sustain our performance and sail through in these difficult times. With the continued support of all the stakeholders, your Company is fully geared for the future and looks forward to reaching greater heights.

Thank you, once again.

Stay safe and stay healthy!

VIJAY AGGARWAL

CHAIRMAN AND MANAGING DIRECTOR

OUR LEADERSHIP TEAM

MEET OUR DIRECTORS



MR. VIJAY AGGARWAL
CHAIRMAN AND MANAGING DIRECTOR

Armed with a BE in Mechanical Engineering, Mr. Vijay Aggarwal is a technocrat with 46 years of experience. As the Founder Director of HIM Teknoforge, he manages the overall operations of the Company and maintains personal relationships with the top brass of all the Indian OEMs in the tractor and commercial vehicle segments. Under his leadership and guidance, the Company has grown from strength to strength.



MR. RAJIV AGGARWAL
JT. MANAGING DIRECTOR

A Chartered Accountant and Company Secretary by profession, Mr. Rajiv Aggarwal has 41 years of experience. He practiced for 13 good years and has been an integral part of the Company for 28 years. He heads the finance, legal and strategy departments of the Company and also manages exports for the Company. He is responsible for getting the Company listed through reverse merger.



MR. PRADEEP KUMAR
INDEPENDENT DIRECTOR

Mr. Pradeep Kumar is a retired banker from SBI with a total of 39 years of experience in the Indian banking industry. He has completed a B.Sc. degree and is a Certified Associate of Indian Institute of Bankers (CAIIB), and has a strong understanding of financial aspects.



MR. PURSHOTAM LAL SHARMA
INDEPENDENT DIRECTOR

Mr. Purshotam Lal Sharma holds a BE in Metallurgical Engineering and a Diploma in HR & Labour Welfare. He has a 38-year of combined work experience and has been Manufacturing Head with Punjab Tractors and CEO at Indofarm Tractors.



MR. KULDIP NARAIN GUPTA
ADDITIONAL INDEPENDENT DIRECTOR

With a Diploma (Institute of Technology) from Indo-Swiss Training Centre, Chandigarh, B.Sc. in Engineering and an MBA from Camden University, USA, Kuldip Narain Gupta has varied experience in the automotive and engineering industries spanning over 40 years. He has worked with Eicher, Minda Industries and Lumax Industries previously.



SMT. KIRAN RAGHUVINDER SINGH
ADDITIONAL INDEPENDENT DIRECTOR

Mrs. Kiran Raghuvinder Singh is a retired banker from State Bank of India. During her illustrious career, she has served at various positions in State Bank of India and its Associate Banks. She holds a Master's degree and is a Certified Associate of Indian Institute of Banking (CAIIB), with rich experience in Banking and Financial Matters.

MR. SANJAY KUMAR
NOMINEE DIRECTOR - CVCFL

Mr. Sanjay Kumar is the Managing Director of Canbank Venture Capital Funds Limited.

SMT. BHAVANA RAO
NOMINEE DIRECTOR - IFICI - VC

Mrs. Bhavana Rao has acquired 22 years of experience in Finance & related fields after completing her graduation with a B.Sc., followed by MCA and a PG Diploma in Management.

OUR TOP MANAGEMENT

1. MR. ANKUR AGGARWAL

VP - MACHINING OPERATIONS

Mr. Ankur Aggarwal joined the Company in 2007, after completing his MBA from USA. He manages the machining plant of the Company based in Baddi and connects with all the OEMs in the tractor segment. He has brought a fresh perspective to the Company and has helped the Company to strategically upgrade its machining infrastructure over a period of time.

2. MR. MRINAL AGGARWAL

VP - FORGING OPERATIONS

After completing his graduation and acquiring a Family Business Program certification from ISB, he joined the Company in 2013. He manages the forging division of the Company based in Baddi and has been instrumental in setting up the warm forging project for the Company.

3. MR. MANAN AGGARWAL

VP - REPLACEMENT MARKET AND E-RICKSHAW

Mr. Manan Aggarwal joined in 2010 after managing his own business in the hospitality industry. Through his dedicated efforts, the Company has been able to successfully operate in the Indian replacement market and also enter the E-vehicles space by launching E-Rickshaws and E-Loaders in 2018.

4. MR. ADITYA AGGARWAL

CHIEF FINANCIAL OFFICER

A valuable asset to the finance department, he joined the Company in 2017 as AGM - Finance, assisting the then CFO and Jt. MD in strengthening the internal controls of the Company. He worked with Deloitte prior to joining the Company and brings in a professional approach. He has also been able to add new global customers for the Company in recent times.



THROUGH THE EYES OF OUR STAKEHOLDERS



"I joined the Company as an engineer in gear cutting in 1998. Over the years, I learnt a lot in the Company and can sincerely say that I have found my dream job there, working with a pure technical team and a very wide range of transmission components. The Company offers wide areas for technical expertise on the job. The management is very positive, hardworking and transparent and always takes care of us and our families. I feel very lucky and proud to be a part of the team."

SATISH VERMA
GM, GEAR DIVISION



"Throughout my journey since 1995, I have learned a lot from manufacturers and industry professionals, from various ranks - including managing directors, directors, engineers and innovators. We have become a white-collar workforce and automation has become a necessity. Our Company provides quality exposure, which is hardly found in any other organisation. The best thing about our organisation is the way we deal with our workforce, as every employee is an asset to our Company. Our management is sublime and always stands with us in our bliss and agony. I am proud to be a member of this organisation."

SWARAN SINGH
MANAGER, PPC AND DISPATCH



"I have been with the HIM Group for the past 24 years, from my total industry experience of over 44 years, specifically in the engineering goods, forging and automotive domain. I have seen the Company grow exponentially under the visionary leadership of our Managing Director, Mr. Vijay Aggarwal. I believe that the core reasons for the growth of the HIM Group have been the extraordinary leadership, customer retention, timely capacity expansion, considering the market growth potential and the ability of the Group to align the team goals with the overall vision and mission."

MUKESH BATNAGAR
CHIEF GENERAL MANAGER



"I feel honoured to be working with professionals from whom I can learn and they constantly push me to take on new challenges. I believe that the management trusts my decisions and supports me in my daily work. My association with HIM Teknoforge goes back to 1995. I am immensely thankful to our CMD and Jt. MD for providing me with opportunities to handle different projects in the last 25 years. I am proud to say that they have placed a lot of trust and confidence in my abilities to assume higher responsibilities. My growth and success depend on a strong team and capable management."

SUMAN DAS
GM, FORGING DIVISION



"I am proud to be a part of the successful 50-year journey of the Company. As we celebrate this milestone, I would like to thank my team for all the hard work they have put in and my colleagues for their constant support. I look forward to many more years of continued success and further growth."

NIRANJAN UNADKAT
CEO, VADODARA PLANT

OUR PRODUCT PORTFOLIO

WE MANUFACTURE VARIOUS PRODUCTS, INCLUDING GEARS, AXLES, SHAFTS, CROWN WHEEL, PINIONS, LEVERS, COUPLINGS, BEVEL GEARS AND PINIONS ETC., ALONG WITH MULTIPLE ASSEMBLIES AND SUB-ASSEMBLIES SUCH AS PTO SHAFT ASSEMBLY, ROTAVATOR GEARBOX, SPIDER KITS, GEAR JOINT ASSEMBLY ETC.

While we cater to the automotive sector, we also supply Track Chain Assembly for BMP II Core Armoured Vehicles to the Indian Defence Services for the past 15+ years. In 2018, we developed e-rickshaws and have a complete fabrication, assembly line and paint shop set up in-house.



Our wide range of products are all manufactured under one roof. We have invested substantially to upgrade our facilities and have added CNC machines, the latest heat treatment facilities and state-of-the-art equipment to cater to our customers' requirements.

As recently as 2019, we have installed two brand new CNC Screw Presses of 1,600 Tonne and 1,000 Tonne each as we forayed into the Warm Forging space, along with a Cold Coining Press of 1,000 Tonne.

To further enhance our tool room and standard room, we installed CNC Gear testing equipment and multiple VMC machines. New Sealed Quench

Furnaces have also been added recently to further upgrade the heat treatment facilities.

We have even set up a brand new state-of-the-art facility for 100% exports in the Western part of the country to further increase the share of our export within the total business.

CNC MACHINES

WE HAVE INVESTED SUBSTANTIALLY TO UPGRADE OUR FACILITIES AND HAVE ADDED CNC MACHINES, THE LATEST HEAT TREATMENT FACILITIES AND STATE-OF-THE-ART EQUIPMENT



CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

BEING A RESPONSIBLE CORPORATE, HIM TEKNOFORGE ALWAYS ENDEAVOURS TO CONTRIBUTE TO THE PROGRESS AND DEVELOPMENT OF COMMUNITIES AND SOCIETY AT LARGE THROUGH ITS CSR ACTIVITIES.



We have distributed hundreds of food packets during the first lockdown of April-May 2020 in the Baddi area to facilitate people through the Baddi, Barotiwala, Nalagarh Industries Association (BBNIA). Apart from this, we donated to the PM Relief Funds and the Himachal CM COVID Relief Fund.

Our promoters understand the sensitivity of the situation and also decided to donate masks, PPE kits, gloves, hands free sanitiser stands and infrared paper dispensing machines for local hospitals in Baddi and Nalagarh. We have also contributed towards creating COVID isolation wards through the BBNIA, specifically for people working in the area. Apart from this, we have contributed towards various educational and healthcare initiatives.

HEALTH AND ENVIRONMENT INITIATIVES

When it comes to our employees, we ensure that all our workers/employees were in a safe environment and had no shortage of food during the national lockdown of April-May 2020. We also ensured that all the workers returning from their native places after the national lockdown were safe and healthy. We conducted RT-PCR tests for everyone returning and also initiated a self-declaration form, wherein the employee had to declare that he has not been detected with COVID in the last 14 days prior to his/her travel. We organised COVID vaccination camps at two of our facilities, wherein a total of about 400 employees of the Company were vaccinated.

On the environmental protection and conservation front, in 2020-21, we decided to increase our focus on reducing pollution levels in the areas in which we operate. For that purpose, we started purchasing trucks for transport of material that run on CNG instead of diesel. This has delivered a multi-pronged benefit as it has helped in reducing costs and eliminated the possibility of theft of fuel and has also helped in reducing the carbon emissions released from diesel vehicles. Moreover, the management consciously decided to move towards green energy for its manufacturing facilities, and as such, has set up two roof-top solar power plants, of 500kw and 175kw, for two of its facilities, located at Pithampur, MP and Vadodara, Gujarat, respectively. In the next 2-3 years, we plan to shift all of our manufacturing facilities to green energy by installing roof-top solar power plants for captive consumption.



CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. VIJAY AGGARWAL
CHAIRMAN CUM MANAGING DIRECTOR

MR. RAJIV AGGARWAL
JOINT MANAGING DIRECTOR

MR. PRADEEP KUMAR
INDEPENDENT DIRECTOR

MR. PURSHOTAM LAL SHARMA
INDEPENDENT DIRECTOR

MR. KULDIP NARAIN GUPTA
ADDITIONAL INDEPENDENT DIRECTOR

MRS. KIRAN RAGHUVINDER SINGH
ADDITIONAL INDEPENDENT DIRECTOR

MR. SANJAY KUMAR
NOMINEE DIRECTOR
(CANBANK VENTURE CAPITAL FUNDS LIMITED)

MS. BHAVANA RAO
NOMINEE DIRECTOR
(IFCI VENTURE CAPITAL FUND LIMITED)

CHIEF FINANCIAL OFFICER
MR. ADITYA AGGARWAL

COMPANY SECRETARY
MR. ABHISHEK MISRA

AUDITORS
M/S PRA ASSOCIATES
CHANDIGARH

SECRETARIAL AUDITORS
M/S DINESH MEHTA & CO.
Vadodara, Gujarat

BANKER
STATE BANK OF INDIA

REGISTRAR AND TRANSFER AGENT

MCA SHARES TRANSFER AGENT LIMITED

1st Floor, Alkapuri Neelam Apartment
88 Sampatrao Colony, Above Chhapan Bhog
Alkapuri, Vadodara - 390 007

Tel No.: +91(0265) 2350490
E-Mail: mcsLtdbaroda@gmail.com

REGISTERED OFFICE

Village Billanwali, Sai Road Baddi - 173 205
Himachal Pradesh

WORKS

1. Gear Division, Village Billanwali, Baddi, HP
2. Forging Division, Village Manpura, Baddi, HP
3. Pithampur Unit-I, MP
4. Pithampur Unit-II, MP
5. Gametha Unit, Vadodara, Gujarat
6. Unit-IV, Baddi, HP

CORPORATE OFFICE

S.C.O 19, F. F., Sector 7C, Madhya Marg, Chandigarh
Village Billanwali, Baddi - 173 205
Himachal Pradesh

Tel No.: +91(1795) 246351, 245466
E-Mail : gujarat.gears@gmail.com, info@himgroup.net
Web : www.gagl.net, www.himteknoforge.com

NOTICE

Notice is hereby given that the 50th Annual General Meeting of the members of Him Teknoforge Limited (Formerly Known As Gujarat Automotive Gears Limited) will be held on Tuesday, the 28th day of September, 2021 at 11:30 A.M. through Video Conference ("VC")/Other Audio Visual means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2021 and report of the Board of Directors and Auditors thereon.
- To declare dividend on Equity Shares for the Financial Year ended 31st March, 2021.
- To appoint Mr. Vijay Aggarwal (DIN 00094141), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. Ratification of remuneration of Cost Auditors:

To consider and if though fit, to pass, following resolution as **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 or any statutory modification or re-enactment thereof, the Company hereby ratifies remuneration of ₹ 30,000/- (Rupees Thirty Thousand only) plus taxes as applicable and re-imbursalment of out of pocket expenses, payable to M/s S.K. Jain & Co., Cost Accountants, who have been appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31st March, 2022.

5. To consider and approve Remuneration of Mr. Vijay Aggarwal, Managing Director of the Company.

To consider and if thought fit, to pass with or without modification, the following resolution as **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee, Audit Committee and as proposed by the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to fix the remuneration of Mr. Vijay Aggarwal, Managing Director of the Company w.e.f 31.01.2021 till 30.01.2023 i.e till the expiry of tenure of his appointment, on the terms and conditions as mentioned below:

- A. Salary:** Mr. Vijay Aggarwal be paid salary of ₹ 3, 30,000/- per month w.e.f 01.04.2021.

Mr. Vijay Aggarwal be paid overall remuneration of ₹ 5,85,000/- per month (including perquisites and allowances) for the period 28/01/2021 to 31/03/2021 and thereafter revised overall remuneration of ₹ 6,35,000/- per month (including perquisites and allowances) w.e.f. 01/04/2021 to 30/01/2023.

B. Commission:

Mr. Vijay Aggarwal shall also be entitled to commission of such amount as may be decided by the Board of Directors of the Company for each financial year expiring after the date of this revision in remuneration, provided, however, that the commission paid or payable to him in respect of each financial year shall not exceed 2.5% (two and half percent) of the net profits of the Company computed as per the provisions of The Companies Act, 2013.

C. Perquisites:

- House Rent Allowance/Rent Free Accommodation:** Mr. Vijay Aggarwal shall be entitled to House Rent Allowance or Rent Free Allowance, subject to ceiling of ₹ 3,00,000/- (Rupees Three Lakhs Only) per month.
- Gas, electricity, water and furnishing:** Reimbursement of expense incurred for gas, electricity, water and furnishing.
- Medical Reimbursement:** Reimbursement of expenses incurred for the medical treatment for himself and his family.
- Club Fees:** Fee of club subject to a maximum of two clubs, including admission and life membership fees.
- Personal Accident Insurance Premium:** Not exceeding ₹ 4,000/- p.a.
- Leave travel Concession:** First Class air passage for self, wife, dependent children and dependent parents, once in a year to any place within or outside India.
- Telephone:** The Company shall provide telephone at residence for official-cum personal use. However, the valuation of personal use of telephone shall be treated as perquisite.
- Conveyance Allowance:** ₹ 5,000/- per month.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay

Mr. Vijay Aggarwal, remuneration and perquisites not exceeding ₹ 10,00,000/- per month during period of his tenure as Managing Director, subject to approval at the ensuing Annual General Meeting of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, Mr. Rajiv Aggarwal, Joint Managing Director and/or Mr. Abhishek Misra, Company Secretary, Manager Secretarial and Legal of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/ matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company."

6. Appointment of Mr. Kuldip Narain Gupta (DIN: 02315331) as an Independent Director:

To consider and if thought fit, to pass the following resolution as **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and any rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) (the "Companies Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Kuldip Narain Gupta (DIN: 02315331) who was appointed by the Board of Directors as an Additional Non-Executive Independent Director of the Company with effect from December 26th, 2020 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect

of whom the Company has received a notice in writing from member proposing his candidature for the office of independent director, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of five consecutive years i.e from September 28th, 2021 to September 27th, 2026.

7. Appointment of Mrs. Kiran Raghuvinder Singh (DIN: 09008800) as an Independent Director:

To consider and if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and any rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) (the "Companies Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Kiran Raghuvinder Singh (DIN: 09008800) who was appointed by the Board of Directors as an Additional Non-Executive Independent Director of the Company with effect from December 26th, 2020 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from member proposing his candidature for the office of independent director, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of five consecutive years i.e from September 28th, 2021 to September 27th, 2026.

By Order of the Board of Directors

Sd/-

Abhishek Misra

Company Secretary Manager
Secretarial and Legal

Dated: 13.08.2021

Place: Baddi

NOTES

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts in respect Items No. 4 to 7 is annexed hereto and forms part of this notice.
2. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the Companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8th, 2020, Circular No.17/2020 dated April 13th, 2020 and Circular No. 20/2020 dated May 5th, 2020 and recent MCA General Circular No. 2/2021 dated January 13th, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15th, 2021 for further extending the period of holding AGM through VC. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 8th, 2020, April 13th, 2020 and May 5th, 2020 and recent MCA General Circular No. 2/2021 dated January 13th, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15th, 2021 for further extending the period of holding AGM through VC, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the Annual General Meeting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised e-voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. As per the provisions under the MCA Circulars, Members attending the 50th AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to MCA Circular No. 14/2020 dated April 8th, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13th, 2020 and recent MCA General Circular No. 2/2021 dated January 13th, 2021, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.gagl.net. The Notice can also be accessed from the websites of the Stock websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM i.e. www.evotingindia.com).
8. The register of Members and share transfer book will remain closed from September 21st, 2021 to September 28th, 2021 [both days inclusive].
9. The members are requested to inform changes, if any, in their Registered Address along with Pin Code Number to the Company Secretary at the Registered Office address.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@gagl.net.
11. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorise their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorisation letter to the Company on cs@gagl.net.
12. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 50th AGM being held through VC.

13. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
14. Electronic copy of the Annual Report and Notice of the 50th Annual General Meeting of the Company along with instructions for e-voting is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes. Since the AGM will be held through VC/OAVM Facility, the Route Map of the AGM venue, proxy form and attendance slip is not annexed in this Notice.
15. In terms of section 107 and 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the Company is providing the facility to its Members holding shares in physical and dematerialised form as on the cutoff date September 20th, 2021 to exercise their right to vote by electronic means on any or all of the business specified in the accompanying notice. Necessary information and instructions for e-voting is also enclosed.
16. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8th, 2020 and MCA Circular No. 17/2020 dated April 13th, 2020 and MCA Circular No. 20/2020 dated May 5th, 2020 and recent MCA General Circular No. 2/2021 dated January 13th, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15th, 2021 for further extending the period of holding AGM through VC.
17. In continuation of this Ministry's **General Circular No. 20/2020**, dated May 5th, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13th, 2021.

The instructions for members for voting electronically are as under:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their
- right to vote on resolutions proposed to be considered at the Annual 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 will be provided by Central Depository Services Limited (CDSL).
- The e-voting facilities will be provided in the following manners:**
- (i) The voting period begins on from 9.00 a.m. (IST) on September 25th, 2021 and end of e-voting: Up to 5.00 p.m. (IST) on September 27th, 2021. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. September 20th, 2021 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.
 - (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9th, 2020** Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on Company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

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

(v) Login method for e-voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1. The shareholders should log on to the e-voting website www.evotingindia.com
2. Click on "Shareholders" module.
3. 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat

PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <input type="checkbox"/> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated 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. <ul style="list-style-type: none"> <input type="checkbox"/> 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.

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| <p>(vi) After entering these details appropriately, click on "SUBMIT" tab.</p> <p>(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.</p> | <p>(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.</p> <p>(ix) Click on the EVSN of <Him Teknoforge Limited> to vote.</p> <p>(x) 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.</p> <p>(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.</p> <p>(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be</p> |
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displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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.

(XVI) Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- 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 scrutiniser to verify the same.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company at the email address viz; cs@gagl.net, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@gagl.net

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at **022- 23058738** and **022-23058542/43**.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on **022-23058542/43**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (cs@gagl.net). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (Company email id). These queries will be replied to by the Company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent.
19. In terms of the Circulars No. 17/2011 of April 21st, 2011 and 18/2011 of April 29th, 2011 issued by the Ministry of Corporate Affairs (MCA) as part of its "green initiative in Corporate Governance", MCA allows paperless compliances including service of a notice/ document by companies to their members through electronic mode. Therefore as was done last year, the Company proposes to send documents required to be sent to the members like Notices of General Meetings (including AGM), Audited Financial Statements, Report of the Directors, and Independent Auditor's Report etc to the members in electronic form to the e-mail IDs provided by them and made available to the Company by the Depositories. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents will also be available on the Company's website www.gagl.net for download by the Members. The physical copies of the Annual Report will be made available upon receipt of a requisition from the members, any time as a member of the Company.
20. In line with the MCA Circulars, the notice of the 50th AGM along with the Annual Report 2020-2021 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2020-2021 will also be available on the Company's website at <https://www.gagl.net>.
21. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, MCS Shares Transfer Agent Limited, 1st floor, Alkapuri Neelam Apartment, 88 Sampatrao Colony, Above Chhapan Bhog, Alkapuri, Vadodara -390007, Tel No.: 0265-2350490, E-mail: mcsltdbaroda@gmail.com or Company's E-mail Id: cs@gagl.net.
20. A person, whose name is recorded in the register of members by the depositories as on the cut-off date, i.e. September 20th, 2021 only shall be entitled to avail the facility of e-voting.
21. The e-voting facility will be available during the following period: Commencement of e-voting: From 9.00 a.m. (IST) on September 25th, 2021 end of e-voting: Up to 5.00 p.m. (IST) on September 27th, 2021.
22. The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by (CDSL) upon expiry of aforesaid period.
23. The Scrutiniser shall after the conclusion of AGM, shall unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later 48 hours from the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
24. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company www.gagl.net and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing .

The results shall also be immediately forwarded to the BSE Limited.

By Order of the Board of Directors

Sd/-

Abhishek Misra

Company Secretary Manager
Secretarial and Legal

Dated: 13.08.2021

Place: Baddi

Annexure to Notice:**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM 4:**

The Board at its meeting held on June 11th, 2021, on the recommendations of the Audit Committee, has appointed M/s S.K. Jain & Co., Cost Accountants as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022 on a remuneration of ₹ 30,000/- (Rupees Thirty Thousand only) plus taxes as applicable and out of pocket expenses, as recommended by the Audit Committee. In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the Company.

The Board recommends the aforesaid resolution for approval of the members.

ITEM NO. 5:

Mr. Vijay Aggarwal on the recommendation of Nomination & Remuneration Committee was appointed as Managing Director for a period of five years w.e.f. January 31st, 2018 at the Annual General Meeting of the Company held on 29.09.2018. As per Schedule V of the Companies Act, 2013, the remuneration has to be fixed for three years. The term of Mr. Vijay Aggarwal, Managing Director of the Company is of five years and remuneration is to be fixed only for three years so the Board of Directors recommended and proposes to fix remuneration from 28.01.2021 till 30.01.2023 i.e till the expiry of tenure of his appointment subject to approval by the members in the ensuing Annual General Meeting.

He is a B.E. (Mechanical Engineering), having 42 years of rich experience in Auto Components & Engineering Goods. He looks after the operational matters of the Company.

The information required as per part II of schedule V of the Companies Act, 2013 is furnished hereunder:

I. Information about Mr. Vijay Aggarwal, Appointee:

- 1. Background details:** Mr. Vijay Aggarwal is a B.E. (Mechanical Engineering) and having more than 42 years of experience in industry. He is looking after operational matters of the Company.
- 2. Past Remuneration:**
 - a. Salary:** ₹ 2,80,000/- (Rupees Two Lakh Eighty Thousand only) per month.
 - b. Commission:** Mr. Vijay Aggarwal shall also be entitled to commission of such amount as may be decided by the Board of Directors of the Company for each financial year expiring after the date of this revision in remuneration, provided, however, that the commission paid or payable to him in respect of each

financial year shall not exceed 2.5% (two and half percent) of the net profits of the Company computed as per the provisions of the Companies Act, 2013.

c. Perquisites:

- 1. House Rent Allowance/Rent Free Accommodation:** Mr. Vijay Aggarwal shall be entitled to House Rent Allowance or Rent Free Allowance, subject to ceiling of ₹ 3,00,000/- (Rupees Three Lakhs Only) per month.
- 2. Gas, electricity, water and furnishing:** Reimbursement of expense incurred for gas, electricity, water and furnishing.
- 3. Medical Reimbursement:** Reimbursement of expenses incurred for the medical treatment for himself and his family.
- 4. Club Fees:** Fee of club subject to a maximum of two clubs, including admission and life membership fees.
- 5. Personal Accident Insurance Premium:** Not exceeding ₹ 4,000/- p.a.
- 6. Leave travel Concession:** First Class air passage for self, wife, dependent children and dependent parents, once in a year to any place within or outside India.
- 7. Telephone:** The Company shall provide telephone at residence for official-cum personal use. However, the valuation of personal use of telephone shall be treated as perquisite.
- 8. Conveyance Allowance:** ₹ 5,000/- per month.

In addition to the remuneration and perquisites to be paid as aforesaid, the Company shall also make contributions to provident fund, superannuation fund or annuity fund to the extent these, either singly or put together, are not taxable under Income Tax Rules, 1961. The Company will also provide for gratuity not exceeding half a month's salary for each completed year of service. In addition, Mr. Vijay Aggarwal shall be entitled for encashment of un-availed leave at the end of tenure. Total remuneration shall not exceed ₹ 10,00,000/- (Rupees Ten Lakhs only) per month.

- 3. Recognition or awards:** None
- 4. Job profile and his suitability:** He is looking after the operational and commercial matters of the Company. He has rich experience in Auto Components and Engineering Goods Industry. The proposed remuneration is low considering his qualification, experience and responsibility as Managing Director of the Company.

5. Remuneration proposed:

- a. **Salary:** Mr. Vijay Aggarwal be paid salary of ₹ 3,30,000/- per month w.e.f 01.04.2021.

Mr. Vijay Aggarwal be paid overall remuneration of ₹ 5,85,000/- per month (including perquisites and allowances) for the period 28/01/2021 to 31/03/2021 and thereafter revised overall remuneration of ₹ 6,35,000/- per month (including perquisites and allowances) w.e.f. 01/04/2021 to 30/01/2023.

- b. **Commission:** Mr. Vijay Aggarwal shall also be entitled to commission of such amount as may be decided by the Board of Directors of the Company for each financial year expiring after the date of this revision in remuneration, provided, however, that the commission paid or payable to him in respect of each financial year shall not exceed 2.5% (two and half percent) of the net profits of the Company computed as per the provisions of the Companies Act, 2013.

c. Perquisites:

1. **House Rent Allowance/Rent Free Accommodation:** Mr. Vijay Aggarwal shall be entitled to House Rent Allowance or Rent Free Allowance, subject to ceiling of ₹ 3,00,000/- (Rupees Three Lakhs Only) per month.
2. **Gas, electricity, water and furnishing:** Reimbursement of expense incurred for gas, electricity, water and furnishing.
3. **Medical Reimbursement:** Reimbursement of expenses incurred for the medical treatment for himself and his family.
4. **Club Fees:** Fee of club subject to a maximum of two clubs, including admission and life membership fees.
5. **Personal Accident Insurance Premium:** Not exceeding ₹ 4,000/- p.a.
6. **Leave travel Concession:** First Class air passage for self, wife, dependent children and dependent parents, once in a year to any place within or outside India.
7. **Telephone:** The Company shall provide telephone at residence for official-cum personal use. However, the valuation of personal use of telephone shall be treated as perquisite.
8. **Conveyance Allowance:** ₹ 5,000/- per month.

In addition to the remuneration and perquisites to be paid as aforesaid, the Company shall also make contributions to provident fund, superannuation fund or annuity fund to the extent these, either singly or put together, are not taxable under Income Tax Rules, 1961. The Company will also provide for gratuity not exceeding half a month's salary for each completed year of service. In addition, Mr. Vijay Aggarwal shall be entitled for encashment of un-availed leave at the end of tenure. Total remuneration shall not exceed ₹ 10,00,000/- (Rupees Ten Lakhs only) per month.

6. Comparative remuneration profile with respect to industry size, size of Company, profile of the person:

Comparative remuneration figure with respect to industry is not available. However, proposed remuneration payable to Mr. Vijay Aggarwal is low comparing his qualification, experience, efforts and responsibility as Managing Director of the Company.

7. Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel:

Mr. Vijay Aggarwal has no pecuniary relationship directly or indirectly with the Company as managerial personnel except remuneration as Managing Director drawn by him and dividend on equity shares, declared if any, by the Company for his shareholding in the Company.

II. Other Information:

1. **Reasons for loss or inadequate profits:** Competitive Prices and Increasing Import Costs have affected the profitability of the Company adversely. Due to lower Competitive prices, the Company has to make their margin of profit lower.
2. **Steps taken or proposed to be taken for improvement:** The Company has initiated various steps to improve its operational performance/liquidity, including lowering its operating cost, augmenting its branded sales and diversifying in profitable ventures. Improved productivity and cost control measures have been put in place. Various realignment initiative ensured reduced debt burden on the Company resulting in overall reduction in finance cost.
3. **Expected increase in productivity and profit in measurable terms:** The Company expects that with the improvement in customer sentiment and increased customer spending will enable the growth momentum to pick up. The management continues to be optimistic towards the external economic environment and expects customers demand to become more consistent and robust in the current financial year. Further, various policy decisions taken would act as growth channel for the Company which would contribute in increased revenues and higher margins.

III. Disclosures:

Other disclosures have been mentioned in the Board of Directors' report under the heading "Corporate Governance" attached to the Annual Report.

The Board of Directors recommends the resolution for the approval of the members.

No Director, Key Managerial Personnel or their relatives, except Mr. Rajiv Aggarwal for drawing his remuneration except to the extent of their shareholding (including his relatives), if any, in the Company.

ITEM 6 & 7:

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Kuldip Narain Gupta (DIN: 02315331) and Mrs. Kiran Raghuvinder Singh (DIN: 09008800) as Additional Non-Executive Independent Directors, not liable to retire by rotation, with effect from December, 26th, 2020 till ensuing Annual General Meeting of the Company.

Pursuant to the provisions of Section 161(1) of the Act, each of these Directors shall hold office up to the date of this Annual General Meeting ("AGM") and are eligible to be appointed as Directors. The Company has received declarations from Mr. Kuldip Narain Gupta and Mrs. Kiran Raghuvinder Singh to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, each of these Directors fulfil the conditions specified in the Act, Rules and SEBI Listing Regulations for appointment as Independent Director and they are independent of the management of the Company. The terms and conditions of their appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM.

A brief profile of the Independent Directors to be appointed is given below:

A. Mr. Kuldip Narain Gupta (DIN: 02315331):

Name of the Director: Mr. Kuldip Narain Gupta

Date of Birth: 20th March 1951

Nationality: Indian

Date of Appointment on Board: December 26th, 2020

Qualifications: Diploma (Institute of Technology), B.Sc. (Engineering), MBA.

Number of shares held in Company: NIL

List of Directorship and Committee membership in Listed Companies other than Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited): NIL

B. Mrs. Kiran Raghuvinder Singh (DIN: 09008800):

Name of the Director: Mrs. Kiran Raghuvinder Singh

Date of Birth: April 7th, 1954

Nationality: Indian

Date of Appointment on Board: December 26th, 2020

Qualifications: MA CAIIB

Number of shares held in Company: NIL

List of Directorship and Committee membership in Listed Companies other than Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited): NIL

The Board recommends the Resolutions at Item Nos. 6 and 7 of this Notice for approval of the Members by passing special resolutions pursuant to Section 149 of the Companies Act, 2013, as both directors are proposed to be appointed for second term. None of the other Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolutions set out at Item Nos. 6 and 7 of the Notice. Mr. Kuldip Narain Gupta (DIN: 02315331) and Mrs. Kiran Raghuvinder Singh (DIN: 09008800), who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing their candidature for the office of Director of the Company, be and are hereby re-appointed as Independent Directors of the Company.

Disclosures: Other disclosures have been mentioned in the Board of Directors' report under the heading "Corporate Governance" attached to the Annual Report. The Board of Directors recommends the resolution for the approval of the members. No Director, Key Managerial Personnel or their relatives, are directly or indirectly concerned or interested in the above resolution except to the extent of their shareholding (including his relatives), if any, in the Company.

By Order of the Board of Directors

Sd/-

Abhishek Misra

Company Secretary Manager
Secretarial and Legal

Dated: 13.08.2021

Place: Baddi

BOARD'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the 50th Annual Report of the Company together with the audited accounts for the Financial Year ended March 31st, 2021.

1. Financial summary or highlights/ Performance of the Company

FINANCIAL RESULTS:

Particulars	(₹ in Lakhs)	
	2020-2021	2019-2020
Revenue from Operation	23889.48	22311.27
Add: Other Income	251.04	442.02
Total Income	24140.52	22753.29
Profit before Depreciation and Tax (PBDT)	1664.17	1344.22
Less: Depreciation & Amortisation	947.76	881.58
Profit Before Tax before Exceptional Item	716.41	462.64
Exceptional Item	-	-
Profit Before Tax (PBT)	716.41	462.64
Less: Taxes		
(a) Current Year Tax	121.00	72.00
(b) Tax Relating to Earlier Years	-	(26.50)
(c) Deferred Tax	81.51	92.51
Profit After Tax	513.90	324.63
Dividend	20%	10%
Earnings per Shares (₹ 2/- each) (Basic & Diluted)	6.53	4.13

2. Dividend.

The Board of Directors of your Company is pleased to recommend a dividend of ₹ 0.40/- per equity share of the face value of ₹ 2/- each (@ 20%), payable to those Shareholders whose names appear in the Register of Members as on the Book Closure.

3. Reserves.

No amount has been transferred to General Reserve.

4. Brief description of the Company's working during the year/State of Company's affair.

Total turnover during the year is ₹ 23889.48 Lakh (Previous Year ₹ 22311.27 Lakh). We have made a Profit after tax of ₹ 513.90 Lakh (Previous Year Profit of ₹ 324.63 Lakh).

5. Change in the nature of business, if any.

There is no change in the nature of business during the financial year 2020-2021.

6. Material changes and commitments, if any, affecting the Financial Position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the Report.

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial

year to which the financial statements relate and the date of this Report.

However, due to prevailing unprecedented circumstances occurred due novel corona virus (COVID-19) and in line with the directions and guidelines issued by the Government of India, our Company had closed its various plants and offices as mentioned below from March 24th, 2020 till May 8th, 2020 in order to control the community transmission stage of Covid-19 disease:

Plants/Offices:

1. Gear Division, Village Billanwali, Baddi, Distt. Solan (Himachal Pradesh)
2. Manpura Unit, (Himachal Pradesh)
3. Unit IV-Baddi (Himachal Pradesh)
4. Pithampur Unit-I, (Madhya Pradesh)
5. Pithampur Unit-II, (Madhya Pradesh)
6. Gametha Unit, Vadodara (Gujarat)
7. Corporate Office: Sector 7C, Chandigarh

As a responsible corporate entity, we also believe that health & safety of all our people is of utmost concern and priority. Therefore, we are wholeheartedly extended our support and cooperation to the directions of the Government of India.

7. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The Company has appointed internal auditor for adequacy of internal financial controls and your Board has taken adequate care for financial control.

8. Details of Subsidiary/Joint Ventures/Associate Companies.

Your Company has no Subsidiary/Joint Ventures/Associate Companies during the year.

9. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.

No details are given as your Company has no Subsidiary/Joint Ventures/Associate Companies during the year.

10. Deposits

Your Company has not accepted any deposits from public during the year and there was no deposit at the beginning of the year. Therefore, the detail relating to deposits, covered under Chapter V of the Act is not applicable.

11. Auditors

Statutory Auditors:

M/S PRA ASSOCIATES (FRN: 2355N), Chartered Accountants, were appointed as the Auditors of the Company for the period of 5 (Five) years who shall hold the office as Auditor of the Company till 51st Annual General Meeting of the Company to be held in the year 2022. The auditor is eligible to act as Auditors for the current Financial Year 2021-2022.

12. Internal Auditors:

M/s Anand Saklecha & Co. and M/s Jain Sachin & Associates, Chartered Accountants have been appointed as Internal Auditors of the Company for Indore Units and Gear Division, Baddi, Himachal Pradesh respectively in terms of Section 138 of the Companies Act, 2013 and rules & regulations, made thereunder, for the Financial Year 2020-21 by the Board of Directors in its meeting held on July 29th, 2020, upon recommendation of the Audit Committee.

18. Directors.

A) Changes in Directors and Key Managerial Personnel (KMP):

During the financial year 2020-2021 following change were made in Directors and Key Managerial Personnel:

Sr. No.	Name of Director/ Key Managerial Personnel	Designation	Category	Date of Appointment	Date of Cessation
1.	Mr. Bhaskaran Kesavareddiyyar	Nominee Director	Director	-	31.07.2020
2.	Mr. Sanjay Kumar	Nominee Director	Director	01.08.2020	-
3.	Mr. Shailesh Gandhi	Chief Financial Officer (CFO)	-	-	17.09.2020
3.	Mr. Ravikant Dhawan	Non-Executive Independent Director	Director	-	28.09.2020
4.	Mr. R P Sinha	Non-Executive Independent Director	Director	-	28.09.2020
5.	Mr. Kuldip Narain Gupta	Non-Executive Independent Director	Additional Independent Director	26.12.2020	-
6.	Mrs. Kiran Raghuvinder Singh	Non-Executive Independent Director	Additional Independent Director	26.12.2020	-
7.	Mr. Aditya Aggarwal	Chief Financial Officer (CFO)	KMP	12.02.2021	-

Further, Board in its meeting held on September 15th, 2020 also appointed M/s JHS & Associates LLP and M/s Jain Sachin & Associates, Chartered Accountants as Internal Auditors for Vadodara Unit, Gujarat and Baddi Units, Himachal Pradesh respectively.

For the year 2021-2022, the Board has appointed M/s Anand Saklecha & Co., M/s Jain Sachin & Associates, and M/s JHS & Associates Chartered Accountants as Internal Auditors of the Company for Indore Units, Madhya Pradesh, Gear Division, Manpura Unit & Unit-IV, Baddi, Himachal Pradesh and Vadodara Unit, Gujarat respectively in terms of Section 138 of the Companies Act, 2013 and rules & regulations, made thereunder, for the Financial Year 2021-2022 by the Board of Directors in its meeting held on June 11th, 2021, upon recommendation of the Audit Committee.

13. Auditors' Report

No qualification, reservation or adverse remark or disclaimer has been made by the Auditors in their Auditors' Report for the year 2020-2021.

14. Share Capital

During the year under review, the Company has not issued any securities nor has granted any stock option or sweat equity.

15. Annual Return

As per latest amendment in section 92 of the Companies Act, 2013, a copy of annual return will be displayed on Company's web site i.e. www.gagl.net after filing annual return on completion of ensuing Annual General Meeting with the Registrar of Companies within the time stipulated in said section 92 of Act.

16. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are attached herewith (*Annexure-A*).

17. Corporate Social Responsibility (CSR)

The details on the CSR activities are enclosed as (*Annexure-B*).

B) Declaration by an Independent Director(s):

Declaration by Mr. Pradeep Kumar, Mr. Purshotam Lal Sharma, Mr. Kuldip Narain Gupta and Mrs. Kiran Raghuvinder Singh, Independent Directors that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 have submitted.

C) Formal Annual Evaluation.

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and individual Directors which includes criteria for performance evaluation of executive directors and non-executive directors. The Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its committees. The Board of Directors has expressed their satisfaction with the evaluation process.

19. Meetings.

An agenda of Meetings is prepared and circulated in advance to the Directors. During this year, Five (5) Board and Five (5) Audit Committee Meetings, were convened and held, the details of which are given in the Corporate Governance Report.

The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the erstwhile Listing Agreement.

Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors has been given in the Corporate Governance Report.

20. Particulars of loans, guarantees or investments under section 186.

The Company has not given loans or guarantee or made an investment during the financial year 2020-2021.

21. Particulars of contracts or arrangements with related parties.

Particulars of contracts or arrangements with related parties are given in Form AOC-2 enclosed as **(Annexure-C)**.

26. Risk Management.

The Management has put in place adequate and effective system and man power for the purposes of risk management.

Key Risk	Impact to Company	Mitigation Plans
Commodity Price Risk	Risk of price fluctuation on basic raw materials like steel, components, power as well as finished goods used in the process of manufacturing.	The Company commands excellent business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter is mutually discussed and compensated both ways. Also, on new value-added products help in lowering the impact of price fluctuation in finished goods.

22. Managerial Remuneration.

Disclosures pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed herewith **(Annexure-D)**.

23. Secretarial Audit Report.

The Secretarial Audit Report pursuant to section 204(1) of the Companies Act, 2013 given by M/s. Dinesh Mehta & Co., Company Secretaries in practice is enclosed herewith **(Annexure- E)**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

24. Corporate Governance Report.

The Company has been following the principles and practices of good Corporate Governance and has ensured compliance of the requirements stipulated under Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A detailed report on Corporate Governance as required under Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is appended along with the certificate on Corporate Governance, issued by M/s. Dinesh Mehta & Co., Company Secretaries, Vadodara, Gujarat, the Secretarial Auditors, confirming the compliance of conditions on Corporate Governance forms part of the Board Report with **(Annexure-F)**.

25. Management Discussion and Analysis Report.

A report on Management Discussion and Analysis, as required in terms of Regulation 34(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Report and it deals with the Business Operations and Financial Performance, Research & Development, Expansion & Diversification, Risk Management, Marketing Strategy, Safety & Environment, Human Resource Development, etc **is enclosed (Annexure - G)**.

Key Risk	Impact to Company	Mitigation Plans
Uncertain global economic environment – slow growth in global economy	Risk of decreasing export revenue due to a slow global economy.	Company maintains strong relations with its global customers. Also, Company is constantly developing new products to cater to the export market which helps in reducing this risk.
Foreign Exchange Risk	Any volatility in the currency market can impact the overall profitability.	The Company has a strong customer base in domestic market. Also, the Company takes forward cover for its exports which minimises the risk. In case of major fluctuation either upwards or downwards, the effect will be minimal.
Human Resources Risk	Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resource can affect the overall performance of the Company.	By continuously benchmarking of the best HR practices and carrying out necessary improvements to attract and retain the best talent. Company does not anticipate any major issue for the coming years.
Competition Risk	Every Company is always exposed to competition risk. The increase in competition can create pressure on margins, market share etc.	By continuous efforts to enhance the brand image of the Company by focusing on quality, cost, timely delivery and customer service. By introducing new product range commensurate with demands, your Company plans to mitigate the risks so involved.
Compliance Risk – Increasing regulatory Requirements.	Any default can attract penal provisions	By regularly monitoring and review of changes in regulatory framework, and keeping itself fully updated with any changes in the law, the Company is able to mitigate the same.
Industrial Safety, Employee Health and Safety Risk.	The engineering industry is exposed to accidents and injury risk due to human negligence.	By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee. Proper training at regular intervals for the shopfloor employees is carried out at all the facilities.

27. Directors' Responsibility Statement.

Your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- (a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the directors had prepared the annual accounts on a going concern basis;
- (e) that 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; and

- (f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. Internal Complaints Committee has also been set up to redress complaints received on sexual harassment.

During the financial year under review, the committee of all units has not received any complaints of sexual harassment from any of the women employee of the Company.

29. Investor Education and Protection Fund.

Pursuant to the provisions of Section 124(5) the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central

Government, after the completion of seven (7) years. Consequently, your Company has transferred ₹ 72,951/-/- during the year to the Investor Education and Protection Fund, lying with it for a period of seven years pertaining to year 2012-13.

30. Cost Audit.

M/s. S. K. Jain & Co. Cost Accountants, were appointed with the approval of the Board to carry out the cost audit for FY 2019-20. Based on the recommendation of the Audit Committee, M/s. S. K. Jain & Co., Cost Accountants, being eligible, have also been appointed by the Board of Directors in their meeting held on 29.07.2020 as the Cost Auditors for FY 2020-21. The Company has received a letter from them to the effect that their appointment would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013. The remuneration to be paid to M/s. S.K. Jain & Co., for FY 2020-2021 is subject to ratification by the shareholders at the ensuing AGM. Cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 are made and maintained by the Company

For the FY 2021-2022, M/s. S. K. Jain & Co. Cost Accountants, were appointed with the approval of the Board to carry out the cost audit for FY 2020-2021. Based on the recommendation of the Audit Committee, M/s. S. K. Jain & Co., Cost Accountants, being eligible, have also been appointed by the Board of Director in their meeting held on 11.06.2021 as the Cost Auditors for FY 2021-2022.

The Company has received a letter from them to the effect that their appointment would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

The remuneration to be paid to M/s. S.K. Jain & Co., for FY 2021-22 is subject to ratification by the shareholders at the ensuing AGM.

Cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 are made and maintained by the Company.

31. Acknowledgements.

The Board of Directors gratefully acknowledges the assistance and co-operation received from the Banks and Financial Institutions and all other statutory and non-statutory agencies for their co-operation.

The Board of Directors also wish to place on record their gratitude and appreciation to the members for their trust and confidence shown in the Company.

The Board of Directors would like to especially thank all the employees of the Company for their dedication and loyalty.

For and on Behalf of the Board

Sd/-

Vijay Aggarwal

Chairman

DIN: 00094141

Dated: 13.08.2021

Place: Baddi

ANNEXURE - A

Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Income and Outgo as per rule 8(3) of the Companies (Accounts) Rules, 2014:

(A) Conservation of energy:

- (i) The steps taken or impact on conservation of energy :
- The Company during the year 2020-2021 has installed Solar Plants of 500KW at Pithampur Unit-I, Madhya Pradesh and 500KW at Vadodra Unit, Gujarat.
- (ii) The steps taken by the Company for utilising alternate sources of energy
- The Company has successfully installed its Solar Plants at Pithampur Unit-I and Vadodara, Gujarat both are in running condition.
- (iii) The capital investment on energy conservation equipments
- | | | |
|--------------------------------------|---|--------------------------|
| 1. Pitampur Unit -1 | : | ₹ 2, 17, 87,940/- |
| 2. Gujarat Automotive Gears, Gametha | : | ₹ 71, 59,310/- |
| Total | : | ₹ 2, 89, 47,250/- |

(B) Technology absorption:

- (i) Efforts, in brief, made towards technology absorption N.A.
- (ii) Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. N.A.
- (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)
(a) Details of technology imported. (b) 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. N.A.
- (iv) The Expenditure incurred on Research and Development N.A.

(C) Foreign exchange earnings and outgo

Particulars	FY 2020-2021 (₹ Lakhs)	FY 2019-2020 (₹ Lakhs)
Foreign Exchange earned in terms of actual inflows during the year	3426.27	3547.68
Foreign Exchange outgo during the year in terms of actual outflows	160.44	488.66

For and on Behalf of the Board

Dated: 13.08.2021

Place: Baddi

Sd/-
Vijay Aggarwal
Chairman
DIN: 00094141

ANNEXURE - B
Report on Corporate Social Responsibility

1. Brief outline on CSR Policy of the Company: Recognising that business enterprises are economic organs of society and draw on societal resources, it is Him Teknoforge Limited's (HTL's) belief that a Company's performance must be measured by its contribution to building economic, social and environmental capital towards enhancing societal sustainability. In line with this belief, HTL will continue crafting unique models to generate livelihoods and environmental capital. Such Corporate Social Responsibility ("CSR") projects are far more replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation and environmental replenishment. These initiatives are independent of the normal conduct of HTL's business. Programmes, projects and activities (collectively "CSR Programmes") carried out in this regard are the subject matter of this Policy.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajiv Aggarwal	Chairman/Executive Director	01	01
2.	Mr. Vijay Aggarwal*	Member/Executive Director	01	00
3.	Mr. Purshotam Lal Sharma	Member/Independent Director	01	01
4.	Mr. Pradeep Kumar	Member/Independent Director	01	01

* Mr. Vijay Aggarwal appointed as member of the committee w.e.f. 11.06.2021.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: www.gagl.net.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not applicable as average CSR Obligation calculated is less than ten crore rupees.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹) (In Lakhs)	Amount required to be set off for the financial year, if any (in ₹) (In Lakhs)
1.	2020-2021	0.00	1.89
	Total	0.00	1.89

6. Average net profit of the Company as per section 135(5): ₹ 951.54 Lakhs.

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 19.03 Lakhs.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 33.87 Lakhs (including ₹ 14.84 Lakhs unspent of PY)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Lakhs)	Amount Unspent (in ₹) (In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
2020-2021	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
35.76 Bifurcation as under: 19.03 - FY 20-21 14.84 - FY 19-20 1.89 - Excess spent	0	-	-	0	-

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State.	Dist.						Name	CSR Registration number.
Total											NIL	

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation -Through implementing agency	
				State	District			Name.	CSR registration number
1.	COVID-19 Activities. Eradicating hunger, poverty and malnutrition, 2("promoting health care etc")	(I)	Yes	Himachal Pradesh	Solan	0.54	Yes	-	-
2.	Promoting education including special education and employment enhancing various skills	(ii)	No	Uttar Pradesh	Ghaziabad	10.00	No	Sansthanam Abhay Daanam	-
3.	Promoting education including special education and employment enhancing various skills	(ii)	No	Utter Pradesh	Mathura	15.00	No	Jan Jagrati Sevarth Sansthan	-
4.	Promoting education including special education and employment enhancing various skills	(ii)	No	Maharashtra	Mumbai	10.00	No	The Vishal Mumbai Shikshna Pramanda	-
5.	Eradicating hunger, poverty, malnutrition, preventive health care & sanitation COVID-19	(I)	No	Gujarat	Vadodara	0.22	Yes	-	-
Total						35.76			

(d) Amount spent in Administrative Overheads: NIL.

(e) Amount spent on Impact Assessment, if applicable: NIL.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 35.76 Lakhs.

(g) Excess amount for set off, if any: NIL.

Sl. No.	Particular	Amount (in ₹ Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	19.03
(ii)	Total amount spent for the Financial Year	35.76
(iii)	Excess amount spent for the financial year [(ii)-(i)]	16.73 (It includes ₹ 14.84 Lakhs unspent amount of FY 2019-2020).
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.89

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
	2019-20	NIL	14.84 Lakhs	NA	NA	NA	0.00
	Total		14.84 Lakhs				

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project -Completed/ Ongoing
NIL								
Total								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(Asset-wise Details). NA

- Date of creation or acquisition of the capital asset(s). **NA**
- Amount of CSR spent for creation or acquisition of capital asset. **NA**
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **NA**
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **NA**

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). **NA**

For and on Behalf of the Board

Dated: 13.08.2021

Place: Baddi

Sd/-
Vijay Aggarwal
Chairman
DIN: 00094141

ANNEXURE-C
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

- Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable
- Details of material contracts or arrangement or transactions at arm's length basis:

i)	Name of the related party :	Globe Precision Industries Pvt. Ltd.	
	Nature of Relationship :	Mr. Vijay Aggarwal, Managing Director and Mr. Rajiv Aggarwal, Joint Managing Director of the Company are relatives of the Directors of the said Company.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods, Fixed Assets, Job Work charges paid and received.	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		29.07.2020	1 year [01.04.2020 to 31.03.2021]
iv)	Salient terms of contracts or arrangements :	As per arrangement made and mutually agreed between the Parties.	
v)	Value of transactions undertaken during the year.	<ol style="list-style-type: none"> Purchase of Goods : ₹ 376.81 Lakhs Sales of Goods : ₹ 4374.74 Lakhs Job Work Charges Paid: ₹ 27.60 Lakhs Job Work Charges Received: ₹ 112.08 Lakhs Sale of Fixed Assets: ₹ 48.83 Lakhs Purchase of Fixed Asset: ₹ 18.97 Lakhs 	
vi)	Amount paid in advance, if any :	No advanced is paid.	

i)	Name of the related party :	Himachal Shots & Metals Pvt. Ltd.	
	Nature of Relationship :	Mr. Vijay Aggarwal, Managing Director and Mr. Rajiv Aggarwal, Joint Managing Director of the Company are relatives of the Directors of the said Company.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		29.07.2020	1 year [01.04.2020 to 31.03.2021]
iv)	Salient terms of contracts or arrangements :	As per arrangement made and mutually agreed between the Parties.	
v)	Value of transaction undertaken during the year.	<ol style="list-style-type: none"> Purchase of Goods : ₹ 46.07 Lakhs. Sale of Goods: ₹ 3.68 Lakhs. 	
vi)	Amount paid in advance, if any :	No advanced is paid.	

i)	Name of the related party :	Him Overseas	
	Nature of Relationship :	Mr. Vijay Aggarwal, Managing Director and Mr. Rajiv Aggarwal, Joint Managing Director of the Company are relatives of the partners of the said Firm.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods, Fixed Assets, Job Work charges	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		29.07.2020	1 year [01.04.2020 to 31.03.2021]
iv)	Salient terms of contracts or arrangements :	As per arrangement made and mutually agreed between the Parties.	
v)	Value of transaction undertaken during the year.	<ol style="list-style-type: none"> Purchase of Goods : ₹ 1.56 Lakhs Sales of Goods : ₹ 0.39 Lakhs Job Work Charges paid: ₹ 0.10 Lakhs Job Work Charges Received: ₹ 0.24 Lakhs Sale of Fixed Assets: ₹ 0.15 Lakhs 	
vi)	Amount paid in advance, if any :	No advanced is paid.	

i)	Name of the related party :	Mr. Manan Aggarwal	
	Nature of Relationship :	Mr. Manan Aggarwal is son of Mr. Vijay Aggarwal, Managing Director of the Company.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods, Fixed Assets, Job Work charges	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		29.07.2020	1 year [01.04.2020 to 31.03.2021]
iv)	Salient terms of contracts or arrangements :	As per arrangement made and mutually agreed between the Parties.	
v)	Value of transaction undertaken during the year.	1. Short Term Benefit: ₹ 15.50 Lakhs.	
vi)	Amount paid in advance, if any :	No advanced is paid.	

i)	Name of the related party :	Mr. Mrinal Aggarwal	
	Nature of Relationship :	Mr. Mrinal Aggarwal is son of Mr. Vijay Aggarwal, Managing Director of the Company.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods, Fixed Assets, Job Work charges	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		29.07.2020	1 year [01.04.2020 to 31.03.2021]
iv)	Salient terms of contracts or arrangements :	As per arrangement made and mutually agreed between the Parties.	
v)	Value of transaction undertaken during the year.	1. Short Term Benefit: ₹ 11.25 Lakhs.	
vi)	Amount paid in advance, if any :	No advanced is paid.	

i)	Name of the related party :	Mr. Aditya Aggarwal	
	Nature of Relationship :	Mr. Aditya Aggarwal is son of Mr. Rajiv Aggarwal, Joint Managing Director of the Company.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods, Fixed Assets, Job Work charges	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		29.07.2020	1 year [01.04.2020 to 31.03.2021]
iv)	Salient terms of contracts or arrangements :	As per arrangement made and mutually agreed between the Parties.	
v)	Value of transaction undertaken during the year.	1. Short Term Benefit: ₹ 8.86 Lakhs.	
vi)	Amount paid in advance, if any :	No advanced is paid.	

For and on Behalf of the Board

Dated: 13.08.2021
Place: Baddi

Sd/-
Vijay Aggarwal
Chairman
DIN: 00094141

ANNEXURE - D

Disclosure in the Board's Report under Rule 5 of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

	Name of Directors and KMPs	The Ratio of the remuneration of each Directors to the median remuneration of the employees of the Company for the financial year 2020-2021	The Percentage increase in remuneration of each Directors, and KMPs, if any in the financial year 2020-2021	
(i)	Mr. Vijay Aggarwal [Managing Director]	60.91	1.04	
	Mr. Rajiv Aggarwal [Joint Managing Director]	57.96	-0.72	
	Mr. Aditya Aggarwal [CFO]	-	-	
	Mr. Abhishek Misra [Company Secretary]		3.99	
(ii)	Percentage increase in the median remuneration of employees in the financial year 2020-2021 compared to 2019-2020.		-9.15	
(iii)	Number of permanent employees on the rolls of the Company as on 31.03.2021.		1186	
	Average percentage increase in salaries of Employees other than managerial personnel.		-7.37	
(vii)	Comparison between average percentage increase in salaries of Employees other than managerial personnel in the last financial year and percentage increase in the Managerial Remuneration. And Justification if there any exceptional circumstances for increase in Managerial Remuneration.	Avg % Increase in Managerial Remuneration.	Avg % increase in salaries of Employee other than managerial personnel.	
		0.17	-9.15	
(ix)	Key parameter for any variable component of remuneration availed by the Directors.		NA	
(x)	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year.		Nil	

Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as no employee is in receipt of the remuneration exceeding the limits specified in rule 5(2).

It is hereby affirm that the remuneration is as per the remuneration policy of the Company.

*Appointment of Mr. Aditya Aggarwal w.e.f 12.02.2021.

For and on Behalf of the Board

Dated: 13.08.2021

Place: Baddi

Sd/-
Vijay Aggarwal
 Chairman
 DIN: 00094141

ANNEXURE - E
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31st, 2021

[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,
Him Teknoforge Limited
(Previously known as GUJARAT AUTOMOTIVE GEARS LIMITED)
Village Billanwali, Baddi, Solan
Himachal Pradesh – 173205, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Him Teknoforge Limited (Previously known as Gujarat Automotive Gears 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 authorised 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 March 31st, 2021 (audit period) 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 for the financial year ended on March 31st, 2021 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;
- (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; (Not applicable to the Company during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
 - (i) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Listing Regulations)

(vi) As informed to us the following other laws specifically applicable to the Company are as under:

1. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
2. The Factories Act, 1948
3. The Industrial Employment (Standing Orders) Act, 1946
4. The Maternity Benefit Act, 1961
5. The Minimum Wages Act, 1948
6. The Payment of Wages Act, 1936
7. The Negotiable Instruments Act, 1881
8. The Payment of Gratuity Act, 1972
9. The Workmen's Compensation Act, 1922
10. The Contract Labour (Regulation & Abolition) Act, 1970
11. The Industrial Disputes Act, 1947
12. The Payment of Bonus Act, 1965
13. The Employment Exchange Act, 1959
14. The Apprentices Act, 1961
15. The Equal Remuneration Act, 1976
16. The Employees' State Insurance Act, 1948
17. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In respect of above laws specifically applicable to the Company, we have relied on information /records produced by the Company during the course of our audit on test check basis and limited to that extent, the Company has complied with the above laws applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange.

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

We further report that the Board of Director of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Following is the details of appointment and cessation/resignation of Directors in the year under review:

Sr. No.	Name of the Director	Nature	Date of Appointment	Designation
1	BASKARAN KESAVAREDDIYAR	Cessation	31/07/2020	Nominee Director
2	RAVIKANT DHAWAN	Cessation	28/09/2020	Independent Director
3	RAJENDRA PRASAD SINHA	Cessation	28/09/2020	Independent Director
4	SANJAY KUMAR	Appointment	01/08/2020	Nominee Director
5	KULDIP NARAIN GUPTA	Appointment	26/12/2020	Additional Independent Director
6	KIRAN RAGHUVINDER SINGH	Appointment	26/12/2020	Additional Independent Director

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

All the decisions at the Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and committees, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Dinesh Mehta & Co.
Company Secretaries

Sd/-
Dinesh Mehta
Proprietor

C.P. No. 2127

UDIN: F008419C000620734

Date: 13.07.2021

Place: Vadodara

**Secretarial Compliance Report of
Him Teknoforge Limited
(Previously known as GUJARAT AUTOMOTIVE GEARS LIMITED)
for the year ended March 31st, 2021**

To,
The Board of Directors,
Him Teknoforge Limited
(Formerly known as GUJARAT AUTOMOTIVE GEARS LIMITED)
Village Billanwali, Baddi, Solan
Himachal Pradesh – 173205.

I, Dinesh Mehta, Proprietor of M/s. Dinesh Mehta & Co, Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended on March 31st, 2021 ("Review Period") in respect of compliance with the provisions of :
 - a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - Not applicable as there was no issue of capital during the review period.
- c. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - Not applicable as there was no buyback of securities during the review period.
- e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - Not applicable as there was no Share Based Employee Benefits during the review period.
- f. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable as there was no issue and listing of debt securities during the review period.
- g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; -Not applicable as there was no issue and listing of non-convertible and redeemable preference shares during the review period.
- h. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i.(other regulations as applicable)

and circulars/ guidelines issued thereunder;

and based on the above examination, I/We hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
	NIL	NIL	NIL

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any
	NIL	NIL	NIL	NIL

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... <i>(The years are to be mentioned)</i>	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	NIL	NIL	NIL	NIL

- (e) As the statutory auditor of the Company has not resigned during the financial year 2020-21, clause 6A and 6B of the Circular No. CIR/CFD/CMD1/114/2019 dated October 18th, 2019 issued by SEBI are not applicable.

Note: On account of the COVID 19 Pandemic situations prevailing everywhere and based on the guidelines issued by the Institute of Company Secretaries of India (ICSI), we conducted the audit of secretarial compliance under Regulation 24A of the Securities and Exchange Board of India (LODR) Regulations, 2015 by way of distant / remote / e-audit process and reviewed all the required documents and records pertaining to the period April 1st, 2020 to March 31st, 2021 through virtual data sharing.

Dinesh Mehta & Co.
Company Secretaries

Sd/-
Dinesh Mehta
FCS No.8419
C. P. No. 2127
UDIN: F008419C000456636

Date: 14.06.2021
Place: Vadodara

Note:

- Provide the list of all the observations in the report for the previous year along with the actions taken by the listed entity on those observations.
- Add the list of all observations in the reports pertaining to the periods prior to the previous year in case the entity has not taken sufficient steps to address the concerns raised/ observations.

E.g. In the report for the year ended March 31st, 2021, the PCS shall provide a list of:

- all the observations in the report for the year ended March 31st, 2020 along with the actions taken by the listed entity on those observations.*
- the observations in the reports pertaining to the year ended March 31st, 2020 and earlier, in case the entity has not taken sufficient steps to address the concerns raised/ observations in those reports.)*

ANNEXURE - F

CORPORATE GOVERNANCE REPORT

**To,
The Members,
Him Teknoforge Limited (Formerly Known as Gujarat Automotive Gears Limited)**

(Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

As a Corporate citizen, our business fosters a culture of ethical behavior and fair disclosures, which aims to build trust of our Stakeholders. The Company has established systems and procedures to ensure that its Board is well-informed and well-equipped to fulfill its overall responsibilities and to provide the management with the strategic direction needed to create long-term shareholders value.

Good corporate governance ensures corporate success and economic growth. Strong corporate governance maintains investors' confidence, as a result of which, Company can raise capital efficiently and effectively. The Company's governance framework is based on the appropriate composition and size of the Board with each member having their own expertise in their respective domains. It also includes timely disclosure of all material information to Stakeholders.

As a part of its growth strategy, the Company believes in adopting the 'best practices' in the area of Corporate Governance across various geographies. Effective and transparent corporate governance guarantees that your Company is managed and monitored in a responsible manner to focus on value creation.

Company's Philosophy on Code of Governance:

Corporate governance philosophy of the Company is based on appropriate size and composition of the Board with each Director bringing in key expertise in different areas, systematic information flow to the Directors to enable them to effectively discharge their fiduciary duties, ethical business conduct by the management and employees, appropriate systems and processes for internal controls on all operations, risk management and financial reporting and timely and accurate disclosure of all material operational and financial information to the stakeholders.

Company is fully committed to practice sound Corporate Governance and uphold the highest standards in conducting business. We believe that an active, well-informed and independent Board is necessary to ensure highest standards of Corporate Governance. A report on the matters and the practices followed by the Company is detailed herein below:

Composition of the Board of Directors as on March 31st, 2021:

Sr. No.	Name of Director	DIN	Designation	No. of Shares held
1.	Mr. Vijay Aggarwal	00094141	Managing Director	746033
2.	Mr. Rajiv Aggarwal	00094198	Joint Managing Director	990306
3.	Mr. Pradeep Kumar	03052477	Non-Executive Independent Director	0
4.	Mr. Purshotam Lal Sharma	03509280	Non-Executive Independent Director	0
5.	Mr. Kuldip Narain Gupta.	02315331	Non-Executive Additional Independent Director	0
6.	Mrs. Kiran Raghuvinder Singh	09008800	Non-Executive Additional Independent Director	0
7.	Mr. Sanjay Kumar	08805058	Nominee Director	0
8.	Mrs. Bhavana Rao	00956209	Nominee Director	0

1. Board of Directors:

As on March 31st, 2021, The Board has eight (8) members comprising of Six (6) Non-Executive Directors out of which four (4) Independent Directors, two (2) Nominee Directors one of which is Woman Director and two (2) Executive Directors. The majority of Board members are Non-Executive Independent Directors as per the requirement of Regulation 17 of SEBI (LODR) Regulations, 2015.

All the Directors have informed to your Company periodically about their Directorship and membership on the Board / Committees of the other Companies. As per disclosure received from Director(s), none of the Director(s) holds membership in more than ten (10) Committees and Chairmanship in more than five (5) Committees.

The details of the composition, nature of directorship, the number of meetings attended and the directorships in other Companies as at March 31st, 2021 are detailed herein below:

Name of the Director	Category	No. of Board Meetings held and attended during the year		Attendance at Last AGM held on 27.10.2020	*No. of other directorships and committee memberships/ chairmanships		
		Held	Attended		Other directorships*	Committee Memberships**	Committee Chairmanships**
Mr. Vijay Aggarwal	Managing Director	5	5	Yes	0	0	0
Mr. Rajiv Aggarwal	Joint Managing Director	5	5	Yes	0	2	0
Mr. Pradeep Kumar	Independent Director	5	5	Yes	0	2	0
Mr. Purshotam Lal Sharma	Independent Director	5	5	Yes	0	2	2
Mr. Kuldip Narain Gupta	Independent Director	5	1	No	0	0	0
Mrs. Kiran Raghuvinder Singh	Independent Director	5	1	No	0	0	0
Mr. Sanjay Kumar	Nominee Director	5	4	No	0	0	0
Mrs. Bhavana Rao	Nominee Director	5	5	Yes	0	0	0

*Other Directorships does not include Directorships of Private limited companies, Companies formed under section 8 of the Companies Act, 2013 and foreign companies.

**Chairmanship/ Membership of Board Committees include only Audit Committee and Stakeholders Relationship Committee as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

Mr. Rajiv Aggarwal & Mr. Vijay Aggarwal are related Directors.

Number of Board Meetings held during the year 2020-2021:

Name of the Director	Category of the Director	Date of Board Meeting and attendance				
		29.07.2020	15.09.2020	12.11.2020	26.12.2020	12.02.2020
Mr. Vijay Aggarwal	Managing Director	✓	✓	✓	✓	✓
Mr. Rajiv Aggarwal	Joint Managing Director	✓	✓	✓	✓	✓
Mr. Pradeep Kumar	Independent Director	✓	✓	✓	✓	✓
Mr. Purshotam Lal Sharma	Independent Director	✓	✓	✓	✓	✓
Mr. Kuldip Narain Gupta*	Independent Director	-	-	-	-	✓
Mrs. Kiran Raghuvinder Singh**	Independent Director	-	-	-	-	✓
Mr. Sanjay Kumar***	Nominee Director	-	✓	✓	✓	✓
Mrs. Bhavana Rao	Nominee Director	✓	✓	✓	✓	✓

* Mr. Kuldip Narain Gupta was appointed w.e.f 26.12.2020.

**Mrs. Kiran Raghuvinder Singh was appointed w.e.f 26.12.2020.

*** Mr. Sanjay Kumar was appointed w.e.f 01.08.2020.

Confirmation as required under part C of schedule V of SEBI (LODR) Regulations:

- A. The Board of Directors confirm that the independent directors fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 and are independent of the management of the Company. Further, the Board has obtained a certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

B. The list of core skills/expertise/competencies required under sub-clause h of clause 2 of part C of schedule V of SEBI (LODR) Regulations:

The Board of Directors of the Company comprises the expertise in the following skill areas:

Name of the Directors	Skill Area	Description
Mr. Vijay Aggarwal Mr. Rajiv Aggarwal	Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities.
Mr. Vijay Aggarwal Mr. Rajiv Aggarwal Mr. Purshotam Lal Sharma Mr. Pradeep Kumar	Policy Development	Ability to identify key issues and opportunities for the Company and develop appropriate policies to define the parameters within which the organisation should operate.
Mr. Rajiv Aggarwal Mr. Pradeep Kumar Mr. Purshotam Lal Sharma	Governance, Risk and Compliance	Experience in the application of corporate governance principles as per law. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance. Experience in the appointment and evaluation of a CEO and senior executive managers
Mr. Rajiv Aggarwal Mr. Pradeep Kumar Mr. Sanjay Kumar	Financial Performance	Qualifications and experience in accounting and/or finance and the ability to: Analyse key financial statements; Critically assess financial viability and performance; Contribute to strategic financial planning; Oversee budgets and the efficient use of resources; Oversee funding arrangements and accountability
Mr. Vijay Aggarwal Mr. Rajiv Aggarwal	Government Relations (policy & process)	Experience in managing government relations and industry advocacy strategies.
Mr. Vijay Aggarwal Mr. Rajiv Aggarwal	Marketing & Communications	Knowledge of and experience in marketing the product of the Company. Experience in, or a thorough understanding of, communication with industry groups and/or end users through a range of relevant communication channels.
Mr. Vijay Aggarwal Mr. Rajiv Aggarwal Mr. Purshotam Lal Sharma	Member and stakeholder engagement	High level reputation and established networks and the ability to effectively engage and communicate with key stakeholders.
Mr. Vijay Aggarwal Mr. Rajiv Aggarwal Mr. Purshotam Lal Sharma	Commercial Experience	A broad range of commercial/business experience, preferably in the small to medium enterprise context, in areas including communications, marketing, branding and business systems, practices and improvement.
Mr. Rajiv Aggarwal Mr. Purshotam Lal Sharma	Legal	Qualification and experience in legal practice with emphasis on: Commercial laws, Employment laws, Health & Safety legislations
Mr. Rajiv Aggarwal Mr. Purshotam Lal Sharma	Human Resource Management	Qualification and experience in human resource management with an understanding of: Engineering Industry Employment laws
Mr. Vijay Aggarwal Mr. Purshotam Lal Sharma	Information Technology/ Digital Skills	Qualification and experience in Information Technology and/or Digital industries with an ability to apply new technology to the Company.

Detailed reasons for the resignation of Independent Directors as required under sub-clause j of clause 2 of part C of schedule V of SEBI (LODR) Regulations:

Not applicable as no Independent Directors has resigned during FY 2020-2021. However, during the year 2020-2021 Mr. Ravikant Dhawan and Mr. R.P Sinha, were relieved w.e.f 28.09.2020 on expiration of their 2nd term as Independent Director of the Company.

2. Committees of the Board:

Recognising the immense contribution that committees make in assisting the Board of Directors in discharging its duties and responsibilities and with a view to have a close focus on various facets of the business, the Board has constituted the following seven (7) Committees of the Board.

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders' Relationship Committee
- iv. CSR Committee
- v. Share Transfer Committee
- vi. Stakeholder Grievance Committee
- vii. POSH Committee

(i) Audit Committee:

The terms of reference:

Role of the Audit Committee is in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 18 of the SEBI (LODR) Regulations, 2015 and includes:

1. Overseeing the Company's financial reporting process;
2. Approval or any subsequent modification of transactions of the Company with related parties;
3. Reviewing the financial statements and the adequacy of internal audit;
4. Periodic discussions with the Internal Auditors and the Statutory Auditors about their scope of audit and adequacy of internal control systems;
5. To evaluate the Company's internal financial control and risk management system;
6. To recommend appointment/ re-appointment of Statutory Auditors and also review and monitor the auditor's independence and performance and effectiveness of audit process.

The Audit Committee of the Company meets as per criteria laid down under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

Composition as well as Attendance of Audit Committee:

Name	Category	Status	No. of Meetings entitled to attend	No. of Meetings Attended
Mr. Purshotam Lal Sharma	Chairman	Member	5	5
Mr. Rajiv Aggarwal	Joint Managing Director	Member	5	5
Mr. Pradeep Kumar	Independent Director	Member	5	5

During the year from 01.04.2020 to 31.03.2021 the Audit Committee met five (5) times on 29.07.2020, 15.09.2020, 12.11.2020, 26.12.2020 and 12.02.2021.

(ii) Nomination and Remuneration Committee: The terms of reference:

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Company has constituted a Nomination & Remuneration Committee of the Board. All members of the Committee are Non-Executive and Independent Directors. The terms of reference of the Committee inter alia, include:

1. 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;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. 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;
4. Oversee familiarisation programs for directors.

Composition as well as Attendance of Nomination and Remuneration Committee:

Name	Category	Status	No. of Meetings Attended
Mr. Purshotam Lal Sharma	Independent Director	Chairman	2/2
Mr. Pradeep Kumar	Independent Director	Member	2/2
Mr. Kuldip Narain Gupta	Independent Director	Member	1/2

During the year from 01.04.2020 to 31.03.2021 the Nomination & Remuneration Committee met Two (2) time on 26.12.2020 and 12.02.2021.

The committee was reconstituted on 26.12.2020

The policy formulated by Nomination and Remuneration Committee:

The terms of reference of the committee inter alia include succession planning for Board of Directors and Senior Management Employees, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria, identifying potential individuals for appointment of Key Managerial personnel and other senior managerial position and review the performance of the Board of Directors and Senior Management personnel including Key managerial personnel based on certain criteria approved by the Board. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talents, remuneration commensurate with the performance of individual/group and also maintains a balance between both short and long term objectives of the Company.

Performance Evaluation Criteria of selection of Independent Directors:

- a. The Independent Directors shall be of high ethical standards and integrity with relevant expertise, experience and particular skills that will complement Board effectiveness.
- b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall determine and fulfils the criteria of independence, in accordance with the provisions stipulated under the Companies Act, 2013 as well as SEBI (LODR) Regulations, 2015.
- c. To aid determination, every Independent Director shall, on appointment and subsequently on an annual basis submit to the Board a declaration on his/her independence.
- d. The Nomination and Remuneration Committee shall consider the following criteria while recommending to the Board the candidature for appointment as Director:
 - Professional qualification, appropriate experience and the ability to exercise sound business judgment;
 - An ability and willingness to challenge and probe;
 - Strong interpersonal skills and a willingness to devote the required time;
 - A position of leadership or prominence in a specified field.
- e. The Nomination and Remuneration Committee shall ensure that the Director to be appointed is not disqualified for appointment under Section 164 of the Companies Act, 2013.
5. The Company has not made any payments to its non-executive director except sitting fees for attending Board of Directors Meeting during the financial year 2020-2021.

(iii) Stakeholders' Relationship Committee:

In compliance with Section 178 of the Companies Act, 2013 and Regulation 20 and Schedule II, Part D of the SEBI (LODR) Regulations, 2015, a Stakeholders' Relationship Committee of the Board has been constituted. The Committee considers redressal of Investors' complaints/grievances. It also considers matters concerning complaints regarding transfer of shares, non-receipt of dividends and Annual Report, dematerialisation of share certificates, etc.

Composition as well as attendance of Stakeholders' Relationship Committee:

Stakeholders Relationship Committee comprises of the following Directors of the Board.

Name	Category	Status	No. of Meetings Attended
Mr. Purshotam Lal Sharma	Independent Director	Chairman	1/1
Mr. Pradeep Kumar	Independent Director	Member	1/1
Mr. Rajiv Aggarwal	Jt. Managing Director	Member	1/1

The Committee met once on 12.02.2021 during the year 01.04.2020 to 31.03.2021.

Details of investor complaints received and redressed during the year 2020-2021 are as follow:

Number of shareholders complaints received so far	Number of complaints not solved to the satisfaction of shareholders	Number of pending complaints
0	0	0

Corporate Social Responsibility Committee:

In compliance with the section 135 of the Companies Act, 2013 Corporate Social Responsibility (CSR) Committee of the Board has been constituted. The Committee recommend to the Board, Budget for CSR activities for the particular financial year, monitor the CSR activities undertaken by the Company. The whole details about the CSR committee and activities undertaken during the financial year 2020-2021 has been given in **Annexure-B**.

(v) Share Transfer Committee:

The Company has constituted the Share Transfer Committee to consider the matters relating to Share Transfer, Transmission and other matters of Shareholders.

Composition as well as attendance of Share Transfer Committee:

Share Transfer Committee comprises of the following Directors of the Board.

Name	Category	Status
Mr. Rajiv Aggarwal	Joint Managing Director	Chairman
Mr. Vijay Aggarwal	Managing Director	Member
Mr. Pradeep Kumar	Independent Director	Member

During the year from 01.04.2020 to 31.03.2021 the Share Transfer Committee had not met as there were no request received for transfer and transmission of shares.

(vi) Stakeholder's Grievance Committee:

The Company has constituted the Stakeholders' Grievance Committee to consider the matters relating to Queries/ Complaints/Issues related to Stakeholders':

Composition of Stakeholders' Grievance Committee:

Stakeholders' Grievance Committee comprises of the following members:

1. Mr. Purshotam Lal Sharma, Non-Executive Independent-Director, Chairperson.
2. Mr. Pradeep Kumar, Non-Executive Independent-Director.
3. Mr. Rajiv Aggarwal, Executive Director, Joint Managing Director.
3. Mr. Abhishek Misra, Compliance Officer, Manager Secretarial and Legal of the Company.

S. No.	Particular	Details
1.	Name of Non-Executive Director heading the committee	Mr. Purshotam Lal Sharma
2.	Name and Designation of Compliance Officer:	Mr. Abhishek Misra designated as Manager - Secretarial and Legal of the Company.
3.	Number of Shareholders' Complaints received so far	Nil
4.	Number not solved to the satisfaction of shareholders	Nil

3. Means of Communication:

- (a) **Quarterly Results:** 29.07.2020, 15.09.2020, 12.11.2020 and 12.02.2021.
- (b) **Newspaper wherein results normally published:** Financial Express (English) and Jan Satta (Hindi).
- (c) **Website:** www.gagl.net
- (d) **Whether it also displays official news release:** No.
- (e) **Presentation made to Institutional Investor or to the analyst:** No.

4. Remuneration of Directors during the FY 2020-2021: (₹ In Lakhs)

Sr. No.	Name of Director	Designation	Remuneration
1.	Mr. Vijay Aggarwal	Managing Director	52.50
2.	Mr. Rajiv Aggarwal	Joint Managing Director	48.80

Remuneration to Key Managerial Personal during FY 2020-2021 (₹ In Lakhs)

Sr. No.	Name of Director	Designation	Remuneration
1.	Mr. Shailesh Gandhi*	Chief Financial Officer	2.38
2.	Mr. Aditya Aggarwal**	Chief Financial Officer	8.86
3.	Mr. Abhishek Misra	Company Secretary	4.37

* Remuneration paid to Mr. Shailesh Gandhi is for the part of the year as he was relieved w.e.f 17.09.2020.

**Remuneration paid to Mr. Aditya Aggarwal is for the part of the year as the appointment was made w.e.f 12.02.2021.

5. General Body Meetings:

Details of Annual General Meetings (AGM) held during the last three financial years:

AGM No.	Date	Time	Location
47 th AGM	29.09.2018	11.30 a.m.	Village Billanwali, Baddi, Himachal Pradesh-173205.
48 th AGM	28.09.2019	11.30 a.m.	Village Billanwali, Baddi, Himachal Pradesh-173205.
49 th AGM	27.10.2020	11.30 a.m.	Held through video conferencing mode

Details of Special Resolutions passed in the previous three AGM:

Sr. No.	Particulars
	At the 47th AGM
1	Appointment of Mr. Vijay Aggarwal (DIN: 00094141) as Managing Director of the Company.
2	Re- Appointment of Mr. Rajiv Aggarwal (DIN: 00094198) as Joint Managing Director of the Company.
	At the 48th AGM
1	Increase in Remuneration of Mr. Rajiv Aggarwal (DIN: 00094198), Joint Managing Director of the Company.
2	Appointment of Mr. Pradeep Kumar (DIN: 03052477) as an Independent Director.
3	Appointment of Mr. Purshotam Lal Sharma (DIN: 03509280) as an Independent Director.
	At the 49th AGM
	NIL

Detail of special resolution passed through postal ballot:

No Special resolutions were passed through Postal Ballot in FY 2020-2021.

6. General Shareholders Information:

[A]	Annual General Meeting Day and Date Venue	50 th Annual General Meeting Tuesday, September 28th, 2021 Time 11.30 a.m. Through Video Conferencing.
[B]	Financial Calendar	From April 1st, 2021 to March 31st, 2022 1 st Quarterly Result – By May 15th, 2021 2 nd Quarterly Result – By November 15th, 2021 3 rd Quarterly Result – By February 15th, 2021 Audited Results for the year ended on March 31st, 2022 on May 30th, 2022. Note: The dates may get changed due to current scenario prevailing around the world due to Novel Corona Virus (Covid 19).
[C]	Dividend payment date which was declared at previous AGM	November 7th, 2020 declared at AGM October 27th, 2020.
[D]	Name and Address of Stock Exchange	BSE Limited, Phiroze Jee Jeebhoy Towers, Dalal Street, Mumbai-400 023.
[E]	ISIN Code	INE705G01021

[F] Monthly high, low prices and number of shares traded from April, 2020 to March, 2021 on the BSE Limited are as follows:

Month	High (₹)	Low (₹)	No. of Shares traded
April-20	42.05	22.75	34270
May-20	36.75	27.30	18617
June-20	41.00	32.15	39822
July-20	49.60	33.05	78677
August-20	68.75	35.10	93312
September-20	64.90	45.10	27212
October-20	56.55	44.10	24675
November-20	62.60	44.25	25369
December-20	66.00	52.35	21640
January-21	77.15	60.70	23206
February-21	105.80	61.05	78197
March-21	98.90	70.10	29796

[G]	Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.	As mentioned Above.
[H]	In case the Securities are suspended from trading, the directors report shall explain the reason thereof:	The Securities are not suspended from trading. So no disclosures are mentioned explaining the reasons thereof.
[I]	Registrar and Transfer Agents:	MCS SHARE TRANSFER AGENT LIMITED 1 st Floor, Neelam Appartment, 88 Sampatrao Colony, Above Chapanbhog Sweet, Alkapuri, Vadodara – 390021 Tel No : 0265-2314757, Email Id : mcsltdbaroda@gmail.com

[J] Share Transfer System:	The Company's Shares are traded on Bombay Stock Exchange compulsorily in dematerialised mode. Share Transfer requests, which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being in order and complete in all aspects.
[K] Distribution of Shareholding as on March 31st, 2021 :	Annexed with Corporate Governance Report.
[L] Dematerialisation of Share and Liquidity:	99.38% of the paid-up capital of the Company is in dematerialised form as on March 31st, 2021..
[M] Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion date and likely impact on equity:	NIL
[N] Commodity price risk or Foreign exchange risk and hedging Risk Commodity Price Risk Foreign Exchange risk and hedging activities	Mentioned below: Risk of Price fluctuation on basic raw materials as well as finished goods used in the process of manufacturing. Any volatility in the currency market can impact the overall profitability.
[O] Plant Locations:	<ol style="list-style-type: none"> 1. Forging Division, Manpura, Distt. Solan (HP) 2. Gear Division, Village Billanwali, Baddi, Dist. Solan (HP) 3. Plot No. 30, HPSIDC Industrial Area- I, Baddi, Dist. Solan (HP) 4. Plot No. 264-268, MPKVAN, Industrial Area-I, Pithampur, Dist. Dhar (MP) 5. Plot No. 95-100, MPKVAN, Industrial Area-II, Pithampur, Dist. Dhar (MP) 6. 345 A, Padra Jambusar Road, Village Gametha, Tal Padra, Dist. Vadodra (Gujarat)
[P] Address for Correspondence:	Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited) Regd. Off: Village Billanwali, Baddi, Distt: Solan, Himachal Pradesh 173 205.
[q] List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or Abroad.	This clause is not applicable to Company as the Company do have not any debt instruments or issued during the financial year 2020-2021.

7. Other Disclosures:

(a) Disclosures on materially significant related party transactions i.e. Transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large	As per Annexure-B
(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets during the last three years	During the financial year 2020-2021, no penalty has been imposed by BSE on the Company. However, during the financial year 2018-19, Company has paid the Penalty of ₹ 4,60,000 (excl. Taxes) for Non-Compliance with Regulation 17(1) of SEBI(LODR) Regulation, 2015

(c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee	<ul style="list-style-type: none"> • Whistle Blower Policy: The Company has adopted whistle blower policy. • There was no instance of denying access to Audit Committee by any personnel.
(d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements	<ul style="list-style-type: none"> i. The Company has complied with all mandatory requirements and the Company has not adopted any non-mandatory requirements. ii. The Managing Director has signed declaration stating that members of the Board of Directors and senior management personnel have affirmed compliance with code of conduct of Board of Directors and senior management as required as per para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 iii. The Managing Director and CFO have given appropriate certification as required under regulation 17(8) read with Schedule II part B of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the Board of Directors
(e) Web link where policy for determining material subsidiaries is disclosed	Not applicable as there is no subsidiary Company of the Company.
(f) Web link where policy on dealing with related party transactions	www.gagl.net
(g) Disclosure of commodity price risks and commodity hedging activities	Risk of price fluctuation on basic raw materials as well as finished goods used in the process of manufacturing.
(h) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).	Not Applicable
(i) A certificate from a Company secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.	Certificate attached with the Corporate Governance Report
(j) Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.	NIL

(k)	Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.	Total fees paid to the statutory auditor during the FY 2020-2021: ₹ 6.50 Lakhs plus taxes Bifurcation of the same is as under: Audit fees: ₹ 5.00 Lakhs Taxation Matters: ₹ 1.00 Lakhs Limited Review : ₹ 0.50 Lakhs
(l)	Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: Mentioned Below:	NIL
	a. Number of complaints filed during the financial year	NIL
	b. Number of complaints disposed of during the financial year	NIL
	c. Number of complaints pending as at end of the financial year.	

8. Non-Compliance of any requirement of Corporate Governance report of sub-paras (1) to (8) above, with reasons thereof shall be disclosed:

The Company during the financial 2020-2021 has not made any non compliance of corporate governance report of sub-paras (2) to (10) above

9. The Company has not adopted any discretionary requirements as specified in Part E of Schedule II.

10. 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 are made in this corporate governance report which is a part of the Annual Report.

11. Distribution Schedule as on March 31st, 2021:

Range	Shares	Folios	% Shares	% Holders
1-500	314215	2507	3.9946	88.3680
501-1000	124737	157	1.5858	5.5340
1001-2000	113760	80	1.4462	2.8199
2001-3000	82344	33	1.0468	1.1632
3001-4000	52527	15	0.6678	0.5287
4001-5000	42531	9	0.5407	0.3172
5001-10000	87752	13	1.1156	0.4582
10001-50000	173983	8	2.2118	0.2820
50001-100000	267898	4	3.4058	0.1410
And Above	6606269	11	83.9849	0.3877
Total	7866016	2837	100	100

Position of Shares as on March 31st, 2021:

The Percentage of Shares held in NSDL (94.08%), CDSL (5.30%) and in Physical Form (0.62%).

13. Web Link for details of familiarisation programme imparted to Independent Directors:

The link for the familiarisation programme <https://www.gagl.net/pdf/policies/familiarisation-program-of-independent-directors-new.pdf>.

14. Disclosures with respect to demat suspense account / unclaimed suspense account:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	NIL
Number of shareholders to whom shares were transferred from the suspense account during the year	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL

15. Green Initiative

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to shareholders at their e-mail address registered with their Depository Participants (DPs)/ Company/Registrars & Transfer Agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with our Registrar and Transfer Agent i.e. M/s MCS Share Transfer Agent Limited, by sending a letter, duly signed by the first/sole holder quoting Folio No.

For and on behalf of the Board

Sd/-
Vijay Aggarwal
Chairman
DIN: 00094141

Dated: 13.082021

Place: Baddi

Distribution of Shareholding as on March 31st, 2021

S. No.	Description	No. of Equity Shares of ₹ 2/- each	%of shareholding
1.	Promoter & Promoter Group	4290989	54.55
Public Shareholding:			
2.	GOVT.	60675	0.77
3.	Public Non-Institutional	718468	9.13
4.	Other Bodies Corporate	959374	12.20
5.	NRI	22044	0.28
6.	Trust	1775148	22.57
7.	HUF	39318	0.50
TOTAL		7866016	100

CONFIRMATION ON CODE OF CONDUCT

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members

Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)

This is to confirm that the Board has laid down a code of conduct for Board of Directors and senior management of the Company. It is further confirmed that all Directors and senior management of the Company have affirmed compliance with the Code of Conduct of the Company as at March 31st, 2021, as envisaged in Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board

Dated: 13.08.2021
Place: Baddi

Sd/-
Vijay Aggarwal
Chairman
DIN: 00094141

CEO/CFO Certification

TO WHOM SO EVER IT MAY CONCERN

I, the undersigned, in my respective capacity as Chief Financial Officer of Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited) ("the Company") to the best of our knowledge and belief certify that:

- A. I have reviewed the financial statements and the cash flow statement for the year ended on March 31st, 2021 and that to the best of my knowledge and belief:
 1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit Committee:
 1. Significant changes in internal control over financial reporting during the year;
 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which I become aware and the involvement therein if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Dated: 13.08.2021
Place: Baddi

Sd/-
Aditya Aggarwal
Chief Financial Officer

Certificate on Compliance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
Him Teknoforge Limited.
(Previously Known as Gujarat Automotive Gears Limited),
Village: Billanwali, Baddi - 173205
District: Solan (HP)

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, for the financial year ended on March 31st, 2021.

The compliance of conditions on Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions on the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review and the information and explanations given to us by the Company.

Based on such review, in our opinion, the Company has complied with the conditions on Corporate Governance, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

For Dinesh Mehta & Co.
Company Secretaries

Sd/-
[Dinesh Mehta]
Proprietor

C. P. NO. 2127

UDIN: F008419C000761041

Dated: 10.08.2021

Place: Baroda

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

Him Teknoforge Limited.

(Previously Known as Gujarat Automotive Gears Limited), Village: Billanwali, Baddi - 173205

District: Solan (HP)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Him Teknoforge Limited having CIN L29130HP1971PLC000904 and having registered office at Village: Billanwali, Baddi - 173205, District: Solan (HP), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31st, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

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

For Dinesh Mehta & Co. Company Secretaries

Sd/-

[Dinesh Mehta]

Proprietor

C. P. NO. 2127

UDIN: F008419C000761083

Dated: 10.08.2021

Place: Baroda

ANNEXURE - H

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

HIM Teknoforge Limited [Formerly known as Gujarat Automotive Gears Limited (GAGL)] is a leading name in the manufacture of auto and tractor components in domestic as well as international markets. With consistent commitment to superior quality and on the strength of robust performance of its products, HIM Teknoforge Limited has earned national and international acclaim and appreciation.

Our products include transmission gears, pins, axles, shafts, propeller shaft components, non-gears component, fork-lift parts, off-road parts and many more.

Global Economy

The landscape of the global automobile sector is undergoing a transformation. Intelligent mobility and ACES (trends in Autonomous, Connected, Electric and Shared technology) have disrupted business models of automotive companies.

The global automotive industry in 2020-21 witnessed a slowdown amidst these and other disruptions. The impact was further amplified with a sharp contraction in the world's largest auto market in China and implementation of WLTP (Worldwide harmonized Light duty vehicle Test Procedure) in Europe.

Automobile Industry - Structure & Development

India is considered to be the world's 4th largest automobile industry, ahead of Germany. It is on its way to becoming the 3rd largest, riding on rapid economic development, rising urbanisation, burgeoning middle class, supportive regulations and the Government's strong push for growth in the form of the Atmanirbhar Bharat and other initiatives.

The Government aims to develop India as a global manufacturing as well as a research and development (R&D) hub. It has set up National Automotive Testing and R&D Infrastructure Project (NATRIP) centres, as well as a National Automotive Board to act as facilitator between the Government and the industry.

The domestic automotive industry has been adopting new technology and capabilities in order to keep pace with the changing global landscape. The diversified nature of the domestic automotive industry not only provides scale, but also the risk-hedging ability to face market vagaries.

Opportunities and Threats

Opportunities

The industry is supported by factors such as the availability of low-cost skilled labour and low-cost steel production. India's automobile industry has the potential to generate up to \$ 300 billion in revenue by FY 2026, generating 65 million additional jobs and contributing over 12% to India's GDP.

The Government's push to develop India as a global manufacturing and R&D hub is also lending heavy support to the automobile sector.

India is fast being recognised as a hub for high-quality managerial talent too. Domestic players have been leveraging local talent for driving innovation through R&D centres, driving growth in the medium-to-long term. In the next few years, the automobile sector is expected to record robust growth, given the infrastructure push from the Government and schemes like PMGSY.

The opportunities generated by the disruptions are changing the competitive game for players willing to step beyond their traditional roles and engage with customers in a new and digital environment.

Threats

The presence of a large number of players, domestic as well as multinational, in the automobile industry, results in intense competition. Moreover, the Government of India's aim to propel the Indian Automotive Industry to be the engine of the "Make in India" programme will intensify competition as existing entities will have to compete with established as well as new entrants into the market, which enjoy some privileges under the "Make in India" initiative.

Segment-wise or Products-wise Performance

The operations of the Company are limited to one segment, namely automotive components.

Business Operations

The Company has fully functional units located in Vadodra-Gujarat, Baddi-Himachal Pradesh and Pithampur-Madhya Pradesh.

While it continues with its legacy of operational efficiency, factors such as technological advancements and product innovation continue to be its key drivers of differentiation. Enhanced productivity through retrofitting and refurbishing of machines and optimising efficiencies at various levels has enabled the Company to achieve an improved performance and gain a competitive edge.

The Company is investing substantially to upgrade its facilities. It has added CNC machines, the latest heat treatment facilities and state-of-the-art equipment to cater to its customer requirements. During the year under review, the Company installed two brand new CNC Screw Presses of 1,600 Tonne and 1,000 Tonne each to enter the warm forging space, along with a Cold Coining Press of 1,000 Tonne.

To further enhance its toolroom and standard room, the Company has also installed CNC Gear testing equipment and

multiple VMC machines. New Sealed Quench Furnaces have been added recently to further upgrade the heat treatment facilities. Furthermore, the Company even set up a brand new state-of-the-art facility for 100% exports in the Western parts of the country to further increase its export share of business.

Resource Upgradation

The Company has undertaken retrofitting and reconditioning of old conventional machines. This has significantly improved efficiency and considerably enhanced throughput. Besides, investments have been made to replace certain machines with state-of-the-art versions to increase productivity and reduce downtime.

Technology Upgradation

The Company has undertaken multiple efforts to upgrade its technological base. The plants have commissioned new machines in key areas like gear cutting, forging presses and heat treatment. These latest generation machines have boosted efficiency and the quality of output.

HIM Teknoforge Limited has upgraded its manufacturing capability by entering the warm forging space and developed the complete spider kit through warm forging, a technology which is available with very few companies in the country.

In a conscious decision to move towards green energy for its manufacturing facilities, your Company has set up two roof-top solar power plants, of 500kw and 175kw, for its facilities, located at Pithampur, MP and Vadodara, Gujarat respectively.

Outlook

Looking ahead, we plan to continue expanding our portfolio of Automotive products and strategically expand our design and manufacturing capabilities. We are also working specifically on developing our manufacturing capabilities.

In the area of manufacturing, we also envisage implementing

additional measures to improve processes and create transparency with the strategic introduction of modern systems. We are also working specifically on developing our manufacturing capabilities and processes to support further growth.

HIM Teknoforge continues to maintain its robust reputation among its clients and in the market for its products. The management is confident that with an improvement in the economic environment and further developments within the organisation, the ongoing investments will deliver the expected benefits. These developments will form the foundation for the Company's ability to tap into opportunities for continued expansion and positive development of the business over the next few years.

Risks & Concerns

Your Company regularly evaluates and reviews potential risks on account of various factors such as Government policies, uncertainties in the global economic environment, etc. Apart from these, the Company is exposed to changes in foreign exchange rates and commodity prices, competition, human resource risk and industrial safety, employee health and safety risks.

The management of your Company has put in place adequate risk management systems to minimise and/or eliminate the adverse impact, if any, of these risks. (For more details, please refer to Point 26 of the Board Report)

Internal Control Systems and their Adequacy

The Audit of Internal Control Systems is carried out by an independent firm of Chartered Accountants on a quarterly basis and corrective actions are taken where shortcomings are identified. The Internal Auditors submit their quarterly reports to the Audit Committee and the Board of Directors. All the fixed assets of the Company are physically examined and recorded at regular intervals.

Discussion on Financial Performance with Respect to Operational Performance

Your Company has achieved turnover of ₹ 23,889.48 Lakhs for the FY 2020-21 as against turnover of ₹ 22,311.27 Lakhs in the previous FY 2019-20. Further, the Company earned a profit of ₹ 513.90 Lakhs in the FY 2020-21 as compared to ₹ 324.63 Lakhs in FY 2019-20.

Particulars	Quarter Ended 30-06-2020	Quarter Ended 30-09-2020	Quarter Ended 31-12-2020	Quarter Ended 31-03-2021	Year Ended 31-03-2021
Income:					
(a) Revenue from Operations	2,559.44	5,754.73	7,073.90	8,501.40	23,889.48
(b) Other Income	7.09	37.95	71.17	134.84	251.04
Total Income from Operations	2,566.53	5,792.68	7,145.07	8,636.24	24,140.52
Profit / (Loss) before tax (3 +/- 4)	(373.38)	243.02	419.83	426.96	716.41
Total Comprehensive Income for the period (8 +/- 7)	(403.18)	212.83	379.69	345.46	534.79

Material Developments in Human resources/Industrial relations front, including number of people employed

We regard human resources as our most valuable asset and proactively review and evolve policies and processes to attract and retain good people. We also make continuous efforts to upgrade the knowledge and skills of our present employees. As new business challenges emerge, we will remain a learning organisation that supports operational excellence improvement and rising standards of performance at all levels. During the FY 2020-21, the total number of persons employed with us were 1,186.

Details of Significant Changes in Financial Ratios:

Details of significant changes as compared to the immediately previous financial year in key financial ratios, along with detailed explanations therefor, including:

Particulars	FY 2019-2020	FY 2020-2021
(i) Debtors Turnover	7.86	6.97
(ii) Inventory Turnover	15.93	13.73
(iii) Interest Coverage Ratio	1.86	2.06
(iv) Current Ratio	1.20	1.29
(v) Debt Equity Ratio	0.30	0.34
(vi) Operating Profit Margin (%)	26.62%	24.34%
(vii) Net Profit Margin (%)	1.39%	2.24%

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:

Particulars	FY 2019-2020	FY 2020-2021
Return on Net Worth	2.28%	3.72%

Disclosure of Accounting Treatment:

The financial statements for the year ended 31st March, 2021 have been prepared as prescribed in accounting standards and accounting policies and have been followed consistently. There is no change in treatment of the said accounting standards & accounting policies, therefore, no explanation by the management is required for the same.

For and on behalf of the Board

Dated: 13.08.2021
Place: Baddi

Sd/-
Vijay Aggarwal
Chairman
DIN: 00094141

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Him Teknoforge Limited
(Formerly known as Gujarat Automotive Gears Limited)

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)** ("the Company"), which comprise the Balance Sheet as at 31 March, 2021, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards)

Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2021, its profit and total comprehensive income, changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition:

Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of IndAS 115 "Revenue from Contracts with Customers"

Our audit procedures selected a sample of sales contracts/ sales orders and tested the effectiveness of the internal control relating to identification of the distinct performance obligations and determination of transaction price;

We conclude that revenue has been recognised in accordance with the revenue recognition policy and accounting standards.

Information Technology: Control Performance

The Key financial accounting and reporting processes are highly dependent on the automated controls over the Company's IT Systems. There is a risk that improper segregation of duties or user access management controls may undermine our ability to place some reliance thereon in our audit.

Our procedures included
 Evaluated sample of Key controls operating over the information in relation to financial accounting and reporting systems.

Our results:

We did not find any material deficiencies as per our analysis of reports emanating from IT systems on Financial Accounting and reporting

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprise the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Shareholders' information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows and changes in equity of the Company in accordance with Ind AS and other accounting principles generally accepted in India.

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.

The Board of Directors is responsible for overseeing the Company's reporting process.

Auditors' Responsibilities for the audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', 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 purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015 as amended.
- e) On the basis of the written representations received from the directors, as on 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal financial controls over financial reporting.
- g) In our opinion, the managerial remuneration for the year ended 31 March, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with schedule-V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No.37 to the standalone financial statements;
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivatives contracts;
 - iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For PRA ASSOCIATES
Chartered Accountants
FRN: 2355N

Sd/-
Deepak Gupta
Partner

Place: Chandigarh
Date: June 11, 2021

Membership No. 89597
UDIN: 21089597AAAACE6208

‘ANNEXURE A’ TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 of ‘Report on other Legal and Regulatory Requirements’ in our Report of even date on the accounts of Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited) for the year ended 31 March, 2021.

- i. (a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management in accordance with a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of accounts.
- iii. As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore sub clause (a) to (c) of clause 3(iii) are not applicable to the Company.
- iv. The Company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of investments made and guarantees provided for loans taken by others and section 185 of the Companies Act, 2013 is not applicable as there were no such loans, securities or guarantees provided during the year.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed thereunder to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has prescribed maintenance of cost records for the Company under sub section (1) of section 148 of the Companies Act, 2013 and such accounts have been made and maintained by the Company. However, no detailed examinations of such records and accounts have been carried out by us.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Customs Duty, Cess, Goods and Services Tax and other statutory dues applicable to it with the appropriate authorities. However minor delays were observed on deposit of goods and service tax in few cases. According to information and explanation given to us, no undisputed amount were in arrears as on 31 March, 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of Service Tax, Cess and Customs Duty which have not been deposited on account of any dispute. The disputed amounts that have not been deposited in respect of Value Added Tax, Income Tax, Sales Tax, Excise Duty are as under:

Sr. No.	Name of the Statute	Nature of Dispute	Amount (₹ in Lakhs)	Period to which dispute relates	Forum where dispute is pending
1	M. P. VAT Act, 2002 and Central Sales Tax Act, 1956	Sales tax demand	152.80	29.03.2004 to 31.03.2007	Honorable Supreme Court of India.
2	M. P. VAT Act, 2002 and Central Sales Tax Act, 1956	Sales Tax and Interest	4.07	2016-17	Commissioner of Commercial Taxes Appeal (Appeals)
3	M. P. VAT Act, 2002 and Central Sales Tax Act, 1956	CST	3.27	2015-16	Commissioner of Commercial Taxes Appeal (Appeals)

- viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions and banks during the year. The Company has not taken any loan or borrowing from government and has not issued debentures during the year.
- ix. The Company has not raised any money by way of public issue/ further offer (including debt instruments). Further money raised by term loans has been applied for the purpose for which it was raised.
- x. Based upon the audit procedures performed and information and explanation given by the management, we report that no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the nature of the activities of the Company does not attract any special statute applicable to a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the Indian Accounting Standards(Ind AS 24 "Related Party Disclosures") specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

For PRA ASSOCIATES
Chartered Accountants
FRN: 2355N

Sd/-
Deepak Gupta
Partner

Place: Chandigarh
Date: June 11, 2021

Membership No. 89597

ANNEXURE B' TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **HIM TEKNOFORGE LIMITED (Formerly known as Gujarat Automotive Gears Limited)** ("the Company") as of 31 March, 2021 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control

over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PRA ASSOCIATES
Chartered Accountants
FRN: 2355N

Sd/-
Deepak Gupta
Partner
Membership No. 89597

Place: Chandigarh
Date: June 11, 2021

Balance Sheet

as at 31 March, 2021

CIN: L29130HP1971PLC000904

(₹ in Lakhs)

Particulars	Note No.	As at 31 March, 2021	As at 31 March, 2020
ASSETS			
1) Non-Current Assets			
(a) Property, Plant and Equipment	3	14,277.44	14,023.93
(b) Right of Asset Use - Leasehold Land	4	37.43	42.92
(c) Capital work-in-progress	5	2.58	83.53
(d) Other Intangible Assets	6	1,018.87	1,317.75
(e) Financial Assets			
(i) Investments	7	0.69	0.29
(ii) Other Financials Assets	8	376.99	371.99
(f) Deferred Tax Assets (Net)	9	8.23	97.79
(g) Other non-current assets	10	134.47	53.04
Total Non-Current Assets		15,856.70	15,991.24
(2) Current Assets			
(a) Inventories	11	13,898.40	12,480.42
(b) Financial assets			
(i) Trade Receivable	12	4,546.93	2,715.63
(ii) Cash and Cash Equivalents	13	22.04	21.24
(iii) Bank Balances other than above	14	210.16	317.03
(iv) Other Financial Assets	15	62.54	54.17
(c) Other Current Assets	16	454.95	1,104.95
Total Current Assets		19,195.02	16,693.44
TOTAL ASSETS		35,051.72	32,684.68
EQUITY & LIABILITIES			
(1) Equity			
(a) Equity Share Capital	17	157.32	157.32
(b) Other equity	18	15,251.30	14,732.26
Total		15,408.62	14,889.58
LIABILITIES			
(2) Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	4,472.54	3,660.41
(b) Provisions	20	409.40	402.54
(c) Other Non-current Liabilities	21	19.64	22.03
Total Non- Current Liabilities		4,901.58	4,084.98
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	8,854.48	8,234.82
(ii) Trade Payables	23	3,116.29	3,448.25
(iii) Other Financial Liabilities	24	1,828.12	1,180.63
(b) Other Current Liabilities	25	838.86	748.01
(c) Provisions	26	95.89	98.41
(d) Current Tax Liabilities (Net)	27	7.88	-
Total Current Liabilities		14,741.52	13,710.12
TOTAL EQUITY & LIABILITIES		35,051.72	32,684.68

Summary of Significant Accounting Policies

2

The accompanying notes form an integral part of the financial statements

As per our report of even date

For PRA ASSOCIATES

Chartered Accountants

Firm Registration Number: 2355N

Sd/-

Deepak Gupta

Partner

Membership No. 89597

Place: Chandigarh

Date: 11th June, 2021

UDIN: 21089597AAAACE6208

Sd/-

Aditya Aggarwal

Chief Financial Officer

Sd/-

Abhishek Misra

Company Secretary

On behalf of the Board

Sd/-

Vijay Aggarwal

Managing Director

DIN: 00094141

Sd/-

Rajiv Aggarwal

Jt. Managing Director

DIN: 00094198

Statement of Profit and Loss

for year ended 31 March, 2021

CIN: L29130HP1971PLC000904

(₹ in Lakhs)

Particulars	Note No.	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Income			
Revenue from Operations	28	23,889.48	22,311.27
Other Income	29	251.04	442.02
Total Income		24,140.52	22,753.29
Expenses			
Cost of Materials Consumed	30	13,102.19	11,206.64
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	31	(706.41)	121.88
Employee Benefits Expenses	32	2,916.47	3,202.53
Finance Cost	33	1,588.29	1,538.69
Depreciation and Amortisation Expenses	34	947.76	881.58
Other expenses	35	5,575.80	5,339.33
Total expenses		23,424.11	22,290.65
Profit Before Tax & Exceptional Items		716.41	462.64
Exceptional Items	0	-	-
Profit Before Tax		716.41	462.64
Less: Tax Expense			
Current Tax	8	121.00	72.00
Tax Relating to Earlier Years		-	(26.50)
Deferred Tax	8	81.51	92.51
Profit After Tax	A	513.90	324.63
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
i) Remeasurements - On post employment benefit plan - gratuity		28.54	20.10
(ii) Income tax relating to items that will not be reclassified to profit or loss		(7.94)	(5.49)
Items that will be reclassified to profit or loss			
(i) Net change in fair value of Investments		0.40	(0.25)
(ii) Income tax relating to items that will be reclassified to profit or loss		(0.11)	-
Total Other Comprehensive Income for the year	B	20.89	(14.86)
Total Comprehensive Income for the year	(A+B)	534.79	309.77
Earnings per equity share: [Face Value per share: ₹ 2]			
- Basic		6.53	4.13
- Diluted		6.53	4.13

Summary of significant accounting policies

2

The accompanying notes form an integral part of the financial statements

As per our report of even date**For PRA ASSOCIATES**Chartered Accountants
Firm Registration Number: 2355N**Sd/-
Deepak Gupta**Partner
Membership No. 89597
Place: Chandigarh
Date: 11th June, 2021
UDIN: 21089597AAAACE6208**Sd/-
Aditya Aggarwal**
Chief Financial Officer**Sd/-
Abhishek Misra**
Company Secretary**On behalf of the Board****Sd/-
Vijay Aggarwal**
Managing Director
DIN: 00094141**Sd/-
Rajiv Aggarwal**
Jt. Managing Director
DIN: 00094198

Cash Flow Statement

as at 31 March, 2021

CIN: L29130HP1971PLC000904

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary Items	716.41	462.64
Adjustment for:		
Depreciation /Amortisation	947.76	881.58
Interest Income	(21.03)	(19.56)
Finance Cost Paid	1,588.29	1,538.69
Profit on Sale of Assets/Discarded Assets (Net)	14.45	(2.13)
Exchange Rate Fluctuation (Net)		
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	3,245.88	2,861.22
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
(Increase)/Decrease Other non - current assets	(81.43)	296.89
(Increase)/Decrease in Inventories	(1,417.99)	(249.93)
(Increase)/Decrease in Trade Receivable	(1,831.31)	625.12
(Increase)/Decrease in Other Bank Balances	106.87	46.46
(Increase)/Decrease in Other Non Current financial assets	(4.99)	(13.43)
(Increase)/Decrease in Other financial assets	(8.37)	24.80
(Increase)/Decrease in Other current assets	650.00	(249.66)
Increase/(Decrease) in Other non current liabilities	26.54	(12.67)
Increase/(Decrease) in Trade payables	(331.96)	(644.71)
Increase/(Decrease) in Other current financial liabilities	(0.73)	(10.95)
Increase/(Decrease) in Other current liabilities	98.74	(144.15)
Increase/(Decrease) in Provisions	4.36	5.97
	(2,790.25)	(326.27)
Cash Generated from Operations	455.63	2,534.95
Direct Taxes paid	121.00	45.50
NET CASH FROM OPERATING ACTIVITIES	334.63	2,489.45
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including Capital Work in Progress	(911.25)	(1,427.65)
Sale of Fixed Assets	80.82	17.43
(Increase)/Decrease in Non Current Investments	(0.40)	0.25
Interest Received	21.03	19.56
NET CASH USED IN INVESTING ACTIVITY	(809.79)	(1,390.42)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Loans from Banks/FIs	2,552.30	1,631.68
Repayment of Term Loans	(1,032.04)	(1,379.18)
Net (Decrease)/ Increase in Short Term Borrowings	619.65	207.70
Finance Cost Paid	(1,648.20)	(1,461.60)
Dividend Paid (Inclusive of Dividend Distribution Tax)	(15.73)	(94.83)
NET CASH USED IN FINANCING ACTIVITY	475.98	(1,096.24)
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	0.81	2.79
OPENING BALANCE OF CASH & CASH EQUIVALENTS	21.24	18.45
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	22.04	21.24
	0.81	2.79

Particulars	(₹ in Lakhs)	
	As at 31 March, 2021	As at 31 March, 2020
Notes		
1. Closing Balance of Cash & Cash Equivalents		
Cash and Cash Equivalents Includes: (Refer Note No 12)		
CASH IN HAND	2.00	1.34
BALANCE WITH SCHEDULED BANKS		
- In Current Account	20.04	19.90
	22.04	21.24
2. Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.		

As per our report of even date**For PRA ASSOCIATES**

Chartered Accountants
Firm Registration Number: 2355N

Sd/-

Deepak Gupta

Partner
Membership No. 89597
Place: Chandigarh
Date: 11th June, 2021
UDIN: 21089597AAAACE6208

Sd/-

Aditya Aggarwal

Chief Financial Officer

Sd/-

Abhishek Misra

Company Secretary

On behalf of the Board

Sd/-

Vijay Aggarwal

Managing Director
DIN: 00094141

Sd/-

Rajiv Aggarwal

Jt. Managing Director
DIN: 00094198

Statement of Changes in Equity

for the year ended 31 March, 2021

(All amounts are in ₹ Lakhs, unless otherwise stated)

A. Equity

(₹ in Lakhs)

Particulars	No. of Shares	Amount
Balance at at 31st March, 2019	7,866,016	157.32
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2020	7,866,016	157.32
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2021	7,866,016	157.32

B. Other Equity

Particulars	Reserves and Surplus						Other items of Other comprehensive income	Total Other Equity
	Capital Reserve	Securities Premium	Other Reserves (Capital Investment Subsidy)	General Reserve	Retained Earning	Reserve Created on Amalgamation		
Balance as at March 31, 2020	27.22	3,023.29	75.00	720.32	9,530.92	1,467.53	(112.04)	14,732.24
Profit for the year	-	-	-	-	513.90	-	-	513.90
Remeasurements of Defined Benefit Plan	-	-	-	-	-	-	20.89	20.89
Dividend	-	-	-	-	(15.73)	-	-	(15.73)
Balance as at March 31, 2021	27.22	3,023.29	75.00	720.32	10,029.09	1,467.53	(91.15)	15,251.30

The accompanying notes form an integral part of the financial statements

As per our report of even date

For PRA ASSOCIATES

Chartered Accountants
Firm Registration Number: 2355N

Sd/-
Deepak Gupta

Partner
Membership No. 89597
Place: Chandigarh
Date: 11th June, 2021
UDIN: 21089597AAAACE6208

Sd/-

Aditya Aggarwal
Chief Financial Officer

Sd/-

Abhishek Misra
Company Secretary

On behalf of the Board

Sd/-

Vijay Aggarwal
Managing Director
DIN: 00094141

Sd/-

Rajiv Aggarwal
Jt. Managing Director
DIN: 00094198

1. Company Overview

The Company ("Him Teknoforge Limited - formerly known as Gujarat Automotive Gears Limited, "HTL") is an existing Public Limited Company incorporated on 27/03/1971 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at Village Billanwali, Baddi, Dist. Solan (HP) - 173205. Pursuant to the Order dated January 9th, 2018 of Hon'ble National Company Law Tribunal, Chandigarh Bench, M/s Him Teknoforge Limited is merged with M/s Gujarat Automotive Gears Limited with appointed dated April 1st, 2016 and the name of Gujarat Automotive Gears Limited is changed to Him Teknoforge Limited as per the Scheme of Amalgamation. The Company offers a diverse range of products and services including manufacturing, sales, distribution and marketing of automotive, non-automotive and engineering components like Alloy Steel Forgings, Gears, Shafts, Axles, Assemblies & sub-assemblies, etc.. The equity shares of the Company are listed on BSE Limited ("BSE"). The financial statements are presented in Indian Rupee (₹).ii

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis of Preparation of Financial Statement

i) Compliance with Ind AS

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements were authorised for issue by the Company's Board of Directors on June 11th, 2021.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest Lakhs, unless otherwise mentioned.

ii) Historical Cost Convention

The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- (a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;

- (b) Defined benefit plans where plan assets are measured at fair value.

- (c) Investments are measured at fair value.

iii) Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

(B) Use of estimates and judgements

"The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively."

(C) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- (a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- (b) Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

- (a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.
- b) For investments in debt instruments, this will depend on the business model in which the investment is held.

- (c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or

losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology

applied depends on whether there has been a significant increase in credit risk. For Trade receivables Company provides when there is a significant uncertainty arise for recovery.

(iv) Derecognition of financial assets

A financial asset is derecognised only when -

- (a) The Company has transferred the rights to receive cash flows from the financial asset or
- (b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial Liabilities

(i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no

financial liability irrevocably designated as measured at fair value through profit or loss.

(ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(D) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate.

(E) Segment Report

The Company operates in single segment only. The Company identifies & monitors Auto Parts as the primary business Segment

(F) Inventories Valuation

- (i) Raw materials, components, stores & spares, packing material, semi-finished goods & finished goods are valued at lower of cost and net realisable value.
- (ii) Cost of Raw Materials, components, stores & spares and packing material is arrived at FIFO and Cost of semi-finished good and finished good comprises, raw materials, direct labour, other direct costs and related production overheads.
- (iii) Scrap is valued at net realisable value.

(G) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of Company's cash management policy.

(H) Income tax, deferred tax and dividend distribution tax

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

(i) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(iii) Dividend distribution tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

(I) Property, plant and equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1st, 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

- (i) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.
- (ii) All other items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.
- (iii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying

amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

- (iv) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditure, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.
- (v) Depreciation methods, estimated useful lives and residual value
 - (a) Fixed assets are stated at cost less accumulated depreciation.
 - (b) Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. In respect of Plant and Machinery the management has estimated the useful life as forty years for the Plant & Machinery installed at its Forging Units and thirty years for the Plant & Machinery installed at its Machining Units and for Electrical installation the useful life is taken as twenty five years based on internal assessment and independent technical evaluation carried out by the Chartered Engineer. Management believes that the useful lives considered as mentioned herein, best represent the period over which it expects to use these assets. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.
 - (c) Leasehold Land is depreciated over the period of the Lease.
- (vi) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.
- (vii) The residual values are not more than 5% of the original cost of the asset. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

(J) Intangible assets

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1st, 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.

- (i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.
- (ii) Cost of technical know-how and the expenditure incurred on Product Design and Development has been amortised over a period of ten years.
- (iii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 3 years on straight-line method for the Units at Vadodra and in respect of other units as per the estimated useful life as per Schedule III to the Companies Act, 2013.

(K) Leases

(i) As a lessee

"Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. The Company's lease asset classes consist primarily of land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control

the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases.

For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate

for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(L) Revenue Recognition

- (I) Ind As 115 "Revenue from contracts with customers" provides a control -based revenue recognition model and provides a five step application approach to be followed for revenue recognition.
1. Identify the contract(s) with a customer;
 2. Identify the performance obligations;
 3. Determine the transaction price;
 4. Allocate the transaction price to the performance obligations;
 5. Recognise revenue when an entity satisfies performance obligation.

Revenue from contracts with customers is recognised when control of goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

a) Sale of Goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before the payment is due.

b) Contract Balances

Trade receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due from the customer. If the Company transfers goods or services to the customer, a contract

liability is recognised when payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company delivers goods.

c) Cost to obtain a contract

The Company pays sales commission to its selling agents for each contract that they obtain for the Company, The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediate expense sales commission (included in sales promotion expense under other expenses) because the amortisation period of the asset that the Company otherwise would have used is one year or less.

(II) Sales of Services

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

(III) Other Income

(i) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(iii) Export Benefits

In case of sale made by the Company as manufacturer, export benefits arising from Duty Drawback scheme, Rebate of state levies (LOSL), and Rebate of State and Central Taxes and Levies (ROSCTL), are recognised on sale of such goods in accordance with the agreed terms and conditions with customers.

Revenue from exports benefits measured at the fair value of consideration received or receivable net of returns and allowances, cash discount, trade discount and volume rebates.

(M) Employee Benefit

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates the following post-employment schemes:

(a) Defined benefit plan:

Defined benefit obligation plans and other long term benefits – The present value of the obligation under such plans is determined based on an actuarial valuation, using the projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the statement of profit & loss . In case of gratuity ,which is combination of funded

plan with the Life Insurance Corporation Of India and unfunded plan, the fair value of the plan assets is reduced from the gross obligation under defined benefit plans to recognise the obligation on net basis. The liability for Earned Leave has been provided as per the Actuarial valuation as at the end of the accounting year.

(b) Defined Contribution plan:

Employees benefits in the form of contribution to Provident Fund managed by Government Authorities, Employees State Insurance Corporation and Labour Welfare Fund are considered as defined contribution plan and the same are recognised as expenses as and when it accrues and is charged in statement of Profit & Loss of the year. Post employment benefits (e.g. gratuity) is recognised as expense based on actuarial valuation at the year end or elsewhere cash accumulation policy of Life Insurance Corporation of India has been obtained, the premium paid to the Life Insurance Corporation during the year has been treated as an expense.

(N) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

(O) Borrowing Cost

- (i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the

borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

- (ii) Borrowings are classified as current financial liabilities unless the entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(P) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(Q) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount

may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(R) Provisions, contingent liabilities and contingent assets

(i) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

(ii) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(iii) Contingent Assets: Contingent Assets are disclosed, where an inflow of economic benefits is probable.

(S) Investments

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss.

(T) Trade receivables

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost

using the effective interest method, less provision for impairment.

(U) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

(V) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

(W) Foreign Exchange Risk Management Policy

Foreign exchange risk refers to the losses that an international financial transaction may incur due to currency fluctuations. Exchange rate volatility is unpredictable since there are many factors that affect the movement of the exchange rates i.e. economic fundamentals, monetary policy, fiscal policy, global economy, speculation, domestic and foreign political issues, market psychology, being some of them. The exchange rate volatility poses a risk, called foreign exchange risk or currency risk, to business sector, in particular, the importers and exporters or those ones who associate with international businesses. Although businesses cannot control the fluctuation of the exchange rates but they can manage the risk by using proper hedging tools e.g. Forward, Futures, and Options, in order to manage their revenues and costs, assets and liabilities, more efficiently.

The Company exports Automotive Components to known customers in the overseas market and take forward booking keeping in view the forward markets. In certain position exports are kept in open position, however, the position is reviewed at regular intervals and decision with regard to the hedge is taken based on situation and factors prevalent at the time. For long term commitments, e.g., forex commitments in the nature of term loans, the Company has a policy to completely hedge the total exposure.

(X) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees Lakhs, unless otherwise stated as per the requirement of Schedule III (Division II).

Notes forming part of Financial Statements for the Year ended 31 March, 2021

(All amounts are in ₹ Lakhs, unless otherwise stated)

3. Property, Plant and Equipment

Particulars	Gross Carrying Amount				Depreciation			Net Carrying Amount	
	As At 1 April, 2020	Purchase during the year	Deduction during the year	As At 31 March, 2021	Up To 1 April, 2020	Dep. for the year	Deduction during the year	As At 31 March, 2021	As At 31 March, 2021
Property, Plant and Equipment									
Land - Freehold	510.47	-	-	510.47	-	-	-	-	510.47
Land - Leasehold	-	-	-	-	-	-	-	-	-
Building - Factory	2,298.85	-	-	2,298.85	602.07	75.06	-	677.14	1,621.71
Plant & Machinery	12,959.87	612.83	96.21	13,476.50	3,250.99	350.64	11.88	3,589.75	9,886.75
Furniture & Fixture	103.17	0.90	-	104.08	61.11	8.11	-	69.23	34.85
Office Equipment	89.41	5.69	-	95.10	71.07	4.92	-	76.00	19.10
Computers	120.03	4.77	0.17	124.63	91.82	7.93	0.05	99.70	24.93
Vehicles	554.36	13.47	33.15	534.68	379.80	35.77	31.49	384.08	150.60
Miscellaneous Fixed Assets	2,920.93	352.79	26.60	3,247.13	1,076.32	159.22	17.43	1,218.11	2,029.02
Total	19,557.10	990.45	156.12	20,391.44	5,533.19	641.66	60.85	6,114.00	14,277.44
Previous Year	17,788.12	1,821.74	52.75	19,557.10	4,962.31	608.34	37.45	5,533.19	14,023.93

4. Right of Asset Use (Leasehold Land)

Particulars	Gross Carrying Amount				Depreciation			Net Carrying Amount	
	As At 1 April, 2020	Purchase during the year	Deduction during the year	As At 31 March, 2021	Up To 1 April, 2020	Dep. for the year	Deduction during the year	As At 31 March, 2021	As At 31 March, 2021
Right of Asset Use-Leasehold Land	135.64	-	-	135.64	92.72	5.48	-	98.20	37.43
Total	135.64	-	-	135.64	92.72	5.48	-	98.20	37.43
Previous Year	124.68	10.96	-	135.64	87.24	5.48	-	92.72	42.92

5. Capital Work-In-Progress

Particulars	As At 01.04.2020	Purchase during the year	Deduction during the year	As At 31 March, 2021
Capital Work- in- Progress	83.53	2.58	83.53	2.58
Previous Year	757.25	83.53	757.25	83.53

6. Other Intangible Assets

Particulars	Gross Carrying Amount				Depreciation			Net Carrying Amount	
	As At 1 April, 2020	Purchase during the year	Deduction during the year	As At 31 March, 2021	Up To 1 April, 2020	Dep. for the year	Deduction during the year	As At 31 March, 2021	As At 31 March, 2021
Other Intangible Assets									
Product Design & Development	2,788.92	0.65	-	2,789.57	1,477.26	299.17	-	1,776.42	1,013.15
Computer Software	33.07	1.10	-	34.17	26.99	1.46	-	28.44	5.72
Total	2,821.99	1.75	-	2,823.74	1,504.25	300.62	-	1,804.86	1,018.87
Previous Year	2,553.32	268.67	-	2,821.99	1,236.47	267.77	-	1,504.25	1,317.75

Notes forming part of Financial Statements for the Year ended 31 March, 2021

7. Investments

(₹ in Lakhs)			
Particulars	Qty.	As at 31 March, 2021	As at 31 March, 2020
Financial Asset -Non-Current			
Non Trade Investments			
Quoted			
Equity Instruments (At FVOCI)			
Nagarjuna Fertilisers & Chemicals Ltd. - Face Value ₹ 10 each	5,500	0.35	0.17
In Other Securities (At FVTPL)			
SBI Infrastructure Bond - Face Value ₹ 10 each	1,000	0.34	0.12
Total		0.69	0.29

8. Other Financial Assets

(₹ in Lakhs)			
Particulars		As at 31 March, 2021	As at 31 March, 2020
Security deposits		376.99	371.99
Total		376.99	371.99

9. Deferred Tax Assets (Net)

(₹ in Lakhs)			
Particulars		As at 31 March, 2021	As at 31 March, 2020
Deferred Tax Assets			
MAT Credit Entitlement		1,272.06	1,215.06
Employee benefits		126.77	140.54
Allowance for Doubtful Assets		1.33	1.44
Less : Deferred Tax Liabilities			
On account of difference in depreciation as per books and Income Tax Act		(1,391.93)	(1,259.25)
Total		8.23	97.79

10. Other Non-Current Assets

(₹ in Lakhs)			
Particulars		As at 31 March, 2021	As at 31 March, 2020
Balance with Government Authorities		11.24	15.09
Capital Advances		123.23	37.95
Total		134.47	53.04

Notes forming part of Financial Statements for the Year ended 31 March, 2021

11. Inventories

Particulars	(₹ in Lakhs)	
	As at 31 March, 2021	As at 31 March, 2020
Raw Material & Components	1,895.18	1,243.81
Work-in-progress	7,459.58	6,786.75
Finished goods (Refer Note No. 11.1)	880.96	829.14
Stores & Packing Materials	3,598.68	3,563.60
Scrap	64.00	57.12
Total	13,898.40	12,480.42
Note No. 11.1: Finished Goods Inventory includes Goods in transit of ₹ 171.64 Lakhs (31 March, 2020 ₹ 68.47 Lakhs)		

12. Financial Asset-Current

Particulars	(₹ in Lakhs)	
	As at 31 March, 2021	As at 31 March, 2020
Trade receivables		
Unsecured -Outstanding for a period exceeding six months		
Considered good (Refer Note No. 43 and 12.1)	200.70	208.65
Considered doubtful	4.79	4.79
Less: Allowance for Expected Credit Loss	(4.79)	(4.79)
	200.70	208.65
Others		
Secured, considered Good	-	-
Unsecured, considered good	4,346.23	2,506.98
Unsecured, considered doubtful	-	-
Allowances for doubtful debts	-	-
Sub-total(B)	4,346.23	2,506.98
Total	4,546.93	2,715.63
Movement in the allowance of expected credit loss		
Balance at the beginning of the year	4.79	4.79
Less: Amounts written off during the year (net)	-	-
Balance at end of the year	4.79	4.79
The average credit period ranges from 30 to 180 days for Sales. No interest is charged.		
Note No. 12.1: Debts due by Related Parties -		
Firms/Companies in which directors are interested	1,042.92	551.95

Notes forming part of Financial Statements for the Year ended 31 March, 2021

13. Cash and Cash Equivalents

Particulars	(₹ in Lakhs)	
	As at 31 March, 2021	As at 31 March, 2020
Balances with Banks in Current Accounts	20.04	19.90
Cash in Hand	2.00	1.34
Total	22.04	21.24

14. Bank Balances

Particulars	(₹ in Lakhs)	
	As at 31 March, 2021	As at 31 March, 2020
Balances with Banks in Fixed Deposits (maturity less than 12 months) (Refer Note No. 14(i) - 14(iii))	151.04	221.94
Balances with Banks in Fixed Deposits (maturity more than 12 months)(Refer Note No. 14(i) - 14(iii))	56.32	91.56
Unclaimed Dividend Accounts (Refer Note No. 14(iv))	2.80	3.53
Total	210.16	317.03

Note 14 (i) : The Fixed Deposit of ₹ 203.14 Lakhs (31 March, 2020 ₹ 204.54 Lakhs) are pledged with the State Bank of India being margin money against Letter of Credit & Bank Guarantees issued.

Note 14 (ii) : Fixed Deposits of ₹ 1.10 Lakhs (31 March, 2020 ₹ 0.97 Lakhs) are pledged with the Sales Tax Authorities.

Note 14 (iii) : The above fixed deposits of ₹ 3.12 Lakhs (31 March, 2020 ₹ 2.99 Lakhs) are pledged with Siemens Financial Services Pvt. Ltd., against partial disbursement of Loan for Machinery.

Note 14 (iv) : The balances can be utilised only towards settlement of the unpaid dividend.

15. Other Financial Assets

Particulars	(₹ in Lakhs)	
	As at 31 March, 2021	As at 31 March, 2020
Employee Advances	59.68	48.16
Interest Receivable	2.86	6.01
Total	62.54	54.17

16. Other Current Assets

Particulars	(₹ in Lakhs)	
	As at 31 March, 2021	As at 31 March, 2020
Prepaid Expenses /Advances to Suppliers	132.21	228.14
Advance Recoverable in Cash or Kind or for Value to be Received	322.74	876.81
Total	454.95	1,104.95

Notes forming part of Financial Statements for the Year ended 31 March, 2021

17. Equity Share Capital

Particulars	No. of shares	(₹ in Lakhs)	
		As at 31 March, 2021	As at 31 March, 2020
(a) Authorised Share Capital			
Equity shares of ₹ 2/- each (31 March, 2020: ₹ 2/- each)	152,125,000	3,042.50	3,042.50
9.5% Cumulative Preference shares of ₹ 100/- each (31 March, 2020: ₹ 100/- each)	7,500	7.50	7.50
Unclassified Shares of ₹ 10/- each	500,000	50.00	50.00
Total		3,100.00	3,100.00
(b) Issued, Subscribed and Paid Up Capital			
Equity shares of ₹ 2/- each (31 March, 2020: ₹ 2/- each)	7,866,016	157.32	157.32
Total		157.32	157.32
(c) Paid up			
Equity shares of ₹ 2/- (31 March, 2020 ₹ 2/-) each with voting rights	7,866,016	157.32	157.32
Total		157.32	157.32

Note No. 17.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31 March, 2021:

Particulars	No. of shares	(₹ in Lakhs)	
		As at 31 March, 2021	As at 31 March, 2020
Balance at at 31st March, 2020	7866016	157.32	157.32
Changes in equity share capital during the year	-	-	-
Balance at at 31st March, 2021	7866016	157.32	157.32

Note No. 17.2 Details of Shareholders holding more than 5% shares in the Company

None of the Shareholder	As at 31 March, 2021		As at 31 March, 2020	
	No. of Shares held	%	No. of Shares held	%
Canbank Venture Capital Fund Ltd. - Trustee of Canbank Venture Capital Fund (Emerging India Growth Fund CVCF-V)	1,775,148	22.57%	1,775,148	22.57%
Sh. Rajiv Aggarwal	990,306	12.59%	990,306	12.59%
IFCI Venture Capital Funds Ltd.	880,787	11.20%	880,787	11.20%
Sh. Vijay Aggarwal	746,033	9.48%	746,633	9.49%
Globe Precision Industries Pvt. Ltd.	587,577	7.47%	587,577	7.47%
Sh. Vinod Aggarwal	540,980	6.88%	540,980	6.88%
Smt. Asha Aggarwal	493,309	6.27%	493,309	6.27%

Notes forming part of Financial Statements for the Year ended 31 March, 2021

Note :

- i) 1438087 equity shares (previous year 1438087 equity shares) of the Company held by the Promoters are pledged with India Automotive Component Manufacturers Private Equity Fund (ICAM-1D)
- ii) 615384 equity shares (previous year 615384 equity shares) of the Company held by the Promoters are pledged with State Bank of India for securing credit facilities granted to the Company.
- iii) 398804 equity shares (previous year 398804 equity shares) of the Company held by the Globe Precision Industries Pvt. Ltd. - Promoters are pledged with Punjab National Bank for securing credit facilities granted to Globe Precision Industries Pvt. Ltd.

18. Other Equity

Particulars	As at 31 March, 2021	As at 31 March, 2020
Reserves & Surplus*		
Capital Reserve (including reserve created on merger)#	1,494.75	1,494.75
Security Premium Reserve ##	3,023.29	3,023.29
Capital Investment Subsidy ###	75.00	75.00
General reserve ####	720.32	720.32
Other Comprehensive Income (OCI)		
-Remeasurement of net defined benefit plans	20.89	(14.86)
Retained earning #####	9,418.87	9,203.94
Additions	513.90	324.63
Less: Dividend & dividend distribution tax for FY 2019-2020 (FY 2018-2019)	(15.73)	(94.83)
Total	15,251.30	14,732.26

* For movement, refer statement of change in equity.

Capital Reserve

The Company recognise gain on account of merger/amalgamation to capital reserve.

Securities Premium Reserve

The amount received in excess of the par value of Equity shares issued have been classified as securities premium. In accordance with the provision of Section 52 of Indian Companies Act, 2013, the securities premium account can only be utilised for the purposes of issue bonus shares, repurchasing the Company's shares, redemption of preference shares and debentures, and offsetting direct issue costs and discount allowed for the issue of shares or debentures.

Capital Investment Subsidy

The Company recognise subsidy received from Government to Capital Investment Subsidy.

General Reserve

General reserve forms part of the retained earning and is permitted to be distributed to shareholders as part of dividend and is created out of transfer from retained earnings.

Hedging Reserve

Created on transaction relating to cash flow hedge.

Retained earnings

Retained earnings includes the Company's cumulative earning and losses respectively.

19. Borrowings

Particulars	As at 31 March, 2021	As at 31 March, 2020
Secured Term Loans :	3,226.58	2,022.95
From Banks (refer note on. 19(i), 19(ii), 19(iv), 19(vi) & 19(vii))	1,245.96	1,637.46
From Non-Banking Financial Institutions (Refer Note No. 19(ii), 19(iii) , 19(v), 19(vi) & 19(viii))	-	-
Total	4,472.54	3,660.41

Notes forming part of Financial Statements for the Year ended 31 March, 2021

Note 19(i) : Term loans from State Bank of India ₹ 3438.10 Lakhs (previous year ₹ 1231.16 Lakhs) are secured by first pari-passu charge on entire fixed assets of the Company (present & future) excluding i) specific charge on Plant & Machinery against loan from Siemens Financial Services Pvt. Ltd., Dewan Housing Finance Ltd., Electronica Finance Ltd. and Mahindra Finance Ltd. ii) value of 10 Flats mortgaged with SIDBI, Land & Building, Plant & Machinery of Gametha Unit specifically charged to SIDBI and second pari-passu charge by Hypothecation of Stocks & receivables and other Current Assets of the Company and further secured by equitable mortgage of H.No. 73, Sector 28A, Chandigarh in the name of Sh. Vinod Aggarwal, pledge of 615384 equity shares of the Company held by Promoters, equitable mortgage of land measuring 5 bighas & 2 biswas at Village Billanwali, Baddi in the name of Metalchem India Pvt. Ltd. and personal guarantees of Sh. Vijay Aggarwal & Sh. Rajiv Aggarwal, Directors, Sh. Vinod Aggarwal, Smt. Anju Aggarwal and Corporate Guarantee of Metalchem India Pvt. Ltd.

Note 19(ii) : Vehicle Loans from State Bank of India, HDFC Bank, Kotak Mahindra Bank and Leasing & Finance Companies are secured against hypothecation of vehicles.

Note 19(iii) : Loans from Siemens Financial Services Pvt. Ltd., Dewan Housing Finance Ltd., Electronica Finance Ltd. and Mahindra Finance Ltd. are secured by first charge on specific Plant & Machinery purchased against these loans.

Note 19(iv) : Loan from SIDBI for ₹ 400.84 Lakhs (previous year ₹ 467.90 Lakhs) is secured against first charge by way of hypothecation of assets acquired under the loan and first charge by way of mortgage of all immovable properties both present and future situated at Village Gametha, Baroda including factory shed, buildings and structures thereon and covered by personal guarantee of Sh. Rajiv Aggarwal, Director.

Note 19(v) : Working Capital Term from Loan Tata Capital Financial Services Ltd. ₹ 919.28 Lakhs (previous year ₹ 1182.96 Lakhs) is secured by first pari-passu charge with State Bank of India on entire fixed assets of the Company both present and future (other than specifically/exclusively charged to other lenders) and second pari-passu charge on entire current assets with State Bank of India both present and future and personal guarantee of Sh. Vijay Aggarwal & Sh. Rajiv Aggarwal, Directors, Sh. Vinod Aggarwal & Smt. Anju Aggarwal.

Note 19 (vi) : Maturity profile of Secured Term Loans is set out as below:

1-2 Years	-	₹ 1501.21 Lakhs
2-3 Years	-	₹ 1447.57 Lakhs
3-4 Years	-	₹ 823.74 Lakhs
Above 4 Years	-	₹ 700.02 Lakhs

Note 19(vii) : Interest rates on secured loans taken from Banks varies from 7.75% to 12.50% p.a.

Note 19 (viii) : Interest on secured Loans taken from Leasing & Finance Companies varies from 8.50% to 12.50% p.a.

20. Provisions - Non Current

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provisions for Employee Benefits		
Gratuity (Refer Note No. 39)	367.03	356.49
Leave Encashment (Refer Note No. 39)	42.37	46.05
	409.40	402.54

Notes forming part of Financial Statements for the Year ended 31 March, 2021

21. Other Non-Current Liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Security From Employees		
Security From Dealers	9.22	9.08
Lease Liability (Ind-AS)	4.30	5.30
	6.12	7.65
	19.64	22.03

22. Borrowings

Particulars	As at 31 March, 2021	As at 31 March, 2020
Secured (Refer Note No 22 (i) to 22 (ii))		
From Banks		
Export Packing Credit	434.44	227.12
Cash Credit	8,420.04	8,007.70
	8,854.48	8,234.82

Note 22 (i) : Working Capital Borrowings - Cash Credit and EPC are secured by first charge by means of Hypothecation of Stocks & Receivables and other current assets in the name of Company, residual charge on the fixed assets of the Company excluding specific charge on plant & machinery in favour of Siemens Financial Services Ltd., Dewan Housing Finance Ltd., Electronica Finance Ltd., Mahindra Finance Ltd., 10 Flats mortgaged with SIDBI and Land & Building, Plant & Machinery and Misc. Fixed Assets of the Company's plant located at Gametha, Vadodra specifically charged to SIDBI and further secured by way of pledge of 615384 Equity Shares of the Company held by promoters, by the personal guarantee of Sh. Vijay Aggarwal & Sh. Rajiv Aggarwal, Directors and personal guarantee of Sh. Vinod Aggarwal & Smt. Anju Aggarwal and Corporate Guarantee of Metalchem India Pvt. Ltd., equitable mortgage of House no. 73, Sector 28A, Chandigarh owned by Mr. Vinod Aggarwal.

Note 22 (ii) : Working Capital Borrowings are repayable on demand and interest on Working Capital Borrowings for Export Credit varied from 7.60% to 8.60% p.a. & in respect of others it varied from 9.05% to 10.00% p.a. during the year.

23. Trade Payables

Particulars	As at 31 March, 2021	As at 31 March, 2020
a) Dues of micro and small enterprises (Refer Note No. 23 (i))	11.78	5.53
b) Dues of other than micro enterprises and small enterprises	3,104.51	3,442.72
	3,116.29	3,448.25

Note 23 (i) : The disclosure relating to amount unpaid at the year end to the Vendors covered under Micro, Small & Medium Enterprises Development Act, 2006 is on the basis of information received from the Vendors.

Notes forming part of Financial Statements for the Year ended 31 March, 2021

24. Other Financial Liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Current Maturities of Long Term Debts (Refer Note No. 19 (vi))	1,781.92	1,073.79
Unclaimed Dividend	2.80	3.53
Interest Accrued but not Due	43.40	103.31
	1,828.12	1,180.63

25. Other Current Liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Statutory dues payable	196.22	84.26
Salary Payables	260.42	234.94
Outstanding Expenses	367.64	417.47
Lease Liability (Ind-AS)	2.30	2.10
Advance from Customers	12.28	9.24
	838.86	748.01

26. Provisions

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provisions for Employee Benefits		
-Gratuity (Refer Note No. 39)	38.93	34.30
-Leave Encashment (Refer Note No. 39)	7.34	6.93
Bonus	49.62	57.18
	95.89	98.41

27. Current Tax Liabilities (Net)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provision for taxation (Net of tax payment)	7.88	-
	7.88	-

Notes forming part of Financial Statements for the Year ended 31 March, 2021

28. Revenue from Operations

Particulars	(₹ in Lakhs)	
	For the year ending 31 March, 2021	For the year ending 31 March, 2020
A. Sale of Products		
Sale of Products (Refer Note No. 28.1)	28,272.10	28,493.85
B. Other Operating Revenue		
Processing Charges	276.78	258.28
Scrap Sales	1,546.52	1,269.23
Sale Others	18.00	5.92
Export Incentives	68.09	189.19
Total (A)+(B)	30,181.49	30,216.47
Less :		
Inter-Unit Sale of Products	6,185.80	7,826.69
Inter- Unit Job Work Income	106.21	78.51
Sub Total	6,292.01	7,905.20
Total	23,889.48	22,311.27
i) Set out below is the disaggregation of the Company's revenue from contracts with customers :		
Types of goods and services:		
Sale/Services of Automotive Parts		
Sales of manufactured Products	23,650.82	21,942.31
Job work Income	170.57	179.77
Export Incentives	68.09	189.19
Sale of traded products	-	-
Revenue from contract with customers	23,889.48	22,311.27
Revenue within India	20,463.20	18,763.59
Revenue outside India	3,426.28	3,547.68
Revenue from contract with customers	23,889.48	22,311.27
Timing of revenue recognition		
Goods transferred at a point in time	23,889.48	22,311.27
Revenue from contracts with customers.	23,889.48	22,311.27
ii) Contract balances:		
The following Table provides information about receivables, contract assets and contract Liabilities from contract with customers.		
Contract Assets		
Trade Receivables	4,546.94	2,715.63
Contract Liabilities		
Advances from customers	12.28	9.24

Notes forming part of Financial Statements for the Year ended 31 March, 2021

Particulars	(₹ in Lakhs)	
	For the year ending 31 March, 2021	For the year ending 31 March, 2020
iii) Reconciling the amount of revenue recognised in the statement of Profit and Loss with the contracted price		
Revenue as per contracted price	24,171.53	22,784.35
Adjustments		
Sales return	282.05	473.08
Revenue from contract with customers	23,889.48	22,311.27
iv) The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31 2021 are as follows:		
Advances from customers	12.28	9.24

29. Other Income

Particulars	(₹ in Lakhs)	
	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Interest Income (Refer Note No 29.1)	21.03	19.56
Exchange Fluctuation	8.58	173.28
Profit on Sale of Fixed Assets	2.62	4.24
Excess Provision Written Back	-	15.82
Cash Discount	211.14	0.02
IGST/CGST Rebate	-	217.39
Other Income	7.67	11.71
	251.04	442.02

Note No. 29.1 : Break-up of Interest Income

Particulars	(₹ in Lakhs)	
	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Interest from Bank Deposits		
Interest on security deposits	16.32	18.83
Interest on Income tax / Service tax /Sales Tax Refund	3.75	0.73
Total Interest Income	0.96	-
	21.03	19.56

30. Cost of Raw Materials Consumed

Particulars	(₹ in Lakhs)	
	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Opening Stock	1,243.81	869.62
Add: Raw Material & Components Purchased	19,939.36	19,407.52
Total	21,183.17	20,277.14
Less : Inter-unit Transfer	6,185.80	7,826.69
Less: Closing Stocks		
Less: Closing Stock	1,895.18	1,243.81
	13,102.19	11,206.64

Notes forming part of Financial Statements for the Year ended 31 March, 2021

31. Changes in inventories of finished goods Stock-in-process and Stock-in-Trade

(₹ in Lakhs)

Particulars	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Opening stocks of		
Finished Goods	760.66	853.46
Goods in Transit - Finished Goods	64.25	179.88
Stock in Process	6,786.75	6,725.11
Scrap	57.12	32.20
	7,668.78	7,790.65
Closing Stocks of		
Finished Goods	709.32	760.66
Goods in Transit - Finished Goods	142.29	64.24
Stock in Process	7,459.58	6,786.75
Scrap	64.00	57.12
	8,375.19	7,668.77
Changes in inventories of finished goods Stock-in-process and Stock-in-Trade	(706.41)	121.88

32. Employee Benefit Expenses

(₹ in Lakhs)

Particulars	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Salaries & Wages (including Directors' Remuneration ₹ 137.00 Lakhs (previous year ₹ 136.76 Lakhs))	2,675.85	2,904.77
Contribution to Provident and other fund	147.82	196.10
Staff Welfare Expenses	92.80	101.66
	2,916.47	3,202.53

33. Finance Cost

(₹ in Lakhs)

Particulars	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Bill Discounting Charges	200.19	195.23
Interest on Bank Loan	926.18	1,053.58
Interest on Loan from Non-Banking Financial Institutions	229.85	259.51
Interest Others	19.91	19.19
Other Charges	46.17	11.18
Foreign Exchange Rate Difference FCNR(B)	165.99	-
	1,588.29	1,538.69

Notes forming part of Financial Statements for the Year ended 31 March, 2021

34. Depreciation

Particulars	(₹ in Lakhs)	
	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Depreciation on Property Plant & Equipment	647.14	613.81
Amortisation on Intangible Assets	300.62	267.77
	947.76	881.58

35. Other Expenses

Particulars	(₹ in Lakhs)	
	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Consumables, Stores & Spare Consumed	987.41	769.78
Consumption of Packing Materials	225.83	244.53
Freight Inward, Octroi & Loading/Unloading	88.07	92.66
Power Charges	2,045.83	1,979.36
Processing Charges (Net of Inter unit)	935.98	780.52
Freight Outward	296.96	239.60
Vehicle Running & Maintenance	208.58	184.53
Repairs to Machinery	127.93	223.73
Repairs to Buildings	4.35	8.68
Other Maintenance Charges	58.32	73.06
Rejections & Deduction	3.01	6.87
Bank Charges	72.17	69.28
Office Expenses	19.70	35.88
Printing & Stationery	3.83	8.84
Telephone Expenses	16.49	19.95
Travelling & Conveyance Expenses	144.96	256.22
Advertisement & Publicity	0.15	1.40
Discount	31.35	64.35
Rates & Taxes	49.57	49.29
Insurance	42.40	33.94
Rent	17.29	33.04
Legal & Professional Charges	55.37	70.69
Auditors Remuneration (Refer Note No. 35.1)	6.50	6.50
CSR Expense	49.75	12.02
Penalty	0.44	0.93
Subscription	8.33	7.97
Business Promotion & Sales Commission	3.62	10.68
Loss on Sales /Discard of Assets	17.07	2.11
Watch & Ward	54.46	51.40
Charity & Donations	0.08	1.52
	5,575.80	5,339.33

Notes forming part of Financial Statements for the Year ended 31 March, 2021

35.1 As Auditor :

Particulars	(₹ in Lakhs)	
	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Audit Fee	5.00	5.00
Tax Audit Fee	1.00	1.00
Limited Review	0.50	0.50
	6.50	6.50

36. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio and is measured by net debt divided by total equity. Company's Debt is defined as Long-term and short-term borrowings including current maturities of long term borrowings and total equity (as shown in balance sheet) includes issued capital and all other reserves.

Particulars	(₹ in Lakhs)	
	For the year ending 31 March, 2021	For the year ending 31 March, 2020
Borrowings (incl. short term borrowings)	15,108.94	12,969.02
Less: Cash and cash Equivalent	22.04	21.24
Net Debt	15,086.90	12,947.78
Total Equity	15,408.62	14,889.58
Total Equity + Net Debt	30,495.52	27,837.36
Gearing Ratio (Ideal Ratio < 50%)	49.47%	46.51%

37. Contingent Liabilities

- i. In respect of Bank Guarantee : ₹ 281.90 Lakhs (Previous year ₹ 197.10 Lakhs)
- ii. Bills Discounted with Banks: ₹ 1437.02 Lakhs (Previous year ₹ 1069.04 Lakhs)
(These represents Bills discounted against confirmed Letters of Credit issued by the customers and no liability is likely to arise against the same)
- iii. In respect of Capital commitments Net of Advances : ₹ 380.13 Lakhs (Previous year ₹ 51.54 Lakhs)
- iv. Guarantees given by the Company on behalf of others: ₹ 140.00 Lakhs (Previous year ₹ 140.00 Lakhs)
- v. Sales tax liability in respect of matters in appeal: ₹ 152.80 Lakhs (Previous Year ₹ 152.80 Lakhs)
- vi. VAT/Sales Tax Liability in respect of matters in appeals - ₹ 7.34 Lakhs (previous year ₹ 9.26 Lakhs) against which ₹ 1.67 Lakhs (previous year ₹ 1.35 Lakhs) have been deposited.

vii. Disputed liability of power expenses demanded by H.P.S.E.B. ₹ 7.10 Lakhs (Previous year ₹ 44.66 Lakhs)

* ₹ 7.10 Lakhs pertains to late payment surcharge erroneously levied by HPSEB in the Power Bill, the Company has made the payment under protest. The amount has been shown under the head "Advances recoverable" in the balance sheet.

viii. Claims against the Company not acknowledged as debt- ₹ 82.09 Lakhs (Previous year ₹ 82.09 Lakhs)

Export Obligations against EPCG Licences :The Company has obtained licenses/authorisation under the Export Promotion Capital Goods (EPCG) scheme for importing capital goods at a concessional rate of custom duty against submission of bonds. Under the term of the respective license authorisation, the Company is required to export goods of FOB value equivalent to eight times duty saved in respective licenses/authorisation where export obligation has been fixed by the office of DGFT, Ministry of Commerce and Industry, as applicable. Balance obligation as on 31.03.2021 under the aforesaid licenses/authorisations is ₹ 997.81 Lakhs (Previous Year ₹ 997.81 Lakhs) against which the Company has fulfilled export obligation of ₹ 604.66 Lakhs and applications for EODC already filed.

Notes forming part of Financial Statements for the Year ended 31 March, 2021

38. Related party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:

a) Name of the related party and description of relationship.

S. No.	Related Parties	Nature of Relationship
(i)	Globe Precision Industries Pvt. Ltd.	Relative of Sh. Vijay Aggarwal & Sh. Rajiv Aggarwal, Directors is a Director
(ii)	Himachal Shots & Metals Pvt. Ltd.	Relative of Sh. Vijay Aggarwal & Sh. Rajiv Aggarwal, Directors is a Director
(iii)	Him Overseas	Sh. Vijay Aggarwal & Sh. Rajiv Aggarwal, Directors are partners in this Firm
(iv)	Sh. Vijay Aggarwal	Sh. Vijay Aggarwal is Chairman cum Managing Director
(v)	Sh. Rajiv Aggarwal	Sh. Rajiv Aggarwal is Joint Managing Director
(vi)	Smt. Anju Aggarwal	Wife of Sh. Vijay Aggarwal, Managing Director
(vii)	Smt. Asha Aggarwal	Wife of Sh. Rajiv Aggarwal, Jt. Managing Director
(viii)	Sh. Manan Aggarwal	Son of Sh. Vijay Aggarwal, Managing Director
(ix)	Sh. Mrinal Aggarwal	Son of Sh. Vijay Aggarwal, Managing Director
(x)	Sh. Aditya Aggarwal	Son of Sh. Rajiv Aggarwal, Jt. Managing Director & Key Managerial Person-CFO
(xi)	Sh. Shailesh Gandhi	Key Managerial Person - CFO (employed for part of the year)
(xii)	Ms. Snehal Chokshi	Key Managerial Person - Company Secretary (employed for part of the year in FY 2019-20)
(xiii)	Mr. Abhishek Misra	Key Managerial Person - Company Secretary

b) Details of Transactions during the year with related parties.

				(₹ in Lakhs)	
S. No.	Related parties	Nature of Transactions during the year	2020-21	2019-20	
(i)	Globe Precision Industries Pvt. Ltd	Sale of Goods	4374.74	3731.22	
		Purchase of Goods	376.81	45.91	
		Sale of Fixed Assets	48.83	1.34	
		Purchase of Fixed Assets	18.97	-	
		Job Work Charges Received	112.08	120.11	
		Job Work Charges Paid	27.60	23.02	
(ii)	Himachal Shots & Metals Pvt. Ltd.	Sale of Goods	3.68	145.01	
		Purchase of Goods	46.07	17.44	
		Sale of Fixed Assets	-	0.20	
(iii)	Him Overseas	Sale of Goods	0.39	0.17	
		Purchase of Goods	1.56	0.36	
		Job Work Charges Received	0.24	0.33	
		Job Work Charges Paid	0.10	0.20	
		Sale of Fixed Assets	0.15	0.17	
		Purchase of Fixed Assets	-	0.44	
(iv)	Sh. Vijay Aggarwal	Short Term Benefits	34.20	33.47	
		Rent (*)	18.30	18.30	
(v)	Sh. Rajiv Aggarwal	Short Term Benefits	30.80	32.28	
		Rent (**)	18.00	17.50	
(vi)	Sh. Manan Aggarwal	Short Term Benefits	15.50	17.66	

Notes forming part of Financial Statements for the Year ended 31 March, 2021

			(₹ in Lakhs)	
S. No.	Related parties	Nature of Transactions during the year	2020-21	2019-20
(vii)	Sh. Mrinal Aggarwal	Short Term Benefits	11.25	8.80
(viii)	Sh. Aditya Aggarwal	Short Term Benefits	8.86	8.78
(ix)	Sh. Shailesh Gandhi	Short Term Benefits	2.38	5.05
(x)	Ms. Snehal Chokshi (employed for part of the year)	Short Term Benefits	-	1.32
(xi)	Mr. Abhishek Misra	Short Term Benefits	4.37	4.19
(xii)	Smt. Anju Aggarwal	Rent (*)	18.30	18.30
(xiii)	Smt. Asha Aggarwal	Rent (**)	18.00	17.50

Note (*): Rent paid to Sh. Vijay Aggarwal & Smt. Anju Aggarwal is part of the remuneration to Sh. Vijay Aggarwal towards rent free accommodation provided by the Company.

Note (**): Rent paid to Sh. Rajiv Aggarwal & Smt. Asha Aggarwal is part of the remuneration to Sh. Rajiv Aggarwal towards rent free accommodation provided by the Company.

c) Balances at end of the year with related parties.

			(₹ in Lakhs)	
S. No.	Related parties	Nature of Transactions during the year	2020-21	2019-20
(i)	Globe Precision Industries Pvt. Ltd	Receivables	1,042.92	321.96
(ii)	Himachal Shots & Metals Pvt. Ltd.	Receivables	-	74.89
(iii)	Him Overseas	Payables	1.01	0.28
(iv)	Sh. Vijay Aggarwal	Short Term Benefits payable	2.31	0.86
(v)	Sh. Rajiv Aggarwal	Short Term Benefits payable	1.99	1.97
(vi)	Sh. Manan Aggarwal	Short Term Benefits payable	0.95	-
(vii)	Sh. Mrinal Aggarwal	Short Term Benefits payable	1.44	0.36
(viii)	Sh. Aditya Aggarwal	Short Term Benefits payable	0.79	0.51
(ix)	Sh. Shailesh Gandhi	Short Term Benefits payable	-	0.35
(x)	Mr. Abhishek Misra	Short Term Benefits payable	0.42	0.26

39. Employee Benefits

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

(i) Defined Contribution Plan

Contribution to Defined Contribution Plan includes Provident Fund and Superannuation Fund. The expenses recognised for the year are as under:

			(₹ in Lakhs)	
Particulars	2020-21	2019-20		
Employer's Contribution to Provident Fund	93.80	125.18		

(ii) Defined Benefit Plan

(a) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

Notes forming part of Financial Statements for the Year ended 31 March, 2021

(b) Leave encashment:

The Company has a policy on compensated absences which is applicable to its executives joined upto a specified period and all workers. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

The plans of the Company exposes to actuarial risks such as Investment Risk, Interest rate risk, salary risk and longevity risk. These risks may impact the obligation of the Company

(c) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March, 2021 and 31 March, 2020.

(₹ in Lakhs)

S. No.	Particulars	2020-21		2019-20	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
I	Changes in present value of obligations				
(a)	Present value of obligations as at the beginning of year	52.98	411.32	61.24	349.95
(b)	Past Service Cost	-	-	-	-
(c)	Interest cost	3.31	25.71	3.83	21.87
(d)	Current Service Cost	36.09	53.58	40.13	50.68
(e)	Benefits Paid	(13.04)	(34.16)	(6.09)	(31.29)
(f)	Actuarial gain on obligations	(29.61)	(28.50)	(46.13)	20.10
(g)	Present value of obligations as at the end of year	49.73	427.95	52.98	411.32
II	Changes in the fair value of plan assets				
(a)	Fair value of plan assets at the beginning of year	-	24.57	-	20.62
(b)	Expected return on plan assets	-	1.54	-	1.29
(c)	Contributions	-	2.83	-	2.50
(d)	Benefits paid	-	(6.99)	-	(0.20)
(e)	Actuarial gain on Plan assets	-	0.04	-	0.36
(f)	Fair value of plan assets at the end of year	-	21.99	-	24.57
III	Change in the present value of the defined benefit obligation	49.73	405.96	52.98	386.75
(a)	Present value of obligations as at the end of the year	49.73	427.95	52.98	411.32
(b)	Fair value of plan assets as at the end of the year	-	21.99	-	24.57
(c)	Net liability / (asset) recognised in balance sheet	49.73	405.96	52.98	386.75

Notes forming part of Financial Statements for the Year ended 31 March, 2021

- (e) Amount for the year ended 31 March, 2021 and 31 March, 2020 recognised in the statement of profit and loss under employee benefit expenses.

(₹ in Lakhs)

S. No.	Particulars	2020-21		2019-20	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
I	Expenses Recognised in statement of Profit & Loss				
(a)	Current Service cost	36.09	53.58	40.13	50.68
(b)	Past Service Cost	-	(27.16)	-	-
(c)	Interest Cost	3.31	24.17	3.83	20.58
(d)	Expected return on plan assets	-	-	-	-
(e)	Net Actuarial gain recognised in the year	(29.61)	-	(46.13)	-
(f)	Expenses recognised in statement of Profit & Loss	9.79	50.59	(2.17)	71.26

- (f) Amount for the year ended March 31, 2021 and March 31, 2020 recognised in the statement of other comprehensive income.

(₹ in Lakhs)

S. No.	Particulars	2020-21		2019-20	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
I	Actuarial Gain/Loss recognised				
(a)	Actuarial gain for the year -Obligation	-	(28.50)	-	20.10
(b)	Actuarial gain for the year - plan assets	-	(0.04)	-	(0.36)
(c)	Total gain for the year	-	(25.64)	-	19.75
(d)	Total actuarial (gain)/ loss included in other comprehensive income	-	(28.54)	-	19.75

40. Derivatives

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under.

(a) Amount Receivable in Foreign Currency on account of the following :

Particulars	Foreign Currency	Receivables	
		Amount in Foreign Currency	(₹ in Lakhs)
As on 31.03.2021	EURO	215,754	185.77
	USD	109,926	80.80
	GBP	17,206	17.37
As on 31.03.2020	EURO	177,510	147.42
	USD	93,134	70.21
	GBP	4,108	3.82

Notes forming part of Financial Statements for the Year ended 31 March, 2021

(b) Amount Payable in Foreign Currency on account of the following :

Particulars	Foreign Currency	Payables	
		Amount in Foreign Currency	(₹ in Lakhs)
As on 31.03.2021	USD	14,178	12.20
As on 31.03.2020	USD	-	-

41. Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk, market risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Sl. No.	Risk	Exposure arising from	Measurement	Management
A	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, Review of investment on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, Investment limits, check on counterparties basis credit rating and investment review on quarterly basis.
B	Liquidity Risk	Borrowings, Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security.
C	Market Risk – Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis.	Forward foreign currency contract, future and option.
D	Price Risk – Commodity Prices	Basic ingredients of Company raw materials are various grade of steel and alloy metals where prices are volatile	The Company sourcing components from vendors directly, hence it does not hedge its exposure to commodity price risk.	The Company is able to pass on substantial price hike to the customers.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk, investment of surplus liquidity and other business risks effecting business operation. The Company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

Notes forming part of Financial Statements for the Year ended 31 March, 2021

Credit Risk Management

For financial assets the Company has an investment policy which allows the Company to invest only with counterparties having credit rating equal to or above AAA and AA. The Company reviews the creditworthiness of these counterparties on an ongoing basis. Another source of credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The Company has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits. The creditors risk is minimum in case of entity to whom loan has been given.

The Credit Loss allowances are provided in the case of trade receivables as under (Refer Note No. 11.1):

Loss allowance as on April 1st, 2020	4.79
Change in loss allowance	-
Loss allowance as on 31 March, 2021	4.79

(B) Liquidity Risk

The Company's principal sources of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The Company has outstanding term borrowings. The Company believes that its working capital is sufficient to meet its current as well as long term borrowing repayment requirements. The Company has significant high receivables & liquid inventory compared to payable, hence significantly low liquidity risk.

(C) Market risk

Foreign currency risk

The Company significantly operates in domestic market. Though part of the sales is from Exports, however foreign currency risk towards export is insignificant considering the timely realisation thereof.

The Company also imports certain materials the value of which is also not material as compared to value of total raw materials. Currently, Company does not hedge this exposure. Nevertheless, Company may wish to hedge such exposures.

Open exposure

The Company's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	Euro	USD	GBP
31 March, 2021			
Trade receivables - Foreign Currency	215,754	109,926	17,206
Trade receivables - ₹ Lakhs	185.77	80.80	17.37
Trade Payables - Foreign Currency	-	14,178	-
Trade Payables - ₹ Lakhs	-	12.20	-
31 March 2020			
Trade receivables - Foreign Currency	177,510	93,134	4,108
Trade receivables - ₹ Lakhs	147.42	70.21	3.82
Trade Payables - Foreign Currency	-	-	-
Trade Payables - ₹ Lakhs	-	-	-

Notes forming part of Financial Statements for the Year ended 31 March, 2021

Sensitivity Analysis

The Company is mainly exposed to changes in USD and Euro. The sensitivity analysis demonstrate a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD and Euro with respect to functional currency of the Company will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	(₹ in Lakhs)	
	31 March, 2021	31 March 2020
Euro	9.29	7.37
USD	3.43	3.51
GBP	0.87	0.19
Total	13.59	11.07

(D) Price risk

The Company is exposed to price risk in basic ingredients of Company's raw material and is procuring finished components and bought out materials from vendors directly. The Company monitors its price risk and factors the price increase in pricing of the products.

42. LEASES:

Effective April 1st, 2019, the Company adopted Ind AS 116- Leases and applied the standard to all lease contracts existing on April 1st, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the Right of Asset Use (ROU) at its carrying amount, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019. We have applied the exemption not to recognise ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application. On transition, the adoption of the new standard resulted in recognition of 'Right of Use Asset of ₹ 10.96 Lakhs, and Lease Liability of ₹ 7.65 Lakhs. The incremental borrowing rate applied to lease liabilities as at April 1st, 2019 is 10%.

The movement in ROU - Asset during the year ended March 31, 2021 is as follows :

Particulars	ROU Assets -Land
Balance as at March 31, 2020	42.92
Reclassified on account of adoption of Ind AS 116	-
Addition	-
Depreciation	5.49
Balance as at March 31, 2021	37.43

The aggregate depreciation expenses on ROU assets is included under depreciation and amortisation expenses in statement of profit & loss account.

Notes forming part of Financial Statements for the Year ended 31 March, 2021

The movement in lease liabilities during the year ended March 31, 2021

(₹ in Lakhs)	
Particulars	ROU Assets -Land
Balance at the beginning	9.75
Non-Current Liability - 7.65	
Current Liability - 2.10	
Additions	-
Finance cost accrued during the period	0.97
Payments of Lease Liabilities	2.30
Balance at the end :	8.42
Non-Current Liability - 6.12	
Current Liability - 2.30	

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows :

(₹ in Lakhs)		
Particulars	31 March, 2021	31 March 2020
Less than one year	2.30	2.30
One to five years	9.36	11.50
More than five years	10.72	10.88

Rental Expenses recorded for short term lease was ₹ 17.29 Lakhs for the year ended March 31, 2021.

- 43.** Balance of Trade Receivable includes ₹ 205.49 Lakhs (March 2020: ₹ 213.44 Lakhs) which are overdue for which a provision of ₹ 4.79 Lakhs is made and for others no provision has been made in the accounts as the Management is hopeful of recovery.
- 44.** Balances of Trade Receivables, Trade Payables and Financial Assets & Liabilities are subject to confirmation and consequential adjustment, if any.
- 45. Fair Value measurement**

The fair value of Financial instrument as of 31 March, 2021 and 31 March 2020 were as follows-

Particulars	31 March, 2021	31 March 2020	Fair value Hierarchy & Technique
Assets			
Investment in Equity shares through OCI	0.35	0.17	Level-1 (Quoted Market Price)
Investment in Bonds through Profit and Loss	0.34	0.12	Level-1 (Quoted Market Price)
Total	0.69	0.29	

The management assessed that Cash and Cash equivalents, loans, other balances with Banks, trade receivables, trade payables and other Financial liabilities/assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

Borrowings and other non Current Financial Assets / Liabilities are accounted at amortised cost (level - 3).

Notes forming part of Financial Statements for the Year ended 31 March, 2021

46. EARNINGS PER SHARE

Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
(A) Profit attributable to Equity Shareholders (₹ Lakhs)	513.90	324.63
(B) Weighted Average No. of Equity Shares outstanding during the year	7,866,016	7,866,016
(C) Face Value of each Equity Share (₹)	2	2
(D) Basic earning per Share (₹)	6.53	4.13
(E) Diluted earning per Share (₹)	6.53	4.13

47. SEGMENT REPORTING

The Management information system of the Company identifies & monitors Auto Parts as the primary business Segment. In the opinion of the management, the Company is primarily engaged in the business of automotive parts, as the basic nature of these activities are governed by the same set of risk and returns; these constitute and have been grouped as single segment as per Ind As 108 dealing with segment report.

48. CSR EXPENDITURE

The Company has during the year spent ₹ 49.75 Lakhs towards the Corporate Social Responsibility (CSR) Activities. As per the provisions of Section 135 of the Act, the excess expenditure of ₹ 1.89 Lakhs spent during the year, as on the balance sheet date will be set-off towards the future obligations.

49. EARNINGS & EXPENDITURE IN FOREIGN EXCHANGE

Particulars	(₹ in Lakhs)	
	For the Year ended 31 March 2021	For the Year ended 31 March 2020
(A) Export of Goods/Services on F.O.B. basis	3,426.27	3,547.68
(B) Value of Imports on C.I.F. basis		
i) Raw Materials/ components	156.42	211.39
ii) Capital Goods	-	260.76
(C) Expenditure in Foreign Currency		
i) Foreign Travel	-	11.32
ii) Foreign Commission	-	1.15
iii) Foreign Bank Charges	4.02	4.04

50. The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of even date

For PRA ASSOCIATES

Chartered Accountants
Firm Registration Number: 2355N

Sd/-
Deepak Gupta

Partner
Membership No. 89597
Place: Chandigarh
Date: 11th June, 2021
UDIN: 20089597AAAABV9977

Sd/-

Aditya Aggarwal
Chief Financial Officer

Sd/-

Abhishek Misra
Company Secretary

On behalf of the Board

Sd/-

Vijay Aggarwal
Managing Director
DIN: 00094141

Sd/-

Rajiv Aggarwal
Jt. Managing Director
DIN: 00094198



HIM TEKNOFORGE LTD.

HIM TEKNOFORGE LIMITED

(Formerly known as Gujarat Automotive Gears Limited)
Village Billanwali, Sai Road Baddi - 173 205
Himachal Pradesh

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