

**September 04, 2020**

**To,**  
**Listing Department**  
**National Stock Exchange of India Limited**

Plot No. C/1, G - Block,  
BandraKurla Complex,  
Bandra (East),  
Mumbai - 400 051

Dear Sir/Madam,

**SCRIPT SYMBOL: TIRUPATIFL**  
**SERIES: EQ**

**Sub: Annual Report for the Financial Year 2019-20 and Notice convening the 8<sup>th</sup> Annual General Meeting of the Company.**

**Ref: Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the soft copy of the Annual Report which comprises of Directors' Report, Audited Financial Statements, and Auditor's Reports thereon, for the Financial Year ended 31<sup>st</sup> March, 2020, and the Notice convening the 8<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Saturday, 26<sup>th</sup> September, 2020 at 04:00 p.m. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

You are requested to take the same on record.

**For Tirupati Forge Limited,**

  
**Jalpa Doshi**

**Company Secretary and Compliance Officer**





**Tirupati**  
Forge Limited



# **ANNUAL REPORT 2019-2020**

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



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## 8<sup>TH</sup> ANNUAL GENERAL MEETING

Date: **September 26, 2020**

Day: **Saturday**

Time : **04:00 p.m. (IST)**

Venue : **Registered Office of the Company**

Plot No. 1-5, Survey No. 92/1, Near Shan Cement,  
Hadamta Industrial Area, N.H. 27, Taluka : Kotda Sangani,  
Hadamta, Rajkot - 360 311.  
Gujarat. India.



# ABOUT US



**Tirupati** was incorporated in the year 2012 with focus to manufacturing mass quantity of Carbon Steel Forged Flanges, Forged components and other automotive components. **Tirupati** is equipped with the modern CNC Machine Shop and technology upgraded infrastructure required for the meticulous machining center to be supported by quality assurance department. We had astounding growth focusing its activities for catering the need of international market.

Having installed capacity of 18000 TONS per annum. Our stringent quality control measure and full proof system got us accredited with ISO-9001:2015 certification, PED - AD 2000 and CRN (Canadian Registration Number) with **Tirupati** brand name. Our forged flanges and forged components largely shipped to U.S.A., European and African Countries.

We are equipped with the modern forge shop, Hydraulic Extrusion Shop and machining facilities available under one roof adhering to stringent quality control measures. The entire system is backed by proper documentation, traceability until the end product, with quality checks as required under ISO & PED regulations.

A Strong motivated team of engineers, responsive marketing, solid support from our manufacturing shop resulting into customer satisfaction, catapulting **TIRUPATI** to a strong position.

**Tirupati** will achieve complete satisfaction of customers by providing quality forgings/finished flanges and product related services, through continuous improvement in quality management system.

**TIRUPATI** believes QUALITY is not just about a good product, but its about good attitude which encompasses all spheres of corporate.

# CORPORATE INFORMATION

## Board of Directors

**Mr. Hiteshkumar G. Thummar**  
Chairman & Managing Director

**Mr. Bhavesh T. Barsiya**  
Whole Time Director

**Mrs. Darshna H. Thummar**  
Non Executive &  
Non Independent Director

**Mr. Ramesh M. Patel**  
Non Executive &  
Independent Director

**Mr. Sachin P. Ravani**  
Non Executive &  
Independent Director

**Mr. A. M. Shrivastava**  
Non Executive &  
Independent Director

## Chief Financial Officer

**Mr. Atul L. Natu**  
E-mail: cfo@tirupatiforge.com

## Company Secretary & Compliance Officer

**Ms. Jalpa N. Doshi**  
[ICSI Membership No.: ACS 54465]  
E-mail: cs@tirupatiforge.com

## Registered Office

Plot No. 1-9, Survey No. 92/1, Near ShanCement, Hadamtala Industrial Area, N.H. 27,  
Taluka:Kotda Sangani, Hadamtala, Rajkot 360311 Gujarat. India.  
**Tel. No. :** +91 2827 270512 **E-mail :** info@tirupatiforge.com **Web :** www.tirupatiforge.com

## Audit Committee

**Mr. Ramesh M. Patel**  
Chairman

**Mrs. Darshna H. Thummar**  
Member

**Mr. Sachin P. Ravani**  
Member

## Nomination & Remuneration Committee

**Mr. Sachin P. Ravani**  
Chairman

**Mrs. Darshna H. Thummar**  
Member

**Mr. Ramesh M. Patel**  
Member

## Stakeholders' Relationship Committee

**Mr. Sachin P. Ravani**  
Chairman

**Mrs. Darshna H. Thummar**  
Member

**Mr. Ramesh M. Patel**  
Member

## Complaints Committee for Sexual Harassment Complaints Redressal

**Mrs. Darshna H. Thummar**  
Chairperson

**Mr. Hitesh G. Thummar**  
Member

**Mr. Bhavesh T. Barsiya**  
Member

## Corporate Social Responsibility Committee

**Mr. Hitesh G. Thummar**  
Chairperson

**Mr. Bhavesh T. Barsiya**  
Member

**Mr. Sachin P. Ravani**  
Member

## Statutory Auditors

**Maharishi & Co.,**  
**Chartered Accountants**  
Firm Registration No.: 124872W  
“Aparna”, Behind Jivandeep Hospital, Limda Line, Jamnagar 361 001 Gujarat. India.  
E-mail: info@jainandmaharishi.com

## Secretarial Auditors

**Mr. Piyush Jethva,**  
**Practising Company Secretary**  
ICSI Membership No.: F6377 | COP No.: 5452  
806 - The Imperia, Opp. Shastri Maidan, Above Federal Bank,  
Limda Chowk, Rajkot - 360 001 (Gujarat) India

## Internal Auditors

**M. B. Sardhara & Associates,**  
**Chartered Accountants**  
Firm Registration No.: 127974W  
“Sardhara House”, Bhaktinagar Soc., Marg-1, Near Vrundavan Dairy,  
Kanta Stri Vikas Gruh Road, Rajkot 360 002 Gujarat. India.  
E-mail: mbsardhara@gmail.com

## Stock Exchange

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### **National Stock Exchange of India Ltd.**

Exchange Plaza, Plot No. C/1,  
G Block Bandra-Kurla Complex, Bandra (E),  
Mumbai-400051, Maharashtra, India.  
Website: [www.nseindia.com/emerge/](http://www.nseindia.com/emerge/)

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## Registrar & Share Transfer Agents

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### **Link Intime India Private Limited**

C 101, 247 Park, L.B.S. Marg, Vikhroli(West), Mumbai 400 083, Maharashtra, India.  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

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## Bankers to the Company

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### **Indian Overseas Bank**

Vaniawadi Branch, Near, Bhaktinagar Circle, Rajkot - 360 002 Gujarat. India.  
E-mail: [iob0427@iob.in](mailto:iob0427@iob.in) | Website: [www.iob.in](http://www.iob.in)

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## VIEW OF EXPANSION







## MESSAGE FROM CHAIRMAN AND MANAGING DIRECTOR

Dear Stakeholders,

It is my privilege as the Chairman and Managing Director, to report the Company's performance and share the key highlights of Financial Year 2019-20. As a Company, we have always strived to better our own work by continually deepening our domain expertise, adding value and expanding our product portfolio.

We believe in transparency and therefore, consider it our responsibility to update our shareholders on the Company's performance. Our vision of growth is focused on both qualitative and quantitative aspects of business. We strive towards achieving excellence and enhancing value for us as well as our customers.

2019-20 has been an exciting and eventful year with significant achievement. In this entire journey, customers have been at the soul of our initiatives and I sincerely thank them for their confidence kept with us.

At this point of time, I have privilege to share main highlights of the last financial year's performance (2019-2020):

- ♣ Total Revenue from Operations is decreased from Rs. 420,940,785/- of previous F.Y 2018-19 to Rs. 279,694,609/- of the reporting financial year which is 33.55 % less in compare to the last financial year.
- ♣ Total Expenses has decreased from Rs. 362,408,169/- of previous financial year to Rs. 275,857,676/- of the reporting financial year.
- ♣ Profit before exceptional & extra-ordinary items and tax decreased from Rs.585,32,616/- of previous F.Y. 2018-19 to Rs. 3,836,933/- of the reporting financial year.
- ♣ Net Profit is also decreased from Rs. 4,18,93,911/- of previous F.Y. 2018-19 to Rs. 27,42,553/- of the reporting financial year.
- ♣ Earnings Per Share (EPS) for the F.Y. 2019-20 is Rs. 0.27/- as

From the above-mentioned result, it can be seen that the Company is in continuous endeavor to sustain the growth of the Company. However, the net profit of the company is reduced but the Company is in continuous efforts for sustainable growth.

I am glad to inform that the Company had issued Bonus Shares to its Existing Shareholders in the ratio of 6:10 (i.e. Six Equity Shares for Every Ten Equity Shares of the Company) in the month of September – October 2019.

I am pleased to announce that the Company's Security is listed and admitted to the dealings of Capital Market segment w.e.f August 04, 2020.

I would like to present my gratitude for the assistance and support from Bankers, Investors, Vendors and most importantly our customers are highly valuable and I express my respect, deep regards and heartfelt thanks to them, without whom the wheels of progress cannot move at desired speed.

**Sd/-**  
**Hiteshkumar G. Thummar**  
**Chairman & Managing Director**  
**[DIN: 02112952]**

# NOTICE

## **NOTICE OF ANNUAL GENERAL MEETING (AGM)**

NOTICE is hereby given that the **Eighth Annual General Meeting (AGM)** of the Members of **TIRUPATI FORGE LIMITED ("the Company")** is scheduled to be held on **Saturday September 26, 2020 at 04:00 p.m.** through Video Conferencing(VC)/ Other Audio Visuals Means (OVAM) to transact the following businesses:

### **ORDINARY BUSINESS:**

- 1) To Receive, Consider and Adopt the Financial Statement including Audited Balance Sheet as on 31<sup>st</sup> March 2020 and Profit & Loss Account for the year ended on that date and reports of Board of Directors and Auditor thereon and Cash Flow Statement and other various schedule prescribed under the Companies Act, 2013.
- 2) To appoint a Director in place of **Mr. Hiteshbhai G. Thummar, Director [DIN: 02112952]**, who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **3) TO APPROVE RELATED PARTY TRANSACTIONS:**

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

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 188 of Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), transaction of taking on lease, the land situated at - Plot No. 6, Revenue Survey No. 92/P1/P1, Taluka: Kotda Sangani, Village: Hadamtala, Rajkot 360 311 (Gujarat) India, from Mr. Hitesh Thummar, Chairman & Managing Director (DIN 02112952), which was approved by the Board of Directors of the Company, subject to approval of Shareholders, be and is hereby ratified & approved by the Members of the Company."

**By Order of Board of Directors  
For, TIRUPATI FORGE LIMITED**

sd/-

**Hiteshkumar G. Thummar**  
**Chairman & Managing Director**  
**[DIN: 02112952]**

Hadamtala (Rajkot)  
August 17, 2020

#### **Registered Office :**

Plot No. 1-9, Survey No. 92/1, Near Shan Cement, Hadamtala Industrial Area,  
Kotda Sangani Hadamtala, Rajkot - 360 311 Gujarat. India.

Tel. No. : +91 2827 270512

E-mail: info@tirupatiforge.com Website : www.tirupatiforge.com

# NOTES

1. The following is annexed with this Notice :
  - (I) Explanatory Statement and reasons for the proposed resolutions pursuant to Section 102 of the Companies Act, 2013 read with Secretarial Standard on General Meetings (SS – 2) issued by the Institute of Company Secretaries of India in respect of the special business.
  - (ii) Instructions for e-voting.
2. Based on the consent received from CS Piyush Jethva, (FCS No. 6377, C.P. No. 5452), Practicing Company Secretary, the Board has appointed him as the Scrutinizer to scrutinize the process in a fair and transparent manner.
3. Members may note that M/s Maharishi & Co., Chartered Accountants (Firm Reg. No. 124872W) were appointed as Statutory Auditors of the company at the 7th Annual General Meeting (AGM) held on 20th September, 2019, to hold their office for a period of 3 consecutive years till the conclusion of the 10th AGM to be held during the year 2022. The Ministry of Corporate Affairs vide notification dated 7th May, 2018 had amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the members for appointment of statutory auditors at every AGM. Hence, no resolution is being proposed for ratification of the appointment of Statutory Auditors at this 8th Annual General Meeting.
4. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) 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.
5. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
6. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
7. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

8. 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.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. 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 the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
11. 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 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

## **12. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**

13. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice calling the AGM has been uploaded on the website of the Company at [www.tirupatiforge.com](http://www.tirupatiforge.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
14. For receiving all communication (including Annual Report) from the Company electronically Members are requested to register / update their email addresses with the relevant Depository Participant/RTA.

## **1. Procedure for registration of e-mail address by the Members of the Company:-**

### **I. For Temporary Registration:**

The Members of the Company holding Equity Shares of the Company in Demat Form or Physical Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with the RTA/LIPL, by clicking the link: [https://linkintime.co.in/EmailReg/Email\\_Register.html](https://linkintime.co.in/EmailReg/Email_Register.html) and follow the registration process as guided therein. The members are requested to provide details such as Name, Address, DPID, ClientID/ Folio No., PAN. Post successful registration of the e-mail address, the member would get



soft copy of the AGM Notice and Annual Report 2019-20 and the procedure for e-voting along with the user-id to enable e-voting. In case of any query, a member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) and/ or to the Company at [cs@tirupatiforge.com](mailto:cs@tirupatiforge.com)

## **ii. For Permanent Registration**

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) and in respect of physical holdings, with the RTA of the Company by following the procedure prescribed by the Depository Participant or the RTA, respectively.

## **iii. Validation of e-mail ids**

Those members who have already registered their e-mail address are requested to keep their e-mail addresses validated with their Depository Participants / the Company's RTA, to enable servicing of notices / documents / Annual Reports electronically to their e-mail address.

15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 14, 2020 through email on [cs@tirupatiforge.com](mailto:cs@tirupatiforge.com). The same will be replied by the Company suitably. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
16. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered Email Id mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at [cs@tirupatiforge.com](mailto:cs@tirupatiforge.com) between 14th September, 2020 to 19th September, 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers and Questions depending on the availability of time for the AGM.
17. All the work related to share registry in terms of both physical and electronic are being conducted by Company's Registrar and Share Transfer Agent, Link Intime India Private Limited. The Shareholders are requested to send their communication to the RTA.
18. All documents referred to in the Notice will also be available electronically for 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@tirupatiforge.com](mailto:cs@tirupatiforge.com)
19. 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 electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.



20. This notice along with Annual Report for 2019-20 is being sent to all members of the Company whose name appears in the Register of Members/ list of beneficiaries received from the depositories as on 28th August 2020.
21. The person whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on closing of Saturday, September 19, 2020 i.e. cut-off date only shall be entitled to vote at the meeting.
22. The Register of Members and Share Transfer Books shall remain closed from Saturday, September 19, 2020 to Saturday, September 26, 2020 (both days inclusive).

#### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on September 23, 2020 at 09:00 A.M. and ends on September 25, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as at the cut-off date of 19th September, 2020 may cast their vote electronically. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of this Notice and holding shares as on 19th September, 2020, may obtain the login Id and password by sending request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

#### How do I vote electronically using NSDL e-Voting system?

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 are mentioned below:**



#### **How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in Demat Account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001* ** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, Please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password? ” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 are given below :

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [piyushrjethva@gmail.com](mailto:piyushrjethva@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF 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 Members/ shareholders, who will be 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 in the AGM.
3. Members 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.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

## **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using theremote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for eVoting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members 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.

### **Manner for registering/ updating e-mail address:**

- In case the Member's e-mail ID is already registered with the Company/ LinkIntime India Private Limited ("LI IPL") ("Registrar and Transfer Agent")/ Depositories, log in details for e-Voting shall be sent on the registered e-mail address.
- The process for registration of Email Addresses is as under:  
Pursuant to the aforesaid Circular issued by Ministry of Corporate Affairs, for remote E voting for this AGM, Shareholders who have not registered their Email Address and in consequence the Evoting services could not be serviced may temporality get their Email Address registered with the Company's Registrar and Transfer Agent, Link Intime India Private Limited by clicking the Link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) and follow the process as guided thereafter.
- In the case of Shares held in Demat mode, the Members may contact the Depository Participant ("DP") and register the e-mail address in the demat account as per the process followed and advised by the DP.

**ITEM NO. 3: TO APPROVE RELATED PARTY TRANSACTIONS:**

Members are informed that the Company is considering expansion and development of a plant for increase in production capacity. The Company is in need of land for installing the new plant & machineries, for the purpose of increasing production capacity. Mr. Hitesh G. Thummar, Managing Director [DIN: 02112952] of the Company and owner of the said land situated at Plot No. 6, Revenue Survey No. 92/P1/P1, Taluka: Kotda Sangani, Village: Hadamtala, Rajkot 360 311 (Gujarat) which is adjacent to existing plant of the Company. Further, Mr. Hitesh Thummar, Managing Director [DIN: 02112952] agreed to give the land on lease to the Company on nominal rent amounting to Rs. 15,000/- per month. The rent to be paid can be reduced if and then mutually agreed by the Board of the Company and the land owner. This transaction of leasing of property with Mr. Hitesh G. Thummar, Managing Director [DIN: 02112952] falls under the purview of Section 188 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 where approval of

None of the Directors, Key Managerial Personnel(s) and their relatives are concerned or interested in the said Resolution except Mr. Hitesh Thummar- Managing Director [DIN: 02112952] and Mrs. Darshna Thummar – Non Executive Director [DIN:07869257] being relative of Mr. Hitesh Thummar.

Members are requested to pass the Resolution at Item No. 3 as an Ordinary Resolution.

**By Order of Board of Directors**  
**For, TIRUPATI FORGE LIMITED**

**Sd/-**  
**Hiteshkumar G. Thummar**  
**Chairman & Managing Director**  
**[DIN: 02112952]**

Hadamtala (Rajkot)

August 17, 2020

# Director's Report

Dear Share Holders

**TIRUPATI FORGE LIMITED**

Your Directors have pleasure in presenting 8<sup>th</sup> **Annual Report** along with the Audited Standalone Financial Statements for the year ended on March 31, 2020.

## FINANCIAL RESULTS

The Financials of the Company for the year ended on March 31, 2020 is summarized as under :

*(Amount in Rs.)*

Sr. No.	Particulars	F. Y. 2019-20	F. Y. 2018-19
1.	Revenue from Operations	276,137,151	418,391,640
2.	Other Income	3,557,458	2,549,145
3.	<b>Total Revenue</b>	<b>279,694,609</b>	<b>420,940,785</b>
4	Cost of Materials Consumed	151,609,798	221,480,944
5.	Purchase of Stock in Trade	7,999,993	34,472,691
	Changes in inventories		
	Work in Progress & By Product	-3,229,617	-7,211,416
	Finished Goods	-1,375,864	1,733,889
6.	Employees Benefit Expenses	20,817,070	17,132,863
7.	Finance Costs	5,034,977	4,313,416
8.	Depreciation and Amortization Expenses	18,175,168	10,239,883
9.	Other Expenses	76,826,153	80,245,900
10.	<b>Total Expenses</b>	<b>275,857,676</b>	<b>362,408,169</b>
11.	Profit Before Tax	3,836,933	58,532,616
12.	Tax Expenses		
	Current Tax	855,380	14,860,005
	Deferred Tax	239,000	1,778,700
13.	<b>Total Tax Expenses</b>	<b>1,094,380</b>	<b>16,638,705</b>
14.	<b>Profit After Tax</b>	<b>2,742,553</b>	<b>41,893,911</b>
15.	<b>Earnings Per Share (EPS)</b>	<b>0.27</b>	<b>4.33</b>



## OPERATIONAL RESULTS AND STATE OF COMPANY'S AFFAIRS :

The Highlights of Company's performance for the year ended on March 31, 2020

- Total Revenue from Operations decreased from Rs. 420,940,785/- of previous F.Y 2018-19 to Rs. 279,694,609/- of the reporting financial year. Which is 33.55% less in compare to the last financial year.
- Total Expenses has decreased from Rs. 362,408,169/- of previous financial year to Rs. 275,857,676/- of the reporting financial year.
- Profit before exceptional & extra-ordinary items and tax decreased from Rs. 5,85,32,616/- of previous F.Y. 2018-19 to Rs. 3,836,933/- of the reporting financial year.
- Net Profit also decreased from Rs. 4,18,93,911/- of previous F.Y. 2018-19 to Rs. 27,42,553/- of the reporting financial year.
- Earnings per Share (EPS) for the F.Y. 2019-20 is Rs. 0.27/- as compared to Rs. 4.33/- of F.Y. 2018-19.

## FINANCIAL PERFORMANCE REVIEW AND ANALYSIS

Your directors are delighted to share their consciousness in terms of Financial Performance of the Company. From the highlights of the financial results, it can be seen that Company is performing in standard way to retain the profitability of the Company. Your directors have made efforts for minimization of Cost. Your directors are in continuous endeavor to increase the profitability and growth of the Company.

## CHANGE IN THE NATURE OF BUSINESS :

During the year, your Company has not changed its business or object and continues to be in the same line of business as per main object of the Company

## DECLARATION OF DIVIDEND :

With a view to plough back of profits and using Net Profit for liquidity purpose and day-to-day operational activities, your Board of Directors does not recommend any dividend for the F.Y. 2019-20.

## ISSUE OF BONUS SHARES :

During the year under review, The Bonus Equity Shares were issued by the Company to its Existing Shareholder. The Board of the Company has approved the issue of Bonus Shares in the ratio of 6:10 (i.e. Six Equity shares for Every Ten Equity Shares) on August 20, 2019 and the same was approved by the Shareholders of the Company on September 20, 2019 at their Annual General Meeting. Subsequently, the Company has allotted Bonus Equity Shares to its Existing Shareholders as on October 06, 2019. Equity Share capital of the Company was increased by 35,88,000 Equity Shares. The Bonus Equity Shares was also reserved for Warrants holders of the Company whose warrants were pending to be converted into Equity Shares of the Company. One of the Warrants holders has converted his Warrants into Equity Shares on November 12, 2019 and Bonus shares in the same proportion were allotted to them. However, reservation for Bonus Equity Shares is still in effect for the warrants which are still pending to be converted into Equity Shares.

## INVESTOR EDUCATION AND PROTECTION FUND (IEPF) :

During the year under review, there were no instances incurred pursuant to which Company would require to transfer any amount to Investor Education and Protection Fund. Hence no reporting under this is required.

## TRANSFER TO RESERVE :

The Board of Directors of your company has decided to keep the credit balance of profit and loss account to the surplus account. No amount has been transferred to Reserve Account.

## HOLDING/SUBSIDIARY/ASSOCIATE :

The Company has no Holding, Subsidiary and Associate Company.

## MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT :

The Covid-19 pandemic has severely disrupted business operations due to nation-wide lockdown and other emergency measures imposed by the Central & State Government. The operations of the Company were shut for the period of almost 2 months, which has affected the financial position of the company. Later on, the Company has continued its operations in a phased manner in line with the directives from Central & State Government and local authorities. However, the market is going to be volatile until the time the situation becomes normal.

Furthermore, the Company has listed its securities on Emerge Platform (SME Platform) of National Stock Exchange of India Limited since October 2017. On successful completion of 2 years on Emerge Platform, the Company has applied to the Exchange for migration of its securities to the main board of the Exchange. On a pleasing note, the security of the Company is migrated to Main Board of the Exchange for free trading w.e.f. August 04, 2020.

Apart from this, there are no material changes and commitments, affecting the financial position of the Company, have occurred between the ends of financial year of the Company i.e. March 31, 2019 to the date of this Report.

## SHARE CAPITAL :

### Authorised Capital & Paid Up Capital :

During the year under review, the Authorised Share Capital was increased from Rs. 7,00,00,000 to Rs. 11,50,00,000 w.e.f September 20, 2019.

Subsequently, The Shareholders of the Company has provided approval to issue of Bonus Shares at their Annual General Meeting held on September 20, 2019. On October 06, 2020, the company has allotted Bonus Equity Shares to its Existing Shareholders of the Company in the ratio of 6:10 which is resulted into increase in paid up capital of the Company from Rs. 5,98,00,000 to Rs. 9,56,80,000 divided into 95,68,000 Equity shares.

Furthermore, on November 19, 2019, Paid up Capital of the Company was increased from Rs. 9,56,80,000 to Rs. 1,03,20,000 due to conversion of warrants into Equity Shares of the Company and subsequent issue to Bonus Equity Shares upon conversion of warrants in the ratio of 6:10.

The further details of warrants issued, allotted and converted into Equity Shares are given under the heading **Issue of Warrants**.

Furthermore, during the year under review, the Company has not come up with any Right issue, Issue of Employee Stock Options, Issue of Sweat Equity Shares, Issue of Debentures, issue of Bonds etc.

### **ISSUE OF WARRANTS :**

There was issue of Convertible warrants during the financial year under review. on April 08, 2019 Company had issued 11,88,000 Convertible warrants on Preferential basis to Non-promoters of the Company. Further details of issue of Convertible Warrants are as under:

1.	Date of allotment of warrants	April 08, 2019
2	Number of warrants	11,88,000
3	Whether the issue of warrants was by way of preferential allotment, private placement, public issue	The warrants were issued by way of preferential allotment to Non-Promoters of the Company
4	Issue price	Rs. 45 (Face value of Rs. 10 each and Premium of Rs. 35)
5	Maturity date	09.10.2020 i.e. 18 months from the Date of Allotment
6	Amount raised, specifically stating as to whether 25% of the consideration has been collected upfront from the holders of the warrants	On first instance, Company has collected Rs. 1,78,28,000/- from the warrants holders which is more than 25% of the amount of the issue. Later on, the Company has collected Rs. 1,58,32,000/- in different instances from different warrant holders.
7	Terms and conditions of warrants including conversion terms.	The warrants were issued with rights to convert into Equity Shares of the Company upon payment of remaining amount within 18 months from the date of allotment of the Warrants.
8	No. of warrants converted into Equity Shares of the Company till the date of this report	6,18,000 Warrants were converted into 6,18,000 Equity Shares of the Company upon receipt of remaining amount from the respective warrant holders and reserved Bonus Equity Shares were also issued to Warrant holders upon conversion of their warrants into Equity Shares.

### **CREDIT RATING :**

During the year under review, Credit rating is not applicable to the company.

### **MANAGEMENT :**

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on March 31, 2020, the Board comprised of 6 (Six) Directors, details of which are tabled below:

Sr. No.	Name of persons	Designation	Directors Identification Number (DIN)
1.	Mr. Hiteshkumar G. Thummar	Chairman & Managing Director	02112952
2.	Mr. Bhavesh T. Barsiya	Whole Time Director	05332180
3.	Mrs. Darshna H. Thummar	Non Executive & Non Independent Director	07869257
4.	Mr. Ramesh M. Patel	Non Executive & Independent Director	02738359
5.	Mr. Sachin P. Ravani	Non Executive & Independent Director	07874835
6.	Mr. Anand Mohan Shrivastava	Non Executive & Independent Director	08684010

During the year, there was a change in composition of Board following the resignation of Mr. Ajay V. Sardhara (DIN: 06386557), Whole Time Director w.e.f. 14th February 2020, resigned due to his other occupation. Mr. Bhavesh T. Barsiya (DIN: 05332180) was appointed as a Whole Time Director of the Company w.e.f. 14th February 2020. Furthermore, Mr. Anand Mohan Shrivastava (DIN: 08684010) was appointed as an Independent Director w.e.f. 14th February, 2020.

As on 31st March, 2020, there was no disqualification of any Director pursuant to Section 164 (2) of the Companies Act, 2013.

In accordance with the provisions of Companies Act, 2013 and as per Articles of Association of the Company, Mr. Hiteshkumar G. Thummar (DIN: 02112952) is liable to retire by rotation at the ensuing 8th Annual General Meeting of the Company and being eligible offer himself for re-appointment and the Board recommends his reappointment. The detailed information of the director being appointed is provided as an **Annexure-I**.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of the independence as prescribed both under section 149(6) of the Companies Act, 2013 and under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In accordance with the provisions of the Companies Act, 2013, none of the Independent Directors is liable to retire by rotation.

The required information of the Directors being re-appointed, pursuant to the provisions of the Listing Regulations, forms part of the Annual Report.

As on March 31, 2020, the Key Managerial Personnel of the Company were Mr. Hiteshkumar G. Thummar (DIN: 02112952), Managing Director, Mr. Bhavesh T. Barasiya (DIN: 05332180), Whole Time Director, Mr. Atul Natu (Chief Financial Officer) and Ms. Jalpa Doshi (Company Secretary and Compliance officer).

During the year under review, CS Jalpa N. Doshi (ICSI Membership No.: A54465) was appointed as a Company Secretary and Compliance Officer of the Company at Meeting of Board of Directors with effect from April 22, 2019.

#### **NUMBER OF MEETINGS OF BOARD OF DIRECTORS:**

During the financial year under review, Total 16 meetings of Board of Directors of the Company were held, details of which are given as under.

The maximum time-gap between any two consecutive meetings did not exceed 120 days.

Sr. No.	Date of Meeting	No. of Directors who attended Meeting
1.	08-Apr-19	6
2.	22-Apr-19	5
3.	10-May-19	6
4.	16-May-19	4
5.	18-May-19	4
6.	01-June-19	4
7.	10-June-19	5
8.	31-Jul-19	6

Sr. No.	Date of Meeting	No. of Directors who attended Meeting
9.	20-Aug-19	6
10.	20-Sept-19	6
11.	06-Oct-19	5
12.	12-Nov-19	6
13.	19-Nov-19	6
14.	30-Jan-20	5
15.	14-Feb-20	6
16.	06-Mar-20	5

## DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed both under section 149 (6) of the Companies Act, 2013 and under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## COMMITTEES OF BOARDS

The Board of Directors, in line with the provisions of the Act, has formed following Committees:

### a. Audit Committee

The Company has formed audit committee in line with the provisions Section 177 of the Companies Act, 2013. Audit Committee meeting is generally held for recommending the half-yearly and yearly financial result and for approval of related Party Transactions, if any. The Board has accepted recommendations of Audit Committee, wherever/whenever given. Chief Financial Officer of the Company is a regular invitee at the Meeting.

The other details with respect to committee composition and meetings are as follow:

Composition of Audit Committee		
1.	Mr. Ramesh M. Patel	Chairman
2.	Mrs. Darshna H. Thummar	Member
3.	Mr. Sachin P. Ravani	Member

Sr. No.	Date of Meeting	Total No. of Directors in the committee	No. of Directors who attended Meeting
1.	10-May-19	3	3
2.	20-Aug-19	3	3
3.	12-Nov-19	3	3
4.	06-Mar-20	3	3

### b. Nomination and Remuneration Committee

The Company has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee Meetings are generally held responsible for identifying the persons who are qualified to become Directors, their remuneration and appointment of personnel at senior level management and their removal. The other details with respect to committee composition and meetings are as follow:

Composition of Nomination & Remuneration Committee		
1.	Mr. Sachin P. Ravani	Chairman
2.	Mrs. Darshna H. Thummar	Member
3.	Mr. Ramesh M. Patel	Member



Sr. No.	Date of Meeting	Total No. of Directors in the committee	No. of Directors who attended Meeting
1.	22-Apr-19	3	3
2.	31-Jul-19	3	3
3.	20-Aug-19	3	3
4.	14-Feb-20	3	3
5.	06-Mar-20	3	3

#### c. Stakeholders' Relationship Committee

The Company has constituted Stakeholder's Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. During the year under review, there was no such incident occurred. The Committee was met for 1 time during the financial year 2019-20. The other details with respect to committee composition and meetings are given as follows.

Composition of Stakeholders' Relationship Committee		
1.	Mr. Sachin P. Ravani	Chairman
2.	Mrs. Darshna H. Thummar	Member
3.	Mr. Ramesh M. Patel	Member

Sr. No.	Date of Meeting	Total No. of Directors in the committee	No. of Directors who attended Meeting
1.	06-Mar-20	3	3

#### d. Complaints Committee for Sexual Harassment Complaints Redressal

To foster a positive workplace environment, free from harassment of any nature, we have constituted a Complaints Committee for Sexual Harassment Complaints Redressal, through which we address complaints of sexual harassment at the all workplaces of the Company. The Complaints Committee is responsible for investigating every formal written complaint of sexual harassment, taking appropriate remedial measures to respond to any substantiated allegations of sexual harassment and Discouraging & preventing employment - related sexual harassment. In conclusion, the Company reiterates its commitment of providing its employees, a workplace free from harassment / discrimination and where every employee is treated with dignity and respect. The other details with respect to committee composition are as follows

Composition of Complaints Committee for Sexual Harassment Complaints Redressal		
1.	Mrs. Darshna H. Thummar	Chairman
2.	Mr. Hitesh G. Thummar	Member
3.	Mr. Bhavesh Barsiya	Member

During the year under review, there were no incidences of sexual harassment reported and therefore no committee meeting held during the year.



#### e. Corporate Social Responsibility Committee:

Pursuant to Section 135 of the Companies (Amendment) Act, 2017, every Company having Net worth of Rs. 500 Crore or more OR Turnover of Rs. 1000 Crore or more OR Net Profit of Rs. 5 Crore or more during the immediately preceding financial year (F.Y. 2018-19) shall constitute Corporate Social Responsibility (CSR).

In accordance with the provisions of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility ("CSR") Committee. The composition of the CSR Committee is provided below. The policy is available on the website of the Company;

During the financial year 2019-20, the Corporate Social Responsibility (CSR) expenditure incurred by the Company was Rs. 3,22,000/-. The annual report on CSR activities undertaken during the financial year 2019-20 is in accordance with the provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and is appended as **Annexure-II** to this Report. During the year, the Company had successfully completed its CSR obligation.

Composition of CSR Committee		
1.	Mr. Hitesh G. Thummar	Chairman
2.	Mr. Bhavesh Barsiya	Member
3.	Mr. Sachin P. Ravani	Member

Sr. No.	Date of Meeting	Total No. of Directors in the committee	No. of Directors who attended Meeting
1.	12-Nov-19	3	3
2.	14-Feb-20	3	3

#### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

Company has formulated Nomination and Remuneration Policy in compliance with Section 178 of the Companies Act, 2013 to assist in the matters relating to Appointment of Directors, payment of Managerial Remuneration, Director's Remuneration, their qualifications, positive attributes, independence of Directors, appointment and remuneration of Key Managerial personnel and other related matters. The salient features of the Policy are described below and the said policy is also placed on the website of the Company.

[http://www.tirupatiforge.com/file/Nomination%20and%20Remuneration%20Committee\\_tirupati.pdf](http://www.tirupatiforge.com/file/Nomination%20and%20Remuneration%20Committee_tirupati.pdf)

#### a) Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Personnel:

1. The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel and Senior Management personnel and recommend to the Board for his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment.
3. In case of appointment of Independent Director, the Committee shall satisfy itself with regard to the independent nature of the Director vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

## **b) Policy on remuneration of Directors, KMP and Senior Management Personnel:**

The Company's remuneration policy is driven by the success and performance of Directors, KMP and Senior Management Personnel vis-à-vis the Company. The Company's philosophy is to align them with adequate compensation so that the compensation is used as a strategic tool that helps us to attract, retain and motivate highly talented individuals who are committed to the core value of the Company. The Company follows mixed pay of fixed, benefits and performance based variable pay. The Company pays remuneration by way of salary, benefits, perquisites and allowance. The remuneration and sitting fees paid by the Company are within the salary scale approved by the Board and Shareholders.

The details of remuneration paid during the financial year 2018-19 to the Directors of the Company is provided in notes forming part of Financial Statements which is the part of this Directors' Report.

### **ANNUAL EVALUATION OF DIRECTORS, BOARD AND COMMITTEE PERFORMANCE**

The Board of Directors understands the requirements of an effective Board Evaluation process and accordingly conducts the Performance Evaluation every year in respect of the following:

- i. Board of Directors as a whole.
- ii. Committees of the Board of Directors.
- iii. Individual Directors including the Chairman of the Board of Directors.

The key objectives of conducting the Board Evaluation process were to ensure that the Board and various Committees of the Board that they have been functioning collectively to achieve common business goals of the Company. Similarly, the key objectives of conducting performance evaluation of the Directors through individual assessment were to ascertain if the Directors actively participate in the Board/Committee Meetings and contribute to achieve the common business goals of the Company.

Separate meeting of Independent Directors was held to evaluate the performance of nonindependent Directors, performance of the board as a whole and performance of the Chairman, taking into account the views of Executive Directors and Non-Executive Director. The same was discussed in the Board Meeting that followed the meeting of the independent directors, at which the performance of the Board, its Committee and Individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire board, excluding the independent director being evaluated.

### **REMUNERATION OF DIRECTORS AND EMPLOYEES :**

Information pursuant to Section 134(3)(q) and Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2020 and forming part of the Directors' Report for the said financial year is provided in **"Annexure -III"**

### **PARTICULARS OF EMPLOYEES :**

The Company has no employee who is in receipt of remuneration of Rs. 8,50,000/- per month or Rs. 1,02,00,000/- per annum and hence the Company is not required to give information under sub Rule 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act 2013, your Directors state that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards had been followed and there were no material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company has an Internal Control System including Internal Financial Controls, commensurate with the size, scale and complexity of its operations as approved by the Audit Committee and the Board. The Company maintains a system of internal controls designed to provide reasonable assurance regarding:

- Effectiveness and efficiency of operations.
- Adequacy of safeguards for assets.
- Reliability of financial controls.
- Compliance with applicable laws and regulations.

## FRAUDS REPORTED BY THE AUDITORS :

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

## PUBLIC DEPOSITS :

During the year under review, the Company has not accepted deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

## PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company during the year under review, have not given loans or made investments or given guarantees or provided securities, directly or indirectly, to any person or body corporate pursuant to the provisions of Section 186 of Companies Act, 2013. Further, it has not acquired by way of subscription, purchase or otherwise, the securities of any other body corporate and thus disclosures under Section 186 are not required to be made.

The Company has not advanced any loan to any of its Directors or any other person in whom the Director is interested or given any guarantee or provided any security in connection with any loan taken by him/her in terms of Section 185 of the Companies Act, 2013.

## PARTICULARS OF TRANSACTIONS WITH RELATED PARTIES

During the year under review, Company had entered into transaction with some related party. The details of the transaction are provided in attached **Annexure IV**.

Moreover, The Related Party Transactions Policy as approved by the Board of Directors has been uploaded on the website of the Company at <http://www.tirupatiforge.com/file/related-party-policy.pdf>. Members are requested to refer to Note no. 34 & 35 to the financial statement which sets out related party disclosures for the year under review.

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

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 are as stated below:

### A. Conservation of Energy-

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

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

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

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

#### 3. Capital Investment on energy conservation equipment:

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

### B. Technology Absorption-

#### 1. The efforts made towards technology absorption;

The Company has not made any special effort towards technology absorption. However company always prepared for update its factory for new technology.

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

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

#### 4. The details of technology imported: Not applicable

#### 5. The year of import : Not Applicable

#### 6. Whether the technology been fully absorbed: Not applicable

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

#### 8. The expenditure incurred on Research and Development- Not applicable

### C. Foreign exchange earnings and Outgo-

#### 1. Activities relating to export:

The Company is engaged in exporting its forging product to various countries like USA, Canada, Malaysia, Morocco, Brazil etc.,

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

2. Initiative taken to increase exports: The Company is making continue effort for increase its exports.
3. Development of new export market for product & services: NA
4. Export Plan: To explore new business opportunities and special attention to expand our business.
5. Details for Foreign Exchange Earnings & outgo

Particulars	F.Y. 2019-20	F.Y. 2018-19
Foreign Exchange Earnings (in Rs.)	11,70,90,625	20,21,29,360
Foreign Exchange Outgo (in Rs.)	68,00,095	1,974,995

## RISK MANAGEMENT

The Company is exposed to various potential risks like Economical Risk, Compliance Risk, Operational Risk, Environmental Risk and Financial Risk. Senior management regularly and systematically reviews the key risk areas. They also provide input to mitigate the risk. The Risk Management Policy has been placed on the website of the Company at <http://www.tirupatiforge.com/policies>.

## DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

The Vigil Mechanism Policy aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or policy. The mechanism provides for adequate safeguards against victimization of Directors and Employees and ensures that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior. A copy of the Policy is available on the website of the Company and may be accessed through the web link at following link:

[http://www.tirupatiforge.com/file/Vigil%20Mechanism\\_whistle%20Blower\\_Tirupati.pdf](http://www.tirupatiforge.com/file/Vigil%20Mechanism_whistle%20Blower_Tirupati.pdf).

## MATERIAL ORDERS OF JUDICIAL BODIES /REGULATORS

There were no significant and material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

## EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as “Annexure V” and forms an Integral part of the Report.

This will be also available on Company's website at <http://www.tirupatiforge.com/financials>.



## AUDITORS :

### STATUTORY AUDITORS

**Maharishi & Co., Chartered Accountants, [ICAI Firm Registration No. 124872W]** were appointed as Statutory Auditors of the Company for the period of 3 years, by the members at the Annual General Meeting of the Company held on September 20, 2019 to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting of the Company to be held in the year 2022 as per the provisions of Section 139 of the Companies Act, 2013.

The Statutory Auditor has confirmed their eligibility and submitted the certificate in writing that they are not disqualified to hold the office of the statutory auditor.

The Statutory Auditors Maharishi & Co., Chartered Accountants, [ICAI Firm Registration No. 124872W] have issued their reports on Financial Statements for the year ended March 31, 2020. There are no adverse remarks or qualifications in the said report. The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

### SECRETARIAL AUDIT

In terms of provisions of Section 204 of the Companies Act, 2013 read with Rules made thereunder, the Company has appointed **CS Piyush Jethva [ICSI Membership No.: F6377]** to undertake the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report is attached to this Report as "**Annexure VI**".

The Secretarial Auditor has given remarks in their report that the company has not registered charge for its vehicle loan. The Board clarify that as on date of this report there is no due for the said loan.

## COST AUDIT

Pursuant to provisions of Section 148 of Companies Act, 2013 and rules made there under, Cost Audit is not applicable to the Company. However, the Company has maintained the cost records in accordance with the rules made under the Act.

## SECRETARIAL STANDARDS:

The Company is complying with all applicable secretarial standards as issued by the Institute of Company Secretaries of India.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 is attached herewith as an **Annexure-VII**.

## CORPORATE GOVERNANCE :

The equity shares of the Company has been listed and admitted to dealings on the Exchange (Capital Market Segment) w.e.f. August 04, 2020 pursuant to migration from SME Emerge Platform. Till the end of Financial year 2019-20, the Company's security was listed on the Emerge Platform of the Exchange and therefore the requirements of submitting Compliance Report on Corporate Governance on pursuant to Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was not applicable to the Company and therefore no report is provided herewith for the reporting period.



## GENERAL DISCLOSURES

1. The Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees as per Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
2. There is no revision in the Board Report or Financial Statement.

## APPRECIATION AND ACKNOWLEDGEMENTS:

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

**By and on behalf**  
**TIRUPATI FORGE LIMITED**

sd/-  
**Hiteshkumar G. Thummar**  
**Chairman & Managing Director**  
**[DIN: 02112952]**

Hadamtala (Rajkot)  
August 17, 2020

**Information on Director recommended for appointment/ reappointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Sr. No.	Particulars	Information
01	Name of Director	Mr. Hiteshkumar G. Thummar
02	Director Identification Number	02112952
03	Brief Resume of Director	Mr. Hitesh Gordhanbhai Thummar is engaged with the Company since 25th March 2017. He is Master of Business Administration in International Marketing from Queensland University, London. He is having work Experience of more than 10 Years in the Forging Industry.
04	Nature of his expertise in specific functional areas	He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations of our Company.
05	Disclosure of relationships between Directors inter-se	Mrs. Darshana H. Thummar – Wife of Mr. Hitesh G. Thummar.
06	Names of listed entities in which the person also holds the Directorship	Except Tirupati Forge Limited, he does hold directorship in any Listed Company.
07	The membership of Committees of the board	1. Complaints Committee for Sexual Harassment Complaints Redressal 2. Corporate Social Responsibility Committee
08	Disclosure of Disqualification	He is not disqualified from being appointed as a Director
09.	No. of Shares held in the Company	12,24,000 Equity Shares

## Annexure – II

### Annual Report on CSR Activities

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Our vision is to drive 'holistic empowerment' of the community through implementation of sustainable initiative, which will have maximum societal impact by identifying the critical needs and gaps.

We shall remain committed to the following operating principles –

- i. Conducting business in a socially responsible and ethical manner;
- ii. Protecting the environment and the safety of people;
- iii. Supporting human rights; and
- iv. Engaging, learning from, respecting and supporting the local communities and cultures with which we work.

The Board of Directors of your Company had approved the CSR Policy in accordance with the provisions of section 135 of the Companies and it shall apply to all CSR projects /programmes /activities undertaken by the Company as per Schedule VII of the Act.

The CSR policy is available on Company's website at the following link:

[https://www.tirupatiforge.com/file/Corporate%20Social%20Responsibility%20Policy\\_Tirupati%20Forge%20Limited.pdf](https://www.tirupatiforge.com/file/Corporate%20Social%20Responsibility%20Policy_Tirupati%20Forge%20Limited.pdf)

2. Composition of the CSR Committee is as under:

Composition of CSR Committee		
1.	Mr. Hitesh G. Thummar	Chairman
2.	Mr. Bhavesh Barsiya	Member
3.	Mr. Sachin P. Ravani	Member

3. Average Net Profit of the company for last 3 financial years:  
The average net profit of the three financial years preceding the reporting financial year (i.e. 2018-19, 2017-18, 2016-17) calculated in accordance with Section 135 of the Companies Act, 2013 is Rs. 15,354,571/-
4. Prescribed CSR expenditure:  
During the financial year 2019-20, the Company was required to spend Rs. 3,07,092/- ( i.e. 2% of the average net profit of last three financial years).
5. Details of CSR spent during the financial year 2019-20:
  - (a) Amount spent for the financial year: Rs. 3,22,000/-
  - (b) Amount unspent: Nil
  - (c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project/ Activity Identified	Sector in which the project is Covered	Area of Project or Programme	Budgeted CSR Amount (Rs.)	Amount Spent for CSR (Rs.)	Total Amount Spent (Rs.)	Amount Spent Direct/ Agency
1	Health care	Critical medical care awareness and its availability, conduction of Medical Camps, Dispensing medicine free of cost,	Saurashtra	3,07,092	3,11,000	3,11,000	Amount is donated to the trust engaged in the Health care activities
2	COVID - 19 Funding	Donation to Government Fund	Nationwide	---	11,000	11,000	Contribution to Prime Minister's National Relief Fund

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.  
N.A.

7. CSR Committee Responsibility Statement:  
The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

**By and on behalf**  
**TIRUPATI FORGE LIMITED**

**Sd/-**  
**Hiteshkumar G. Thummar**  
**Chairman & Managing Director**  
**[DIN: 02112952]**

August 17, 2020  
Hadamtala (Rajkot)

**DISCLOSURES PERTAINING TO REMUNERATION**

(Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended)

1. Ratio of the remuneration of each Executive Director to the Median remuneration of the Employees of the Company and Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary:

Sr. No.	Name of Person	Designation	Ratio to median remuneration of the employees	% increase in remuneration
01	Mr. Hitesh Thummar	Managing Director	11.72:1	---
02	Mr. Ajay Sardhara (resigned w.e.f 14-02-2020)	Whole Time Director	2.05:1	---
03	Mr. Bhavesh Barasiya	Director	4.69:1	---
04	Ms. Jalpa Doshi	Company Secretary & Compliance Officer	1.89:1	
05	Mr. Atul Natu	Chief Financial Officer	5.54:1	33.24%

## Notes:

- o Calculation of Median employee was based on actual salary paid to all employees. The Employees who left company in between financial year and the employees joined company in between financial year is actually considered.
  - o Ratio of Mr. Ajay Sardhara – Whole Time Director (Who has resigned in month of February, 2020) is taken on basis of actual payment made to him.
  - o The Independent Directors of the Company are entitled to sitting fees and commission as per the statutory provisions however no sitting fees is paid to them for the financial year 2019-20
  - o Non-Executive Directors do not receive any sitting fees or commissions.
2. The percentage increase in the median remuneration of employees in the financial year:  
27.48%
3. The number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March 2020:  
65 (Sixty Five)
4. Average Percentile increase already made in the salaries of the employees other than the managerial personnel in last financial year and comparison with percentile increase in the managerial remuneration and justification thereof:  
There is 33% increase in the salaries of the employees other than managerial personnel. However, there was only increase in the remuneration of CFO of the company, which is as equal to the average increase in the other employees of the company.
5. Affirmation that the remuneration is as per Remuneration Policy of the Company:  
It is hereby affirmed that the remuneration paid to the Directors and employees is as per the Remuneration Policy of the Company.

**By and on behalf**  
**TIRUPATI FORGE LIMITED**  
**Sd/-**  
**Hiteshkumar G. Thummar**  
**Chairman & Managing Director**  
**[DIN: 02112952]**

Hadamtala (Rajkot)  
 August 17, 2020

**Form No. AOC-2 of Tirupati Forge Limited  
for the year ended on March 31, 2020**

[Pursuant to Clause (h) of sub-section (3) of section 134 of the Companies Act- 2013, and Rule 8 (2) of the Companies (Accounts) Rules, 2014- AOC-2]

**1) DETAILS OF CONTRACTS / ARRANGEMENTS / TRANSACTIONS NOT AT ARM'S LENGTH BASIS.**

- There were no contracts / arrangements / transactions entered into during the year ended March 31, 2020 which were not at arm's length basis.

**2) DETAILS OF CONTRACTS/ARRANGEMENTS/TRANSACTIONS AT ARM'S LENGTH BASIS.**

Name of Related Party	Nature of Relationship	Duration of Contract	Nature of Transaction	Amount	Approval by Board
Mr. Hitesh Thummar	Manging Director	15 Years	Lease Rent	60,000 p.a.	July 09, 2018

By and on behalf  
TIRUPATI FORGE LIMITED

Sd/-  
Hiteshkumar G. Thummar  
Chairman & Managing Director  
[DIN: 02112952]

August 17, 2020  
Hadamtala (Rajkot)



To  
The Members  
**TIRUPATI FORGE LIMITED**

**Subject : Justification for Related Party Transactions held during the Financial Year 2019-20**

**1. For Taking Property on Lease and purchase the same**

The Company has entered in the contract with Mr. Hitesh Thummar to take his land on lease in the financial year 2018-19 for 15 years. The transaction was approved by the Board of Director on 9th July 2018 as well as by Share Holder in its Annual General Meeting held for year ended on 31st March 2018. This transaction is also on arm's length basis.

The 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 transaction under third proviso thereto are mentioned in AOC-2.

Further, there is no adverse effect on interest of any members, financial institution, creditors or society because of this transaction.

**By and on behalf**  
**TIRUPATI FORGE LIMITED**

**Sd/-**  
**Hiteshkumar G. Thummar**  
**Chairman & Managing Director**  
**[DIN: 02112952]**

August 17, 2020  
Hadamtala (Rajkot)

## Form No. MGT-9

### EXTRACT OF ANNUAL RETURN ANNEXURE-V

As on the financial year ended on 31st March, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

SR. NO.	PARTICULARS	INFORMATION
I	Corporate Identification Number	L27320GJ2012PLC071594
II	Registration Date	17.08.2012
III	Name of the Company	TIRUPATI FORGE LIMITED
IV	Category / Sub-Category of the Company	Company Limited by Shares Indian Non-Government Company
V	Address of the Registered office and contact details	Plot No.1-5, Survey No.92/1, Near Shan Cement, Hadamta industrial Area, Tal: Kotda Sangani, Hadamta-360311 Rajkot Contact Number : 98250 93907 EMAIL : info@tirupatiforge.com WEB: www.tirupatiforge.com
VI	Whether listed company	Yes (Listed on NSE Emerge)
VII	Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>Link Intime India Private Limited</b> C-101, 247 Park, L.B.S. Marg, Vikhroli (West) MUMBAI - 400 083 Phone: 022-49186200 Email: tirupatiforge.ipo@linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products /services	NIC / HSN Code of the Product/service	% to total turnover of the company
1	Forging	2591	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Company does not have any holding, Subsidiary and Associate Companies.

Sr.No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	Holding/ Subsidiary/ Associates	% of the Shares Held	Applicable Section.
1	N.A.				

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

##### i) Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	4024800	0	4024800	'69.2498	6439680	0	6439680	62.4000	'-6.8498
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0	0
(d)	Any Other (Specify)									
	Sub Total (A)(1)	4024800	0	4024800	'69.2498	6439680	0	6439680	62.4000	'-6.8498
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0	0
(b)	Government	0	0	0	0.00	0	0	0	0	0
(c)	Institutions	0	0	0	0.00	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0	0
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0	0

	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	4024800	0	4024800	'69.2498	6439680	0	6439680	62.4000	'-6.8498
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0	0
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0	0
(c)	Alternate Investment	0	0	0	0.00	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0	0
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0	0
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0	0
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0	0
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	0.00	0	0	0	0	0
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.00	0	0	0	0	0
[3]	Non-Institutions									
(a)	Individuals									

(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	248800	0	248800	'4.2808	266800	0	266800	'2.5853	'-1.6955
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1004000	0	1004000	'17.2746	2094720	0	2094720	'20.2977	'3.0231
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0	0
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0	0
(e)	Any Other (Specify)									
	Hindu Undivided	78000	0	78000	'1.3421	140800	0	140800	'1.3643	'0.0222
	Non Resident Indians	4000	0	4000	'0.0688	6400	0	6400	'0.0620	'0.0068
	Non Resident Indians (Repat)	0	0	0	'0.0000	6400	0	6400	'0.0620	'0.0068
	Clearing Member	96400	0	96400	'1.6586	0	0	0	0	'-1.6586
	Bodies Corporate	356000	0	356000	'6.1253	1365200	0	1365200	'13.2287	'7.1034
	Sub Total (B)(3)	1787200	0	1787200	'30.7502	3880320	0	3880320	'37.6000	'6.8498
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	1787200	0	1787200	'30.7502	3880320	0	3880320	'37.6000	'6.8498
	Total (A)+(B)	5812000	0	5812000	100.00	10320000	0	10320000	100	0
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0	0
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0	0
	Total (A)+(B)+(C)	5812000	0	5812000	100.00	10320000	0	10320000	100	0

## ii) Shareholding of Promoters

Sr No	Shareholders Name	Shareholding at the beginning of the year - 2019			Shareholding at the end of the year - 2020			
		NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged /encumbered total shares	NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered total shares	
1	BHARGAVI MANOJBHAI THUMAR	1130200	'19.4460	'0.0000	1808320	'17.5225	'0.0000	-1.9235
2	CHETNA MUKESHBHAI THUMAR	1115200	'19.1879	'0.0000	1784320	'17.2899	'0.0000	-1.8980
3	HITESHKUMAR GORDHANBHAI THUMMAR	765000	13.1624	'0.0000	1224000	'11.8605	'0.0000	-1.3019
4	JAYABEN SHIVLAL THUMAR	373500	'6.4264	'0.0000	597600	'5.7907	'0.0000	-0.6357
5	OTAMBEN KHODABHAI THUMAR	372500	'6.4092	'0.0000	596000	'5.7752	'0.0000	-0.6340
6	DARSHNA HITESHBHAI THUMMAR	184600	'3.1762	'0.0000	295360	'2.8620	'0.0000	-0.3142
7	VISHAL RAMJIBHAI SORTHIA	45400	'0.7811	'0.0000	72640	'0.7039	'0.0000	-0.0772
8	AJAY VITHALBHAI SARDHARA	38400	'0.6607	'0.0000	61440	'0.5953	'0.0000	'-0.0654
	Total	4024800	'69.2498	'0.0000	6439680	'62.4000	'0.0000	'-6.8498



## iii) Change in Promoters' Shareholding ( please specify, if there is no change)

Sr No.	Name & Type of Transaction	Shareholding at the beginning of		Transactions during the year		Cumulative Shareholding at the end of	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	BHARGAVI MANOJBHAI THUMAR	1130200	19.446			1130200	19.446
	Transfer			25 Oct 2019	678120	1808320	18.8997
	AT THE END OF THE YEAR					1808320	17.5225
2	CHETNA MUKESHBHAI THUMAR	1115200	19.1879			1115200	19.1879
	Transfer			25 Oct 2019	669120	1784320	18.6488
	AT THE END OF THE YEAR					1784320	17.2899
3	HITESHKUMAR GORDHANBHAI THUMMAR	765000	13.1624			765000	13.1624
	Transfer			25 Oct 2019	459000	1224000	12.792
	AT THE END OF THE YEAR					1224000	11.8605
4	JAYABEN SHIVLAL THUMAR	373500	6.4264			373500	6.4264
	Transfer			25 Oct 2019	224100	597600	0.0000
	AT THE END OF THE YEAR					597600	5.7907
5	OTAMBEN KHODABHAI THUMAR	372500	6.4092			372500	6.4092
	Transfer			25 Oct 2019	223500	596000	6.2291
	AT THE END OF THE YEAR					596000	5.7752
6	DARSHNA HITESHBHAI THUMMAR	184600	3.1762			184600	3.1762
	Transfer			25 Oct 2019	110760	295360	3.0870
	AT THE END OF THE YEAR					295360	2.862
7	VISHAL RAMJIBHAI SORTHIIYA	45400	0.7811			45400	0.7811
	Transfer			25 Oct 2019	27240	72640	0.7592
	AT THE END OF THE YEAR					72640	0.7039
8	AJAY VITHALBHAI SARDHARA	38400	0.6607			38400	0.6607
	Transfer			25 Oct 2019	23040	61440	0.6421
	AT THE END OF THE YEAR					61440	0.5953

## IV) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	<b>MANISH LAXMANBHAI DHOLARIA</b>						
	At the Beginning of the year	0	0			0	0
	Transfer			31 Dec 2019	752000	752000	7.2868
	AT THE END OF THE YEAR					752000	7.2868
2	<b>OMSHANTI HEIGHTS PRIVATE LIMITED</b>						
	At the Beginning of the year	270000	2.6163			270000	2.6163
	Transfer			30 Aug 2019	18000	288000	2.7907
	Transfer			13 Sep 2019	-2000	286000	2.7713
	Transfer			25 Oct 2019	171600	457600	4.4341
	Transfer			06 Dec 2019	18442	476042	4.6128
	Transfer			13 Dec 2019	758	476800	4.6202
	AT THE END OF THE YEAR					476800	4.6202
3	<b>MARKET HUB STOCK</b>						
	At the Beginning of the year	0	0			0	0
	Transfer			14 JUN 2019	10000	10000	0.0969
	Transfer			2019	16000	26000	0.2519
	Transfer			29 Nov 2019	-400	25600	0.2481
	Transfer			07 Feb 2020	428800	454400	4.4031
	Transfer			06 Mar 2020	-3200	451200	4.3721
	Transfer			20 Mar 2020	-3200	448000	4.3411
	AT THE END OF THE YEAR					448000	4.3411
4	<b>VRUTI V SORATHIA</b>						
	At the Beginning of the year	208000	2.0155			208000	2.0155
	Transfer			2019	124800	332800	3.2248
	AT THE END OF THE YEAR					332800	3.2248
5	<b>PANTOMATH STOCK BROKERS PRIVATE LIMITED</b>						
	At the Beginning of the year	72000	0.6977			72000	0.6977
	Transfer			05 Apr 2019	70000	142000	1.376
	Transfer			12 Apr 2019	2000	144000	1.3953
	Transfer			26 Apr 2019	6000	150000	1.4535

Transfer			03 May 2019	-2000	148000	1.4341
Transfer			10 May 2019	6000	154000	1.4922
Transfer			24 May 2019	6000	160000	1.5504
Transfer			31 May 2019	2000	162000	1.5698
Transfer			07 Jun 2019	2000	164000	1.5891
Transfer			14 Jun 2019	-4000	160000	1.5504
Transfer			21 Jun 2019	2000	162000	1.5698
Transfer			29 Jun 2019	-2000	160000	1.5504
Transfer			05 July 2019	2000	162000	1.5698
Transfer			12 July 2019	2000	164000	1.5891
Transfer			26 July 2019	2000	166000	1.6085
Transfer			09 Aug 2019	2000	168000	1.6279
Transfer			16 Aug 2019	2000	170000	1.6473
Transfer			23 Aug 2019	4000	174000	1.686
Transfer			30 Aug 2019	4000	178000	1.7248
Transfer			06 Sep 2019	-2000	176000	1.7054
Transfer			13 Sep 2019	2000	178000	1.7248
Transfer			20 Sep 2019	2000	180000	1.7442
Transfer			27 Sep 2019	-4000	176000	1.7054
Transfer			04 Oct 2019	-2000	174000	1.686
Transfer			18 Oct 2019	-3200	170800	1.655
Transfer			25 Oct 2019	101200	272000	2.6357
Transfer			01 Nov 2019	-3200	268800	2.6047
Transfer			08 Nov 2019	3200	272000	2.6357
Transfer			15 Nov 2019	-3200	268800	2.6047
Transfer			22 Nov 2019	16000	284800	2.7597
Transfer			29 Nov 2019	6400	291200	2.8217
Transfer			06 Dec 2019	16000	307200	2.9767
Transfer			13 Dec 2019	6400	300800	2.9147
Transfer			20 Dec 2019	-6400	294400	2.8527
Transfer			27 Dec 2019	-6400	288800	2.7907
Transfer			10 Jan 2020	-3200	284800	2.7597
Transfer			24 Jan 2020	3200	288800	2.7907
Transfer			31 Jan 2020	-6400	281600	2.7287

	Transfer			14 Feb 2020	3200	284800	2.7597
	Transfer			21 Feb 2020	-3200	281600	2.7287
	Transfer			28 Feb 2020	3200	284800	2.7597
	Transfer			13 Mar 2020	6400	291200	2.8217
	Transfer			20 Mar 2020	9600	300800	2.9147
	Transfer			27 Mar 2020	22400	323200	3.1318
	AT THE END OF THE YEAR					323200	3.1318
6	SONAL G DHOLARIYA						
	At the Beginning of the year	58000	0.562			58000	0.562
	Transfer			16 Aug 2019	56000	114000	1.1047
	Transfer			25 Oct 2019	68400	182400	1.7674
	AT THE END OF THE YEAR					182400	1.7674
7	VISHWA JYANTILAL VARSANI						
	At the Beginning of the year	76000	0.7364			76000	0.7364
	Transfer			25 Oct 2019	45600	121600	1.1783
	AT THE END OF THE YEAR					121600	1.1783
8	CHARUBEN DILIPBHAI SAKHIYA						
	At the Beginning of the year	0	0			0	0
	Transfer			16 Aug 2019	56000	56000	0.5426
	Transfer			25 Oct 2019	33600	89600	0.8682
	AT THE END OF THE YEAR					89600	0.8682
9	DILIPBHAI RANCHODDBHAI SAKHIYA						
	At the Beginning of the year	0	0			0	0
	Transfer			16 Aug 2019	56000	56000	0.5426
	Transfer			25 Oct 2019	33600	89600	0.8682
	AT THE END OF THE YEAR					89600	0.8682

10	RIKHAV SECURITIES						
	At the Beginning of the year	0	0			0	0
	Transfer			27 Dec 2019	16000	16000	0.155
	Transfer			31 Dec 2019	12800	28800	0.2791
	Transfer			03 Jan 2020	16000	44800	0.4341
	Transfer			10 Jan 2020	22400	67200	0.6512
	Transfer			17 Jan 2020	19200	86400	0.8372
	AT THE END OF THE YEAR					86400	0.8372
11	HARDIK NITINBHAI ERDA						
	At the Beginning of the year	48000	0.4651			48000	0.4651
	Transfer			25 Oct 2019	28800	76800	0.7442
	AT THE END OF THE YEAR					76800	0.7442
12	BHAVESH TULSHIBHAI BARASIYA						
	At the Beginning of the year	38400	0.3721			38400	0.3721
	Transfer			25 Oct 2019	23040	61440	0.5953
	AT THE END OF THE YEAR					61440	0.5953
13	DIPESH PRAVINBHAI RUPARELIA						
	At the Beginning of the year	288000	2.7907			288000	2.7907
	Transfer			14 Jun 2019	-10000	278000	2.6938
	Transfer			16 Aug 2019	-26000	252000	2.4419
	Transfer			25 Oct 2019	151200	403200	3.907
	Transfer			29 Nov 2019	-35200	368000	3.5659
	Transfer			06 Dec 2019	-19200	348800	3.3798
	Transfer			07 Feb 2020	-348800	0	0
	AT THE END OF THE YEAR					0	0

14	ARCADIA SHARE & STOCK BROKERS PVT LTD						
	At the Beginning of the year	88400	0.8566			88400	0.8566
	Transfer			09 Aug 2019	-16000	72400	0.7016
	Transfer			29 Nov 2019	-62800	9600	0.093
	Transfer			06 Dec 2019	-8842	758	0.0073
	Transfer			13 Dec 2019	-758	0	0
	AT THE END OF THE YEAR					0	0
15	VISHAL RAJNIKANT SHAH						
	At the Beginning of the year	36000	0.3488			36000	0.3488
	Transfer			05 Apr 2019	-16000	20000	0.1938
	Transfer			25 Oct 2019	12000	32000	0.3101
	Transfer			27 Dec 2019	-16000	16000	0.155
	Transfer			31 Dec 2019	-12800	3200	0.031
	Transfer			07 Jan 2020	-3200	0	0
	AT THE END OF THE YEAR					0	0



## v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Change in the Shareholding		Cumulative shareholding during the year		Shareholding at the end of the Year	
		No. of Shares	% of total shares of the company	Date And Reason	Increase/ Decrease in No. of shares	No. of Shares	% of total shares of the company.	No. of Shares	% of total shares of the company
1	Mr. Hitesh Thummar	765000	13.16%	Issue of Bonus Shares on October 06, 2019	459000	1224000	11.86	765000.00	13.16%
2	Mr. Ramesh Mohanlal Patel	0	0.00%	0.00	0	0	0.00%	0	0.00%
3	Mr. Bhavesh Barasiya	38,400	0.66	Issue of Bonus Shares on October 06, 2019	23040	61440	0.60	38,400	0.66
4	Mr. Ajay Vithalbhai Sardhara**	38,400	0.66	Issue of Bonus Shares on October 06, 2019	23040	61440	0.60	38,400	0.66
5	Mrs. Darshana Hiteshbhai Thummar	184600	3.18	Issue of Bonus Shares on October 06, 2019	110,760	295,360	2.86	295360	5.08
6	Mr. Sachin Praful Ravani	0	0.00	0.00	0	0	0.00%	0	0.00%
7	Mr. Anand Mohan Shrivastava*	0	0.00	0.00	0	0	0.00%	0	0.00%
8	Mr. Atul L. Natu	0	0.00	0.00	0	0	0.00%	0	0.00%
9	Ms. Jalpa Doshi	0	0.00	0.00	0	0	0.00%	0	0.00%

NOTE \*Mr. Anand Mohan Shrivastava is appointed as an independent Director of the Company w.e.f. February 14, 2020

\*\*Mr. Ajay Sardhara has resigned from the Company w.e.f February 14, 2020

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				<b>42100082.39</b>
i) Principal Amount	37100082.39	5000000.00	0.00	
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>37100082.39</b>	<b>5000000.00</b>	<b>0.00</b>	<b>42100082.39</b>
<b>Change in the Indebtedness during the financial year</b>				
Addition	0.00	0.00	0.00	0.00
Reduction	3717421.39	-5000000.00	0.00	0.00
<b>Net Change</b>	<b>-3717421.39</b>	<b>-5000000.00</b>	<b>0.00</b>	<b>-8717421.39</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	33382661.00	0.00	0.00	33382661.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>33382661.00</b>	<b>0.00</b>	<b>0.00</b>	<b>33382661.00</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager					Total Amount
		Hitesh Thummar	Ajay Vithalbhai Sardhara	Bhavesh Tulshibhai Barsiya	NA	NA	
		Managing Director	Whole Time Director	Whole Time Director			
1	Gross Salary	1,500,000	262,500	600,000			
	(a) Salary as per Provisions contained in section 17(1) of the Income-Tax Act, 1961.	0	0	0	0	0	0
	(b) Value of perquisites u/s 17(2) of the Income-tax Act,1961	NIL	0	NIL	0	NIL	0
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act,1961	NIL	NIL	NIL	NIL	NIL	0
2	Stock Option	NIL	NIL	NIL	NIL	NIL	0
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL	
4	Commission	NIL	NIL	NIL	NIL	NIL	
	- As % of Profit						0
	- Others, Specify.						0
5	Others, please specify	NIL	NIL	NIL	NIL	NIL	0
<b>Total of A.</b>		<b>1,500,000</b>	<b>262500</b>	<b>600000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ceiling as per the Act</b>		11% of the Net Profit					

**B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
1	<b>Independent Directors</b>	NIL	NIL	NIL	NIL	NIL	NIL
	(a) Fee for attending board / committee meetings						0
	(b) Commission						0
	(c) Others, please specify						0
	<b>Total (1)</b>	0	0	0	0	0	0
2	<b>Other Executive Directors</b>	NIL	NIL	NIL	NIL	NIL	NIL
	(a) Fee for attending Board /committee meetings						0
	(b) Commission						0
	(c) Others, please specify.	0	0	0	0	0	0
	Salary as per Provisions contained in section 17(1) of the Income-Tax Act, 1961.						
	<b>Total (2)</b>	0	0	0	0	0	0
<b>Total of B. = (1)+(2)</b>		0	0	0	0	0	0
<b>Total Managerial Remuneration</b>		NIL	NIL	NIL	NIL	NIL	NIL
<b>Overall ceiling as per the Act.</b>		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**C.REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD:**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	CFO	Company Secretary
1	Gross salary	NIL	706,333	239,375
	(a) Salary as per Provisions contained in section 17(1) of the Income-Tax Act, 1961.	--	---	---
		--	---	---
	(b) Value of perquisites u/s 17(2) of the Income-tax Act,1961	--	---	---
		--	---	---
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act,1961	--	---	---
		--	---	---
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- As % of Profit	---	---	---
	- Others, Specify.	---	---	---
5	Others, please specify	NIL	NIL	NIL
<b>Total of C.</b>		0	706,333	239,375

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Authority RD / NCLT / COURT	Appeal made, if any (give Details)
<b>A. COMPANY</b>				
<b>Penalty</b>	NIL	NIL	NIL	NIL
<b>Punishment</b>	NIL	NIL	NIL	NIL
<b>Compounding</b>	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>				
<b>Penalty</b>	NIL	NIL	NIL	NIL
<b>Punishment</b>	NIL	NIL	NIL	NIL
<b>Compounding</b>	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>				
<b>Penalty</b>	NIL	NIL	NIL	NIL
<b>Punishment</b>	NIL	NIL	NIL	NIL
<b>Compounding</b>	NIL	NIL	NIL	NIL

For and on Behalf of the Board  
**TIRUPATI FORGE LIMITED**

DATE: 17/08/2020  
PLACE: Hadamtala

**Sd/-  
DIRECTOR**  
HITESH THUMMAR  
Din 02112952

**Sd/-  
DIRECTOR**  
BHAVESH BARSIIYA  
Din : 05332180





**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**

**Form No. MR-3**

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

To,  
The Members,  
**TIRUPATI FORGE LIMITED**  
Plot No. 1-5; Survey No. 92/1,  
Near Shan Cement, Hadamtala Industrial Area,  
Tal: Kotda Sangani Hadamtala  
Rajkot 360311 (Gujarat) India

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TIRUPATI FORGE LIMITED (CIN: L27320GJ2012PLC071594)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, during the audit period covering the financial year ended on 31st March, 2020 ('Audit Period'), the Company has, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

- I. 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, 2018;
  - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. **Not Applicable to the Company during the Audit period;**
  - e. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable to the Company during the Audit period;**
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 AND SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2016: **Not Applicable to the Company during the Audit period;**
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company during Audit period.**
  
- VI As confirmed and identified by the company, the following laws as specifically applicable to the Company.
  - a. The Trade Mark Act, 1999
  
- VII Based on the representation made by the Company and its officers, the Company has proper system and process in place for compliance under the other applicable Laws, Acts, Rules, Regulations and Guidelines. Major heads/groups of Acts, Laws, Rules, Regulations, Guidelines and Standards as applicable to the Company are given below:
  - a. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, provident fund, ESIC, compensation etc.

I 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 National Stock Exchange of India Limited. (NSE Emerge Platform)

**During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except below:**

1. The Charge for the Credit facility of Vehicle is not registered; however it is informed to us that the credit facility is fully repaid on the date of signing of this report.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. However the term of the Independent Director was ended on 31<sup>st</sup> July 2019. The approval of the second term of the Independent directors was obtain from share holder after closing of Financial year ended on 31<sup>st</sup> March 2020 by passing special resolution.
- 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 or lesser days as agreed by all directors pursuant to clause no. 1.3.7 of Secretarial Standard 1 ("SS 1"), circulated separately or placed at the Meetings of the Board and the Committees, after due compliance with the SS 1 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
- Minutes of the meeting is duly recorded and signed by the Chairman, Decision of Board is unanimous and no dissenting views have been recorded.
- That the company has not filed /filed some Form late in time with additional fees to Registrar of Companies/Regional Director/Central Government under The Companies Act, 2013. The Management clarified that it is a procedural lapse only.

I 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.

I further report that during the Audit Period the company has done transaction as under which can be considered material in nature:

- The Company has appointed Ms. Jalpa Doshi as full time Company Secretary and Compliance Officer on 22.04.2019
- The Company has allotted 1,68,000 Equity Shares on 10.06.2019 by way of conversion of Warrant.
- The Company has increased its Authorised Capital from 7,00,00,000/- to 11,50,00,000/- by way of Ordinary Resolution passed by share holder at Annual General Meeting held on 20.09.2019



# CS PIYUSH JETHVA

(Practising Company Secretary)

806 - The Imperia, Opp. Shastri Maidan, Above Federal Bank, Limda Chowk, Rajkot - 360 001 (Gujarat) India

- The Company has altered its Articles of Association by addition of some clause by way of Special Resolution passed by share holder at Annual General Meeting held on 20.09.2019
- The Company has approved issue of Bonus Shares in proportion of Six Equity Shares for every Ten Equity Shares by way of Special Resolution passed by share holder at Annual General Meeting held on 20.09.2019
- The Company has allotted 35,88,000 Bonus Shares on 06.10.2019
- The Company has allotted 7,52,000 (Including 2,82,000 Bonus Shares) Equity Shares on 19.11.2019 by way of conversion of Warrant.
- Mr. Ajay Sardara resigned from the post of Whole time Director w.e.f 14.02.2020
- Mr. Bhavesh Barasiya was appointed as a Whole time Director w.e.f 14.02.2020
- Mr. Anand Srivastava was appointed as a Independent Director w.e.f 14.02.2020
- The company has got the approval of Migration From Emerge Platform of National Stock Exchange of India Limited to Main Board of National Stock Exchange of India Limited from share holder by way postal ballot and e-voting as on 09.03.2020

This report is to be read with letter dated 06th AUGUST 2020 which is annexed as "**AnnexureA**" and forms an integral part of this report.

PIYUSH JETHVA  
Practising Company secretary

Date : 06th AUGUST 2020

Place: Rajkot

sd/-

FCS: 6377, CP: 5452  
UDIN:F006377B000554661



# CS PIYUSH JETHVA

(Practising Company Secretary)

806 - The Imperia, Opp. Shastri Maidan, Above Federal Bank, Limda Chowk, Rajkot - 360 001 (Gujarat) India

## ANNEXURE –A

To,  
The Members,  
TIRUPATI FORGE LIMITED  
Plot No. 1-5; Survey No. 92/1,  
Near Shan Cement, Hadamtala Industrial Area,  
Tal: Kotda Sangani Hadamtala  
Rajkot 360311 (Gujarat) India

Secretarial Audit Report dated 06<sup>th</sup> AUGUST 2020 is to be read along with this letter.

1. The Company's Management is responsible for preparation and maintenance of Secretarial Records and for devising proper systems to ensure compliance with the provision of applicable laws and regulations. Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances by inspecting the records, documents return etc. on random basis.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis and in random manner to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**PIYUSH JETHVA**  
Practising Company secretary

**Date :** 06th AUGUST 2020  
**Place:** Rajkot

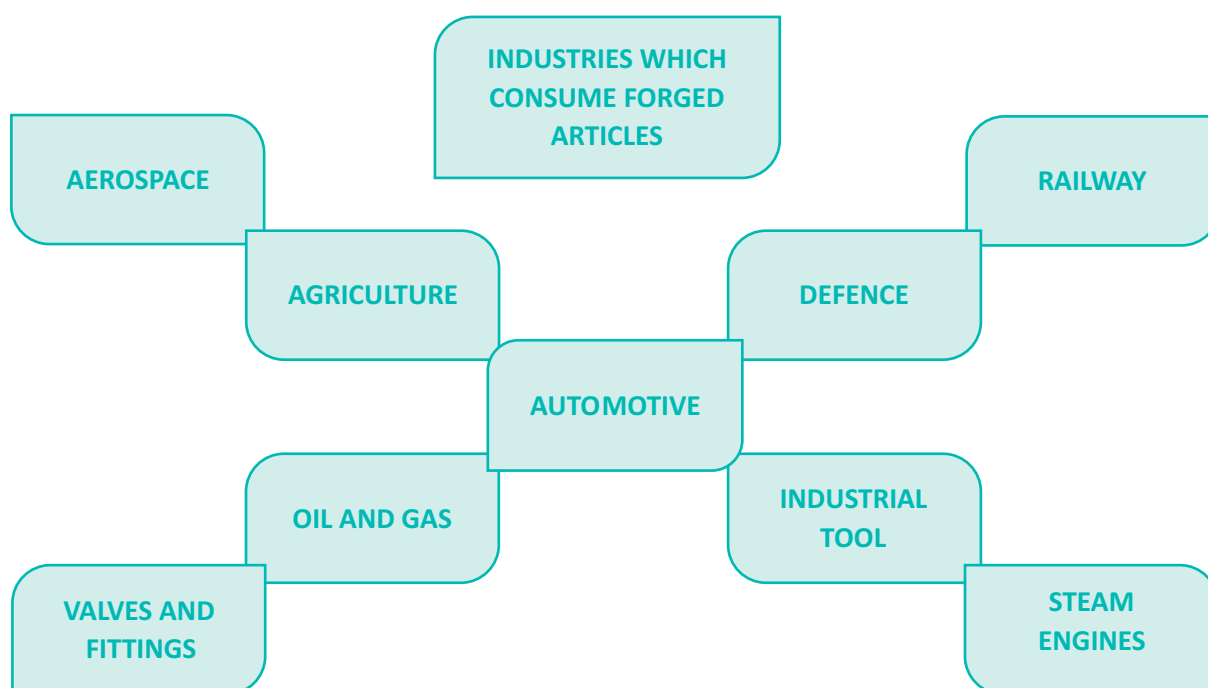
sd/-

**FCS: 6377, CP: 5452**

## INDUSTRY STRUCTURE AND PERFORMANCE

Forging is traditionally considered as the back bone of manufacturing industry. It is a major input to the sectors which support economic growth of the nation, such as, Automobile, Industrial Machinery, Power, Construction & Mining Equipment, Railways and General Engineering.

The Indian forging industry is well recognised globally for its technical capabilities. With an installed capacity of around 38.5 lakh MT, Indian forging industry has a capability to forge variety of raw materials like Carbon steel, alloy steel, stainless steel, super alloy, titanium, aluminium and so forth, as per the requirements of user industry.



## COMPANY PERFORMANCE AND BUSINESS OUTLOOK

The Company is engaged with the production of forging products only. However for convenience of existing client the company is doing trading of casting product but never engaged in casting procedure.



## RISK AND CONCERN

Indian forging business already reeling under pressure from the ongoing economic slowdown is fearing serious COVID-19 fallout, post the lockdown.

According to the Association of Indian Forging Industry (AIFI), The majority of foundries are expected to utilise only 50 percent of the installed capacity due to the movement of migrant workers or may also face the permanent shutdown on massive fall in demand from the automotive industry in the upcoming months and will have huge repercussions on the business.

In order to survive, the industry which currently employs 3-lakh people, from the current pandemic, AIFI has made several recommendations to the government to save the jobs of over 1,00,000 employees.

It is imperative that the government support manufacturers to survive, overcome the current situation, put the economy back on rails and thereby improve the business sentiment. Short-term support for a year or so is very much crucial for economic recovery.

This will result in saving jobs and in the long run provide substantial revenue to the exchequer.

## INTERNAL CONTROL SYSTEMS

Tirupati Forge Limited (TFL) maintains adequate internal control systems including internal financial control systems, which provide, among other things, reasonable assurance of recording the transactions of its operations in all material aspects. This system also protects against significant misuse or loss of Company assets.

The Company has a system of carrying out internal audit, covering all business processes to review the internal control systems. The internal control system and mechanism is reviewed periodically by the Audit Committee to make it robust so as to meet the challenges of the business. The Company has an adequate and efficient Internal Control System, which provides protection to all its assets against loss from unauthorized use and for correct reporting of transactions. The internal control systems are further supplemented by internal audit carried out of the Internal Auditor of the Company and periodical review by the Management. The Company has put in place proper controls which are reviewed at regular intervals to ensure that transactions are properly authorized and correctly reported and assets are safeguarded. The Audit Committee of the Board addresses issues raised by both the Internal and Statutory Auditors. The Internal Control Systems are implemented to safeguard Company's assets from loss or damage, to keep constant check on cost structure and to provide adequate financial and accounting controls and implement accounting standards.

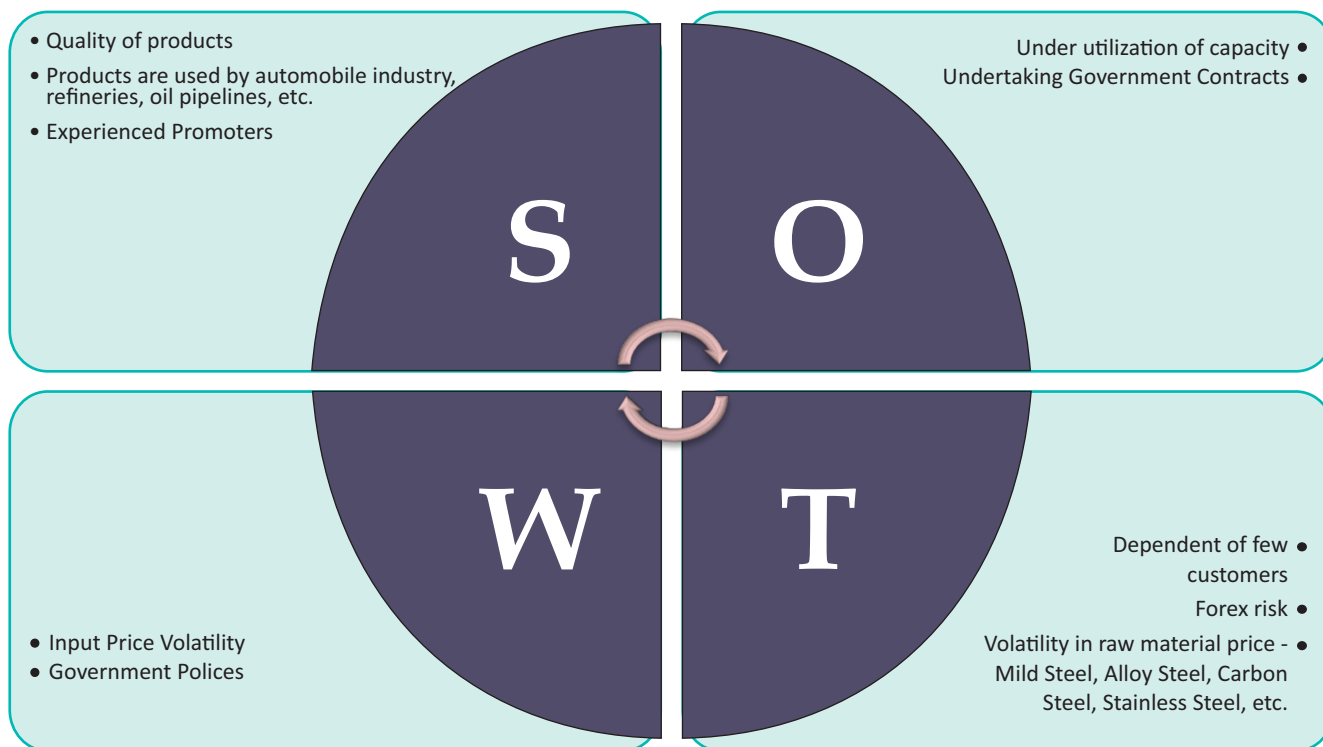
## HUMAN RESOURCES

Human Resources is used to describe both the people who work for a company or organization and the department responsible for managing resources related to employees. Human Resource Management is a contemporary, umbrella term used to describe the management and development of employees in an organization. Also called personnel or talent management (although these terms are a bit antiquated), human resource management involves overseeing all things related to managing an organization's human capital. The Human Resources Department is taking care of human capital and their growth requirements.

We continue to focus on our human resource philosophy wherein, engaging the resources for continuous increase in productivity is one of the drivers. We focus on continuous capability building and employee engagement across the Company.

The Company ensures that a safe and clean working environment is provided to the workers and employees at the workplace. Commitment to the identification and elimination or control of the workplace hazards for protection of all is utmost importance. The Manufacturing operations are conducted to ensure sensitivity towards the environment and minimize waste by encouraging Government's "Green Initiative" practice. Further, the Company has provided easy transportation facility by arranging a Staff Bus for everyday movement of workers, laborers and employees to the factory premises. Continuous training down the line is a normal feature in to Company to upgrade skills and knowledge of the employees and workmen of the Company. The employees have extended a very productive co-operation in the efforts of the Management to carry the Company to greater height and the Company is thankful to the entire Human Resource of the Company.

## STRENGTHS, OPPORTUNITIES, WEAKNESS AND THREATS ANALYSIS



## KEY FINANCIAL RATIO

2019-20			2018-19		
Sr. No.	Ratio Name	Ratio	Sr. No.	Ratio Name	Ratio
1	Debtors Turnover	40.86	1	Debtors Turnover	45.19
2	Inventory Turnover	5.25	2	Inventory Turnover	9.85
3	Interest Coverage Ratio	2.1	3	Interest Coverage Ratio	32
4	Current Ratio	2.69	4	Current Ratio	2.41
5	Debt Equity Ratio	0.21	5	Debt Equity Ratio	0.33
6	Operating Profit Margin	2.62%	6	Operating Profit Margin	14.44%
7	Net Profit Margin	0.99%	7	Net Profit Margin	10.01%

Explanation:

The significant change in the above mentioned ratios is due to change in profit and sales of the Company.

During the year there were so many factors affected the profitability of the company

The management wants to submit that the during the year there was reduction in the sales of the company as the demand for the forging article was cut off. There was also a significant change in the exchange rates of currency which have affected the profitability of the company at the maximum level.

The company is in its best efforts to maximize the profitability of the Company



**Maharishi & Co.**

**Chartered Accountants**

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## **INDEPENDENT AUDITORS' REPORT**

**To the Members of  
TIRUPATI FORGE LTD.**

### **Report on the Standalone Financial Statements**

We have audited the accompanying Standalone financial statements of **TIRUPATI FORGE LTD.** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and Cash Flow Statement for the year 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020:
- b. In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Emphasis of Matter**

We would like to draw your attention to Note No. 41 of the Standalone Financial Statements which states the management's estimation of impact of COVID-19 on financial statements of the company for the year ended 31st March, 2020.

Our opinion is not modified in respect of this matter.



### 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. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the standalone financial statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
1	<b>Revenue Recognition and determination of point of time when revenue should be recognised</b> (refer Note 1(e) for accounting policy on Revenue Recognition.)	
	<p>The Company has revenue from sale of products which includes finished goods and sale of services in the form of Job Work charges. The Company manufactures finished goods as per the specification provided by the customers and based on the schedules from the customer.</p> <p>The company recognises revenue from sale of finished goods at a point of time based on terms of the contract with customers which varies for each customer. Determination of point in time includes assessment of timing of transfer of significant risk and rewards of ownership, establishing right to receive payments for the products sold, timing of transfer of legal title of the goods. Further the pricing of the products dependent on metal indices and foreign exchange movements making the price volatile. In this regard, revenue recognition was one of the key audit matters.</p>	<p>We analysed the Company accounting policies for revenue recognition, including the criteria for revenue recognition and sales incentives classification.</p> <p>We developed an understanding of the systems, controls and processes associated with the recording of sales transactions.</p> <p>We analysed transaction of customers on sample basis to assess performance obligation of the company, the point of time of transfer of control and pricing terms.</p> <p>We performed analytical procedures in respect of revenue that included, among others, the analysis of half-yearly sales to detect unusual fluctuations (by type of goods and services, by geographical areas) and reconciliation with comparative information for prior periods and the anticipated results of the Company.</p> <p>We have also checked the following documents on sample verification during our audit visit:</p> <ul style="list-style-type: none"> <li>• Sales invoices</li> <li>• E-Way bill / delivery challan</li> <li>• Proforma invoice</li> <li>• Bill of lading / Consignment note</li> <li>• Customers confirmation</li> <li>• Accounting entry in system</li> <li>• Statutory records / Inventory records</li> </ul> <p>In this way, we have addressed the completeness of revenue recognition.</p>



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Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
2	<b>Impact of COVID-19 on the Company's financial statements</b> (Refer Note 41 to Standalone Financial Statements)	
	<p>Coronavirus disease 2019 ('COVID19'), was declared a global pandemic by World Health Organization.</p> <p>In line with the directions on lockdown issued by the State Governments of Gujarat, the Company temporarily suspended the operations of its manufacturing units from 25 March 2020 till 31 March 2020;</p> <p>and subsequently up to further dates as instructed by the State Governments.</p> <p>COVID-19 has resulted in restriction in movement of goods during the period from 25 March 2020 till 31 March 2020 impacting normal business operations for the Company including revenues, receivables, purchases including services and inventories at the year-end and hence considered key audit matter.</p>	<p>We have performed the following procedures to assess and evaluate the impact on financial statements because of business decisions, government actions or economic environment developments:</p> <ul style="list-style-type: none"><li>• Performed cut-off procedures for a larger sample of invoices during the lockdown period for both domestic as well as export sales.</li><li>• Enquired with the Company on the manner of financial support (if any) provided to the customers, vendors and service providers; and their recognition in the financial statements.</li><li>• We assessed the disclosures on COVID-19 made in the financial statements.</li></ul> <p>Our ability to perform regular audit procedures has been impacted which has required us in certain cases to perform alternative audit procedures and exercise significant judgment in respect of the following:</p> <ul style="list-style-type: none"><li>✓ Audit and quality control procedures which were earlier performed in person could not be performed; and hence alternative procedures have been performed based on inquiries (through phone calls, video calls and e-mail communications) and review of scanned documentation sent through emails, followed up with sighting with original documents.</li><li>✓ Year-end inventory observation of inventory counts could not be performed. However, inventory counts were observed subsequent to year-end; and rolled back to year-end.</li></ul>

✓



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### **Management's Responsibility for the Standalone Financial Statements**

The company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation and presentation of these standalone financial statement that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified u/s 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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.

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

### **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 comprises the information included in Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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





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## Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) 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 standalone 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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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 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 (Auditors' 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, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



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In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us. and

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, in our opinion and to the best of our information and according to the explanation given to us;

i. According to records of the company, information and explanation given by management of the company, there are no disputes or case pending against the Company.

ii. The company does not have any long-term contracts including derivative contracts; hence the question of any material foreseeable losses does not arise;

iii. The company does not declare dividend during the year, hence no amounts were required to be transferred, to the Investor Education and Protection Fund by the company.

For Maharishi & Co.

Chartered Accountants

Firm Registration No. 124872W

Sd/-

Dushyant Maharishi

Partner

Membership No. 146144

Signed at Hadamtala (Dist. Rajkot) on 15th June, 2020

UDIN : 20146144AAAAEQ4231



### ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of TIRUPATI FORGE LTD. on the standalone financial statements for the year ended 31<sup>st</sup> March, 2020

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, 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 in the name of the relative of directors.
- (ii) The inventory (excluding stocks with third parties and work in progress) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. Discrepancies noticed during physical verification were not material and the same has been dealt with in the books of account.
- (iii) As informed, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act, accordingly, the provisions stated in paragraph 3 (iii)(a) and 3(iii)(b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans or guarantees and has not provided any security or made any investments as envisaged in section 185 and 186 and hence therefore the said provisions do not apply to the company.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the provisions of section 73 to 76 of the Act and rules framed there under.
- (vi) The Central Government has prescribed the maintenance of cost under subsection (1) of Section 148 of the Act for the products of the company and according to which products of company falls under Non-regulated sector. The company has maintained the cost records according to rules framed there under.



- (vii)(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, income-tax, sales-tax, Goods and service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the records of the Company, information and explanation given by management of the company, there are no dues outstanding of income-tax, sales-tax, Goods and service tax, customs duty, excise duty and cess on account of any dispute.
- (viii) Company has not defaulted in repayment of loans or borrowing to a financial institution bank.
- (ix) The Company has not raised money by way of public issue during the year.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Accordingly, the provisions of clause (xii) of paragraph 4 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (xiii) According to information and explanation given to us and on the basis of books of accounts and other relevant records of the company, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Note 35 of the standalone Financial Statements as required by the applicable accounting standards.
- (xiv) According to information and explanation given to us and based on our examination of books of accounts and other relevant records, the Company has made Preferential allotments of 11,88,000 convertible Share warrants, to be converted into equal number of equity shares during the year under review in accordance requirement of section 42 of the Companies Act, 2013 and the amount raised have been used for the purpose for which the funds were raised. The details of utilization of proceeds from Preferential allotments have been disclosed in the Note 40 of the standalone Financial Statements.



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- (xv) According to information and explanation given to us and on the basis of books of accounts of the company no non-cash transaction is entered into by the company during the year.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Maharishi & Co.  
Chartered Accountants  
Firm Registration No.124872W

Dushyant Maharishi  
Partner  
Membership No. 146144

Signed at Hadamtala (Dist. Rajkot) on 15<sup>th</sup> June, 2020  
UDIN : 20146144AAAAEQ4231



**Maharishi & Co.**

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## **Annexure B to the 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 control over financial reporting of Tirupati Forge Limited ('the company') as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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





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### **Meaning of Internal Financial Control over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose 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 authorization of the management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020 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 Maharishi & Co.

Chartered Accountants

Firm Registration No.124872W

Sd/-

Dushyant Maharishi

Partner

Membership No. 146144

Signed at Hadamtala (Dist. Rajkot) on 15<sup>th</sup> June, 2020

UDIN : 20146144AAAAEQ4231

## Balance Sheet ended as on 31st March, 2020

(Amount in Rs.)

Particulars	Note	31-Mar-20	31-Mar-19
<b>I EQUITY AND LIABILITIES</b>			
1 Shareholders' fund			
(a) Share Capital	3	1032,00,000	58,120,000
(b) Reserves & Surplus	4	754,14,999	89,042,446
(c) Money received against share warrants		65,00,000	
Total Shareholder's Fund		1851,14,999	147,162,446
2 Non - Current liabilities			
(a) Long-term borrowings	5	226,81,012	24,240,392
(b) Deferred Tax Liability	6	12,67,700	10,28,700
(c) Long term provisions	7		464,133
Total Non - Current Liabilities		239,48,712	257,33,225
3 Current Liabilities			
(a) Short term Borrowings	8	107,01,649	
(b) Trade payables	9		
(i) total outstanding dues of micro enterprises and small enterprise		52,08,967	37,62,163
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		183,42,824	118,98,570
(c) Other current liabilities	10	83,64,184	7,584,065
(d) Short Term Provisions	11	20,87,492	9,305,421
Total Current Liabilities		447,05,115	50,409,909
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>2537,68,826</b>	<b>223,305,581</b>
<b>II ASSETS</b>			
1 Non-Current Assets			
(a) Fixed Assets			100,376,094
(i) Tangible assets	12	1299,20,988	103,940
(ii) Intangible assets	12	76,993	-
(iii) Capital Work-in-progress	12	-	-
(b) Deferred Tax Assets (net)	13	100	1,141,324
(c) Long-Term Loans and advances	14	35,92,323	101,621,358
Total - Non Current Assets		1335,90,404	
2 Current Assets			
(a) Inventories	15	568,53,018	48,243,701
(b) Trade receivables	16	309,11,370	51,805,939
(c) Cash and Cash equivalents	17	199,47,545	1,187,452
(d) Short term Loans and advances	18	115,97,818	19,890,700
(e) Other Current Assets	19	8,68,672	556,429
Total - Current Assets		1201,78,422	121,684,222
<b>TOTAL ASSETS</b>		<b>2537,68,826</b>	<b>223,305,581</b>

Significant Accounting Policies

2.1

The notes referred to above forms an integral part of the Balance Sheet.

As per our report of even date

For and on behalf of Board of Directors of  
Tirupati Forge Limited

For Maharishi & Co

Chartered Accountants

Firm Reg. No. 124872W

Sd/-  
Hiteshkumar G. Thummar  
Managing Director  
DIN : 02112952

Sd/-  
Bhavesh Barsiya  
Wholetime Director  
DIN : 05332180

Sd/-  
Dushyant Maharishi  
Partner

Membership No. : 146144

Sd/-  
Atulbhai Natu  
Chief Financial Officer

Sd/-  
Jalpa Doshi  
Company Secretary

Signed at Hadamtala(Dist. Rajkot) on 15th June, 2020

## Statement of Profit & Loss for ended 31st March, 2020

		(Amount in Rs.)	
Particulars	Note	31-Mar-20	31-Mar-19
<b>I INCOME</b>			
Revenue from operations	20	2761,37,151	418,391,640
Other income	21	35,57,458	2,549,145
<b>TOTAL REVENUE</b>		<b>2796,94,609</b>	<b>420,940,785</b>
<b>II EXPENSES</b>			
Cost of materials consumed	22	1516,09,798	221,480,944
Purchase of Stock in trade	23	79,99,993	34,472,691
Changes in inventories			
Work In Progress & By Products	24	-32,29,617	-7,211,416
Finished goods	25	-13,75,864	1,733,889
Employee benefits expense	26	208,17,070	17,132,863
Finance costs	27	50,34,977	4,313,416
Depreciation and amortization expense	12	181,75,168	10,239,883
Other expenses	28	768,26,153	80,245,900
<b>TOTAL EXPENSES</b>		<b>2758,57,676</b>	<b>362,408,169</b>
<b>III Profit before exceptional and extraordinary items and tax</b>		<b>38,36,933</b>	<b>58,532,616</b>
<b>IV Tax Expenses</b>	29		
Current Tax		8,55,380	148,60,005
Deferred Tax		2,39,000	17,78,700
<b>Total Tax Expenses</b>		<b>10,94,380</b>	<b>166,38,705</b>
<b>V PROFIT/(LOSS) FOR THE YEAR (III-IV)</b>		<b>27,42,553</b>	<b>15,452,582</b>
<b>VI Earnings per equity share</b>	30		
Basic EPS		<b>0.27</b>	<b>4.33</b>
Diluted EPS		<b>0.27</b>	<b>4.33</b>

Significant Accounting Policies

2.1

The notes referred to above forms an integral part of the Statement of Profit & Loss

As per our report of even date

For and on behalf of Board of Directors of  
Tirupati Forge Limited

For Maharishi & Co

Chartered Accountants

Firm Reg. No. 124872W

Sd/-

Dushyant Maharishi

Partner

Membership No. : 146144

Sd/-

Hiteshkumar G. Thummar

Managing Director

DIN : 02112952

Sd/-

Bhaves Barsiya

Wholetime Director

DIN : 05332180

Sd/-

Atulbhai Natu

Chief Financial Officer

Sd/-

Jalpa Doshi

Company Secretary

Signed at Hadamtala (Dist. Rajkot) on 15th June, 2020

## Cash Flow Statement of the year ended 31st March, 2020

(Amount in Rs.)

Particulars	31-Mar-20	31-Mar-19
<b>A. Cash flow from operating activities</b>		
Net profit before taxation	38,36,933	58,532,616
Adjustment for:		
Depreciation & Impairment	181,75,168	10,239,883
Finance Cost	50,34,977	4,313,416
Interest Income	-7,88,243	-51,188
<b>Operating Profit before working capital changes</b>	<b>262,58,835</b>	<b>73,034,726</b>
Movements in working capital:		
Decrease/-Increase in Inventories	-86,09,317	-115,04,370
Decrease/-Increase in Trade Receivable	208,94,570	-239,65,418
Decrease/-Increase in Loans and Advances	58,41,884	-86,87,967
Decrease/-Increase in Other Current Assets	-3,12,243	-2,59,177
Increase/-Decrease in Trade Payables	78,91,058	61,29,910
Increase/-Decrease in Other Short Term Provision	62,448	-5,29,270
Increase/-Decrease in Other Long Term Provision	-4,64,133	-2,26,131
Increase/-Decrease in Other Current Liabilities	12,95,521	8,55,095
Sub-Total Movement in Working Capital	265,99,787	-381,87,329
Cash generated from operations	528,58,621	348,47,397
Direct taxes paid (net of refunds)	-81,35,757	-127,07,987
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>447,22,864</b>	<b>221,39,410</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets including Capital WIP & Capital Advances	-476,93,114	-672,85,757
Increase in interest receivable on FDR	7,88,243	51,188
Purchase of Investment	-100	-
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-469,04,971</b>	<b>-672,34,568</b>
<b>C. Cash flow from financing activities</b>		
Proceeds / Repayment of Long-term borrowings	-20,74,481	236,54,891
Proceeds / Repayment of Short-term borrowings	-71,58,042	208,68,131
Finance Cost	-50,34,977	-43,13,416
IPO Subsidy received	-	5,00,000
Net Proceeds from Issue of Shares	287,10,000	-
Net Proceeds from Issue of Shares	65,00,000	-
<b>NET CASH CLOW FROM FINANCING ACTIVITIES</b>	<b>209,42,200</b>	<b>407,09,607</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>187,60,093</b>	<b>-43,85,551</b>
Cash and cash equivalents at the beginning of the year	11,87,452	55,73,003
<b>Cash and cash equivalents at the end of the year</b>	<b>199,47,545</b>	<b>11,87,452</b>
Components of cash and cash equivalents as at the end of the year		
Cash and cheques on hand	9,56,381	7,58,672
With bank		
- In current account	189,91,164	4,28,780
<b>TOTAL</b>	<b>199,47,545</b>	<b>11,87,452</b>

Significant Accounting Policies

2.1

2.1

The notes referred to above forms an integral part of the Cash Flow Statement

As per our report of even date

For Maharishi & Co  
Chartered Accountants  
Firm Reg. No. 124872W

Sd/-  
Dushyant Maharishi  
Partner  
Membership No. : 146144

For and on behalf of Board of Directors of  
Tirupati Forge Limited

Sd/-  
Hiteshkumar G. Thummar  
Managing Director  
DIN : 02112952

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Bhavesh Barsiya  
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DIN : 05332180

Sd/-  
Atulbhai Natu  
Chief Financial Officer

Sd/-  
Jalpa Doshi  
Company Secretary

Signed at Hadamtala (Dist. Rajkot) on 15th June, 2020

**Notes on Accounts & Significant Accounting Policies :****Corporate Information :**

Tirupati Forge Limited was incorporated in 2012 under Companies Act, 1956. The Company is situated at Hadamtala Industrial Area in district of Rajkot. The Company is engaged in business of manufacturing and selling of Carbon Steel Forged Flanges, Forged and other machined components mainly for auto sector & agri machine parts. The Company was converted into a public limited company with effect from 11 August, 2017. The company's share are listed on Emerge Platform of National Stock Exchange of India. The Company's CIN is L27320GJ2012PLC071594.

The financial statements were authorized for issue in accordance with a resolution of the board of directors on 15th June 2020. The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 15th June 2020, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

**Basis of Preparation:**

The financial statements have been prepared to comply in all material respects with the standards specified under Section 133 of the Companies Act, 2013 ("Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The financial statements have been prepared under historical cost convention on an accrual basis except in case of assets for which provision for impairment is made. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed below, are consistent with those used in the previous year.

**1 Significant Accounting Policies :****(a) Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the financial statements and the results of operations during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future result could differ from those estimates. The effects of change in accounting estimates are reflected in the financial statements in the period in which the results are known and if material, are disclosed in the financial statements.

**(b) Inventories:**

- a. Raw Materials and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on a First-in-first out basis.
- b. Work-in-progress and finished goods are valued as lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them to their respective present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
- c. Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a First-in-first out basis.
- d. By-Products are valued at Net Realisable Value.

**(C) Cash Flow Statement:**

- a. Cash Flows are presented using indirect method, whereby profit/(loss) before extra ordinary items and tax is adjusted for the effects of transactions of non -cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.
- b. Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investment with maturity of 3 months or less that are readily convertible into cash.

**(d) Depreciation & Amortisation:**

**Tangible Assets**

- a. Depreciation on tangible assets is provided on the written down value (WDV) method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for assets which is estimated by the Company.
- b. The company believes that the useful lives as given below best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which may be different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Sr No.	Assets Category	Useful Life (Years)
1	Building	30 Years
2	Furniture & Fixtures	10 Years
3	Plant & Machinery	15 Years
4	Office Equipments	5 Years
5	Computer Server	6 Years

However, in case of assets useful life is taken as mentioned below, w.e.f. date of put to use of respective assets on the basis of useful life as certified by Management. However, in case of few Plant & Machinery depreciation is provided considering the useful life as mentioned in technical opinion of Dr P.J. Gandhi, Chartered Engineer in his opinion dated 10.06.2020 This is in compliance with Schedule-II of Companies Act, 2013.

Sr No.	Assets Category	Useful Life (Years)
1	Computers	3 Years
2	Vehicles	8 to 10 Years
3	Plant & Machinery	20 Years

**Intangible Assets**

Intangible assets are amortised over the useful lives of 10 years as per generally accepted accounting principle which are prescribed under Schedule II of the Companies Act 2013.

**(e) Revenue Recognition:**

- a. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods, it can be reliably measured and it is reasonable to expect ultimate collection. The Company collects sales tax and excise duty on behalf of the government and therefore, there are not economic benefits followings to the company. Hence, they are excluded from revenue.
- b. Dividend income is recognised when the right to receive dividend is established.
- c. Interest Income are recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- d. Revenue from job work is recognised when material received is given back to customer after processing.
- e. Revenue from export incentives are accounted for on export of goods if the entitlement can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.
- f. Revenue in respect of other income is recognised on accrual basis when no significant uncertainty as to its determination or realisation exist.

**(f) Property, Plant & Equipments**  
**Tangible Assets**

- a. Tangible Assets are stated at cost net of recoverable taxes, trade discount and rebates, less accumulated depreciation and impairment loss, if any, except freehold land which is carried at cost. The cost of Tangible Fixed Assets comprises its purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Fixed Assts are added to its book value only if they increases the future benefits from the existing asset beyond its previously assessed standard of performance.

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

- b. All other expenses on fixed assets, including repair and maintenance expenditure and replacement expenditure of parts, are charged to Statement of Profit and Loss for the period during the which such expenses are incurred
- c. Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of an asset and are recognised in the statement of profit and loss when the asset is derecognised.

**Intangible Assets**

Intangible Assets are stated at cost net of recoverable taxes, trade discount and rebates, less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the intangible assets.

**(g) Foreign Currency Transactions:**

**a Initial Recognition:**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting current and the foreign currency at the date of the transactions.

**b Conversion:**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non- monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transactions. Non- monetary items, which are measured at fair value or others similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**c Exchange Differences:**

The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

All exchange differences arising of transactions / settlement of foreign currency monetary items are recognized as income or as expenses in the period in which they arise, where they relate to acquisition of Fixed Assets, in which case they are adjusted to the carrying cost of such assets.

**(h) Government Grants:**

- a. Revenue related grants are recognised on accrual basis wherever there is reasonable certainty and are disclosed under other operating income. Receivables of such grants are shown under Other Current Assets.
- b. Export benefits are accounted in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such export benefits are shown under Other Current Assets.



- c. Capital grants are accounted as Capital Subsidy and adjusted against the cost of Fixed Assets in the year of receipt.

**(I) Investment:**

- a. Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.
- b. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.
- c. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**(j) Employee Benefits:**

- a. Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contributions payable to the provident fund scheme as an expenditure, when an employee renders the related services.
- b. Company has not created gratuity fund of its own/has not taken any policy with respect to payment of gratuity to employees at time of retirement. The liability of the same is also not valued by independent actuary. Company is paying monthly gratuity to all employees, calculated as per provision of Payment of Gratuity Act, 1972 along-with salary payable to them. Gratuity liability stood as at 31st March, 2018 of Rs. 6,90,264/- will be paid to entitled employees as per provisions of the Payment of Gratuity Act, 1972. Refer to note no 31 of the financial statements.
- c. The Company provides for the encashment of leave or leave with pay subject to certain rules. The employee are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date.

**(k) Borrowing Costs:**

- a. Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings and foreign exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest costs
- b. Borrowing costs directly attributable to the construction of an asset that necessarily take a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All of these borrowing costs are expensed in the period they are incurred.

**(l) Segment Reporting:**

The company is engaged mainly in the business of Flanges and Forged Articles. These, in the context of Accounting Standard 17 on Segment Reporting, as specified in the Companies (Accounting Standard) Rules, 2006, are considered to constitute one single primary segment. Further, there is no reportable secondary segment i.e. Geographical segment.

**(m) Lease:**

- a. Assets taken on lease by the Company in its capacity as lessee, where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability of each year.
- b. Lease arrangement where the risks and rewards incidental to ownership of an asset substantially vest with the lesser, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight line basis over the lease term.

**(n) Earning Per Share:**

Basic earnings per share is calculated by dividing the net profit/ loss for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the previous period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

**(o) Taxation:**

Tax expense comprises of current and deferred tax. Provision of current tax is made on the basis of reliefs and deductions available under relevant tax laws. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward for timing differences of items other than unabsorbed depreciation and accumulated losses only to the extent that there is a reasonable certainty that the assets can be realised in future. Deferred tax assets are reviewed as at each balance sheet date for their reliability.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

**(p) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(r) Provision, Contingent Liabilities and Contingent Assets:**

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

## Notes forming part of the balance sheet & Profit & loss account

Note No.	Particulars	31-Mar-20	31-Mar-19
3	<b>SHARE CAPITAL</b>		
(a)	<u>Authorized Share Capital</u>		
	Equity Shares of Rs. 10 each	No. of Equity Shares	115,00,000
		Amount	70,00,000
	Issued, Subscribed & Paid up Share Capital	No. of Equity Shares	1150,00,000
		Amount	700,00,000
	Equity Shares of Rs. 10 each	No. of Equity Shares	103,20,000
		Amount	58,12,000
	<b>TOTAL SHARE CAPITAL</b>	<b>1032,00,000</b>	<b>581,20,000</b>

### Reconciliation of the shares outstanding at the beginning and at the end of the reporting period - Equity Shares

(b)	At the beginning of the period	No. of Shares	58,12,000	58,12,000
		Amount	581,20,000	581,20,000
	Issued during the period - Bonus	No. of Shares	38,70,000	-
		Amount	387,00,000	-
	Issued during the period - Preferential issue	No. of Shares	6,38,000	-
		Amount	63,80,000	-
			-	-
	Outstanding at the end of the period	No. of Shares	103,20,000	58,12,000
		Amount	<b>1032,00,000</b>	<b>581,20,000</b>

The Company is in process of allotting equity shares against convertible warrants issued on preferential basis as per terms and conditions approved by the members on 15th March, 2019. Out of total 11,88,000 warrants, 6,38,000 had been converted into equity shares during till date. Amount of Rs 65 Lacs received against warrant from allottee are outstanding to convert into equity shares as on 31.03.2020. The issue was made in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Funds raised by Preferential issue have been utilized for the purpose mentioned in the objects of the issue in the offer documents. (Note No 39).

### (c) Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a per share value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (d) Details of shareholders holding more than 5% shares in the company

	<u>31-Mar-20</u>		<u>31-Mar-19</u>	
	<u>No.</u>	<u>% of total holding</u>	<u>No.</u>	<u>% of total holding</u>
Bhargavi Manojbhai Thummar	1,130,200	19.45%	1,130,200	19.45%
Bhavesb Tulisibhai Barasiya	-	0.00%	-	0.00%
Chetna Mukeshbhai Thummar	1,115,200	19.19%	1,115,200	19.19%
Hiteshkumar Gordhanbhai Thummar	765,000	13.16%	765,000	13.16%
Jayaben Shivilal Thummar	373,500	6.43%	373,500	6.43%
Otamben Khodabhai Thummar	372,500	6.41%	372,500	6.41%

As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

4	<b>RESERVES &amp; SURPLUS</b>		
(a)	<u>Security Premium</u>		
	Opening Balance	30,104,927	5,500,000
	Add: premium received on issue of equity shares	-	35,700,000
	Less: Amount utilised for issue of bonus shares	-	-5,500,000
	Less: Share Issue Expenses	-	-5,595,073
	Add: Subsidy received for share issue expense	500,000	-
	<b>Sub-Total</b>	<b>30,604,927</b>	<b>30,104,927</b>

## Notes forming part of the balance sheet & Profit & loss account

Note No.	Particulars	31-Mar-20	31-Mar-19
(e)	Disclosure of Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five years immediately preceding the reporting date by capitalisation of securities premium and free reserves.		
	Year of Allotment	<b>2019-20</b>	<b>2017-18</b>
	No. of Shares allotted	38,70,000	17,27,000
	Class of Shares	Equity Shares	Equity Shares
	Ratio of Bonus Issue (bonus shares issued for every shares held)	6:10 (Face Value of Rs 10/-)	22:10 (Face Value of Rs 10/-)
1	The Company has issued bonus shares to the shareholders on 06th October, 2019 in board meeting as authorised by the shareholders in Annual General Meeting held on 20th September, 2019 in the ratio of 6:10 (six bonus share for every ten shares held). As a result, the paid up share capital of the company increased by 387 Lakhs comprising of 38.70 lakhs equity shares of Rs 10/- each.		
	During the year 17-18, the Company had issued 17.27 lakhs Equity Shares as Bonus Shares to the existing Shareholders of the Company in the ratio 22:10 (twenty two shares for every 10 shares held) by way of passing a Special Resolution at an Extra-Ordinary General Meeting of the Members of the Company which was held on June 25, 2017.		
2	The company has made reservation of 3,30,000 equity share of Rs 10/- each to be issued as bonus share for 5,50,000 warrants pending to be allotted in the ratio of 6:10 (six bonus shares for every ten shares).		
<b>4</b>	<b><u>RESERVES &amp; SURPLUS</u></b>		
(a)	<u>Security Premium</u>		
	Opening Balance	306,04,927	30,104,927
	Add: premium received on issue of equity shares	223,30,000	-
	Less: Amount utilised for issue of bonus shares	-387,00,000	-
	Add: Subsidy received for share issue expense	-	500,000
	<b>Sub-Total</b>	<b>142,34,927</b>	<b>30,604,927</b>
(b)	<u>Surplus / (Deficit) in Statement of Profit and Loss</u>		
	Opening Balance	584,37,519	16,543,608
	Add: Profit during the year	27,42,553	41,893,911
	<b>Sub-Total</b>	<b>611,80,072</b>	<b>58,437,519</b>
	<b>TOTAL RESERVE &amp; SURPLUS</b>	<b>754,14,999</b>	<b>890,42,446</b>
<b>5</b>	<b><u>LONG TERM BORROWINGS</u></b>		
	<u>Term Loan from Banks</u>		
	Non Current	226,81,012	19,240,392
	Current Maturity	58,04,660	6,320,061
	<u>Loan from Director</u>		
	Non Current	-	5,000,000
	Current Maturity	-	-
		<b>226,81,012</b>	<b>24,240,392</b>
	The above amount includes		
	Secured borrowings	226,81,012	19,240,392
	Unsecured borrowings	-	5,000,000
	<b>Total Borrowings</b>	<b>226,81,012</b>	<b>24,240,392</b>

## Notes forming part of the balance sheet & Profit & loss account

Note No.	Particulars	31-Mar-20	31-Mar-19
	<b>Term Loan from IOB</b>		
(a)	Loan is secured against hypothecation of Plant & Machineries purchased & to be purchased from the said Term Loan. It is also secured by equitable mortgage of Leashold Factory Land and Building situated at Hadamtala Industrial Zone, District Rajkot and personal guarantee of directors.		
(b)	Interest rate of term loan is 10.05% p.a. Term Loan is repayable in 75 monthly instalment of Rs. 4,57,330/- commencing from 01/01/2019 and ending on March, 2026		
	<b>Term Loan from ICICI</b>		
(a)	Term loan is secured against Innova car.		
(b)	Interest rate of loan is 8.5%. Term Loan is repayable in 36 monthly instalment of Rs. 47,305/- commencing from 01/05/2017 and ending on April, 2020.		
(c)			
	<b>Loan from director</b>		
(a)	Loan from director is unsecured.		
6	<b>DEFERRED TAX LIABILITIES (net)</b>		
	<u>Deferred Tax Liability</u>		
	Difference of WDV of Assets	12,67,700	1,157,800
	Gratuity Provision	-	-129,100
	<b>TOTAL</b>	<b>12,67,700</b>	<b>1,028,700</b>
7	<b>Long Term Provisions</b>		
	Gratuity		464,133
	<b>TOTAL</b>		<b>464,133</b>
8	<b>SHORT TERM BORROWINGS</b>		
	<u>Secured borrowing from Bank</u>		
	Export Packing Credit	77,11,433	7,685,245
	Cash Credit	29,90,216	10,174,445
	<b>TOTAL</b>	<b>107,01,649</b>	<b>17,859,690</b>
	The above amount includes		
	Secured borrowings	107,01,649	17,859,690
	Unsecured borrowings		
	<b>Total Borrowings</b>	<b>107,01,649</b>	<b>17,859,690</b>
	<b>Cash Credit</b>		
(a)	Loan is secured against hypothecation of stock and book debts upto 90 days and with exclusive first charge on entire current assets of the present and future. It is also secured by equitable mortgage of Industrial Land and Building situated at Hadamtal Industrial Zone, District Rajkot and personal guarantee of directors.		
(b)	Rate of interest is 10.05%		
(c)	It is repayable on demand.		
	<b>Export Packing Credit</b>		
(a)	Loan is secured against hypothecation of stock and book debts upto 90 days and with exclusive first charge on entire current assets of the present and future. It is also secured by equitable mortgage of Industrial Land and Building situated at Hadamtal Industrial Zone, District Rajkot and personal guarantee of directors.		
(b)	Rate of interest is as per circular issued by Indian Overseas Bank from time to time.		
(c)	It is repayable in 90 days from the date of sanction.		

## Notes forming part of the balance sheet & Profit & loss account

Note No.	Particulars	31-Mar-20	31-Mar-19
<b>9</b>	<b><u>TRADE PAYABLES</u></b>		
	Dues to parties registered under MSMED Act, 2006	52,08,967	37,62,163
	Others	183,42,824	118,98,570
	<b>TOTAL</b>	<b>235,51,790</b>	<b>156,60,733</b>
<p>The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. The amount of principal and interest outstanding as at 31.03.2019 is given below:</p>			
	(i) Amounts unpaid as at end of period	Principal	-
		Interest	-
	(ii) Amounts paid after appointed date during the period		-
	(iii) Amount of interest accrued and unpaid as at period end		-
	(iv) Amount of interest paid during the period as per section 16		-
<b>10</b>	<b><u>OTHER CURRENT LIABILITIES</u></b>		
	Statutory dues	2,61,771	287,781
	Advances from Customers	22,97,754	976,223
	Current Maturities of Long Term Borrowings	58,04,660	6,320,061
	<b>TOTAL</b>	<b>83,64,184</b>	<b>7,584,065</b>
<b>11</b>	<b><u>SHORT TERM PROVISIONS</u></b>		
	Provision for Employee Benefits	12,05,527	937,190
	Other Provisions	8,81,965	8,368,231
	<b>TOTAL PROVISION</b>	<b>20,87,492</b>	<b>9,305,421</b>
<b>13</b>	<b><u>NON CURRENT INVESTMENTS</u></b>		
	Ashish Credit Co-operative Society Limited	100	-
	<b>TOTAL</b>	<b>100</b>	<b>-</b>
<b>14</b>	<b><u>LONG TERM LOANS &amp; ADVANCES</u></b>		
	(Unsecured, Considered Good)		
	Security Deposit	24,18,201	3,26,141
	Fix Deposit	11,74,122	8,15,183
	<b>TOTAL</b>	<b>35,92,323</b>	<b>11,41,324</b>
<b>15</b>	<b><u>INVENTORIES</u></b>		
	<b><u>(Cost or NRV whichever is lower)</u></b>		
	Raw Materials	131,04,399	9,193,163
	Stores & Consumables	3,73,200	280,600
	Work In Progress	109,70,468	7,740,851
	Finished Goods	324,04,951	31,029,087
	<b>TOTAL</b>	<b>568,53,018</b>	<b>48,243,701</b>
<b>16</b>	<b><u>TRADE RECEIVABLES</u></b>		
	(Unsecured, Considered Good)		
	Outstanding for more than 6 months from the date they are due for payment	42,54,460	41,15,537
	Others	266,56,910	476,90,403
	<b>TOTAL</b>	<b>309,11,370</b>	<b>51,805,939</b>

## Notes forming part of the balance sheet & Profit & loss account

Note No.	Particulars	31-Mar-20	31-Mar-19
17	<b>CASH &amp; CASH EQUIVALENT</b>		
	<b>Balances with Bank</b>		
	Cash	9,56,381	7,58,672
	Current Account	69,91,164	4,28,780
	Time deposit with bank having maturity less than 12 months.	120,00,000	-
	<b>TOTAL</b>	<b>199,47,545</b>	<b>1,187,452</b>
18	<b>SHORT TERM LOANS &amp; ADVANCES</b>		
	(Unsecured, Considered Good)		
	Advances to be received in cash or in kind		
	Advances to Supplier For Material / Capital goods	4,77,777	1,505,504
	Other Advances	6,40,925	689,293
	Balances with Govt Authority	104,79,116	17,695,903
	<b>TOTAL</b>	<b>115,97,818</b>	<b>19,890,700</b>
19	<b>OTHER CURRENT ASSETS</b>		
	(Unsecured, Considered Good)		
	Accrued Interest	6,04,348	13,054
	Other assets	2,64,324	5,43,375
	<b>TOTAL</b>	<b>8,68,672</b>	<b>5,56,429</b>



## Notes forming part of the balance sheet & Profit & loss account

Note No.	Particulars	31-Mar-20	31-Mar-19
20	<b>REVENUE FROM OPERATIONS</b>		
(a)	<b>Sale of Products (net of returns)</b>		
	Manufactured & Traded Goods	2658,54,859	394,125,090
	<b>TOTAL</b>	<b>2658,54,859</b>	<b>394,125,090</b>
(b)	<b>Other Operating Income</b>		
	Duty Drawback	20,94,414	3,920,242
	Export Incentives	35,65,245	5,895,654
	Die Development charges	6,12,720	2,244,000
	Jobwork Income	40,07,913	12,206,654
	<b>TOTAL</b>	<b>102,82,292</b>	<b>24,266,550</b>
	<b>TOTAL REVENUE FROM OPERATION</b>	<b>2761,37,151</b>	<b>418,391,640</b>
21	<b>OTHER INCOME</b>		
	Interest	13,39,183	248,791
	Other Income	22,18,275	2,300,354
	<b>TOTAL</b>	<b>35,57,458</b>	<b>2,549,145</b>
22	<b>COST OF MATERIAL CONSUMED</b>		
	<u>Opening Stock</u>		
	Raw Materials	91,93,163	3,109,248
	<u>Purchases (net of returns)</u>		
	Purchase of Raw Materials	1555,21,034	2275,64,859
	<u>Closing Stock</u>		
	Raw Materials	131,04,399	9,193,163
	<b>TOTAL</b>	<b>1516,09,798</b>	<b>221,480,944</b>
23	<b>PURCHASE OF STOCK-IN-TRADE</b>		
	Purchase of Finished Goods	79,99,993	34,472,691
	<b>TOTAL</b>	<b>79,99,993</b>	<b>34,472,691</b>
24	<b>CHANGES IN INVENTORIES OF WORK IN PROCESS</b>		
	Opening Stock	77,40,851	529,435
	Closing Stock	109,70,468	7,740,851
	<b>change in inventory of work in process</b>	<b>-32,29,617</b>	<b>-7,211,416</b>
25	<b>CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
	Opening Stock	310,29,087	32,762,976
	Closing Stock	324,04,951	31,029,087
	<b>change in inventory of finished goods</b>	<b>-13,75,864</b>	<b>1,733,889</b>

## Notes forming part of the balance sheet & Profit & loss account

Note No.	Particulars	31-Mar-20	31-Mar-19
26	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salary, Wages & Bonus	165,82,747	13,818,982
	Contribution to provident and other fund	5,95,980	331,090
	Director's Remuneration	23,62,500	2,400,000
	Gratuity Expenses	3,46,275	46,218
	Staff Welfare Expenses	9,29,567	536,573
	<b>TOTAL</b>	<b>208,17,070</b>	<b>17,132,863</b>
27	<b>FINANCE COST</b>		
	Interest on Working Capital Loan	10,71,437	718,322
	Interest on Vehicles Loan	1,31,309	151,466
	Interest on Statutory dues	6,18,669	490,507
	Interest on Term Loan	22,02,825	1,017,144
	Other Bank Charges	10,10,737	1,935,977
	<b>TOTAL</b>	<b>50,34,977</b>	<b>4,313,416</b>
28	<b>OTHER EXPENSES</b>		
	Advertising & Sales Promotion	2,55,260	155,612
	Communication cost	2,52,588	170,374
	Consumption of Stores & Consumables	110,57,128	13,165,791
	Freight & Forwarding	45,03,023	7,164,825
	Insurance	2,37,927	310,394
	Legal & consultancy Charges	45,71,588	1,412,637
	Office Admin Exp	22,86,410	2,229,470
	Other exp	39,37,365	3,036,330
	Power & Fuel	291,92,227	29,859,368
	Prior Period Item	56,567	
	Rates and taxes	2,400	2,400
	Rent	1,50,000	25,000
	Repairs & Maintenance		
	Building	5,67,576	52,755
	Machineries	36,30,446	3,767,197
	Others	3,21,773	454,110
	Job work & Processing charges	145,44,841	17,680,411
	Travelling & Conveyance	11,59,032	659,224
	<b>Total</b>	<b>767,26,153</b>	<b>80,145,900</b>
	<u>Payment to Statutory Auditor includes</u>		
	Statutory Audit	75,000	75,000
	Tax Audit	25,000	25,000
	<b>Total</b>	<b>100,000</b>	<b>100,000</b>
	<b>Total Other Expenses</b>	<b>7 68 26 153</b>	<b>8 02 45 900</b>
29	<b>Tax Expenses</b>		
	<u>Current Tax</u>		
	Provision for current year	8,23,000	14,700,000
	Taxation of Earlier years	32,380	160,005
		<b>8,55,380</b>	<b>14,860,005</b>
	Deferred Tax	2,39,000	1,778,700
	<b>TOTAL</b>	<b>10,94,380</b>	<b>16,638,705</b>

## Notes forming part of the balance sheet & Profit & loss account

Note No.	Particulars	31-Mar-20	31-Mar-19
30	<b>EARNING PER SHARE</b>		
	Net profit	27,42,553	418,93,911
	Weighted Avg. No. of Shares	99,88,200	58,12,000
	<b>Basic EPS</b>	<b>0.2746</b>	<b>4.33</b>
	<b>Diluted EPS</b>	<b>0.2707</b>	

Diluted earning per share is calculated condering amount received against partly paid share warrants allotted as potential equity share as per AS-20 "Earning Per Share". The last year diluted EPS is not calculated since there was no potential equity shares outstanding in last financial year.

31	<b>GRATUITY</b>		
	Company has not created gratuity fund of its own/has not taken any policy with respect to payment of gratuity to employees at time of retirement. The Company has not taken valuation for Gratuity liability from independent actuary valuer this year. During this financial year, the company is paying gratuity to all employees, calculated as per provision of Payment of Gratuity Act, 1972 along-with salary payable to them. Therefore, in absence of valuer's report for gratuity liability, figures for current year with respect to disclosures as per AS-15 has not been shown. Moreover, the company has obtained opinion from labour law consultant for Compliance for payment of Gratuity as per Payment of Gratuity Act, 1972.		

32	<b>VALUE OF STORES RAWMATERIALS AND PACKING MATERIAL CONSUMED</b>		
(i)	Total value of Raw Material Consumed During the year		
	Imported	-	-
	Indigenous	1516,09,798	221,480,944
(ii)	Spares Consumed		
	Imported	-	-
	Indigenous	110,57,128	131,65,791
33	<b>TRANSACTION IN FOREIGN CURRENCY</b>		
a.	Expenditure in Foreign Currency (in Rs.)		
	Foreign Travelling	23,38,680	-
	Import Capital goods		
	Euro	22,200	24,100
	Import value	17,50,470	1,974,995
	USD	72,500	-
	Import value	50,49,625	-
b.	Earning in Foreign Currency		
	USD	14,63,897	2,866,912
	Euro	1,91,342	29,683
	Export of goods on FOB basis	1170,90,625	202,129,360

34	<b>RELATED PARTY DISCLOSURE</b>		
	<b>Key Managerial Personnel</b>	<b>Designation</b>	
	Hiteshkumar Gordhanbhai Thummar	Chairman & Managing Director	
	Bhaveshtulshibhai Barsiya	Whole Time Director	
	Darshana Hiteshbhai Thummar	Director	
	Atulbhai Laxmanbhai Natu	Chief Financial Officer	
	Jalpa Nilesbhai Doshi	Company Secretary	
	<b>Relative of Key Managerial Personnel</b>		
	Chunibhai Muljibhai Sardhara	Relative of Director	
	Chetna Mukeshbhai Thummar	Relative of Director	
	Hetalben M. Sardhara	Relative of Director	
	Jayaben Shivilal Thummar	Relative of Director	
	Otamben Khodabhai Thummar	Relative of Director	
	Urmilaben H. Sardhara	Relative of Director	

### Entities in which Managing Director & Key managerial Personnel have significant influence

A - 1 Furniture

## Notes forming part of the balance sheet & Profit & loss account

Note No.	Particulars		31-Mar-20	31-Mar-19
35	<b>RELATED PARTY TRANSACTION</b>			
	<b>Name of person</b>	<b>Nature of transaction</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>(A) Key Managerial Personal</b>			
	Hiteshkumar Gordhanbhai Thummar	Director's Remuneration	15,00,000	15,00,000
	Ajay Vithalbhai Sardhara	Director's Remuneration	2,62,500	3,00,000
	Bhavesb Tulshibhai Barsiya	Director's Remuneration	6,00,000	6,00,000
	<b>(B) Relative of Key Managerial Personal</b>			
	Chunilal Muljibhai Sardhara	Lease rent		25,000
	Hiteshkumar Gordhanbhai Thummar	Lease rent	60,000	
	<b>(C) Entities in which Managing Director &amp; Key managerial Person have significant influence</b>			
	Chunilal Muljibhai Sardhara	Immovable properties purchase	-	2,211,000
36	<b>LEASE</b>			
	As a lessee			
	The company has entered into lease agreement to take land on lease for the period of 15 years from Hiteshbhai Thummar. The transaction was approved by Board of Director on 9th July, 2018 as well as by shareholders in its Annual General Meeting held for the year ended on 31st March, 2018. This transaction is also on arm's length basis			
	Future minimum rental payable under non cancelable lease are as follows			
	Within one year		60,000	60,000
	After one year but not more than five year		2,40,000	2,40,000
	More than five year		5,40,000	5,40,000
37	<b>Particulars of Unhedged Foreign Currency at the reporting date</b>			
	Export Trade Receivable	USD	1,66,762	429,141
		INR	124,48,713	29,683,678
		EURO	-	3,582
		INR	-	277,251
38	<b>Consumption</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>
		<b>31-Mar-20</b>		<b>31-Mar-19</b>
	Imported	-	0.00%	-
	Indigenous	1516,09,798	100.00%	221,480,944
	Total	1516,09,798	100.00%	221,480,944
38	<b>Contingent Liabilities not acknowledged as debt</b>			
	Bank has sanctioned bank guarantee upto Rs. 70.00 lakhs which is issued in favour of PGVCL (O & A),			
40	<b>DETAILS OF UTILISATION OF PROCEEDS OF PREFERENTIAL ALLOTMENT OF CONVERTIBLE SHARE WARRANTS</b>			
	The Company is in process of allotting equity shares against convertible warrants issued on preferential basis as per terms and conditions approved by the members on 15th March, 2019. Out of total 11,88,000 warrants, 6,38,000 had converted into equity shares during till date. Amount of Rs 65 Lacs received against warrant from allottee are outstanding to convert into equity shares as on 31.03.2020. Utilization of the same as at 31.03.2020 is as mentioned below :			
	Particulars	To be Utilized as per the objectives	Actual utilisation as per the objectives	Unutilisation amount as on 31st March, 2020(*)
	Long Term and Short Term Working Capital Requirement and to support future business expansions Plans	352,10,000	1 64 56 671	187,53,329
	Total	352,10,000	164,56,671	187,53,329

(\*) Amount unutilized lying in the current account of Indian Overseas bank and fixed deposit.

## Notes forming part of the balance sheet & Profit & loss account

Note No.	Particulars	31-Mar-20	31-Mar-19
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### 41 OTHER NOTES

a Previous year figures are regrouped, re arranged & re casted wherever necessary.

The Manufacturing facilities of the Company were closed from March 25, 2020 following the countrywide lockdown due to COVID-19. The Company has since obtained required permissions and restarted its manufacturing facilities partially. Based on assessment of the impact of COVID-19 on the operations of the Company and ongoing discussions with customers, vendors and service providers, the Company is confident of obtaining regular supply of raw materials, resuming supply chain logistics and serving customers.

b The Company has considered the possible effects of COVID-19 on the carrying amounts of Property, Plant and Equipment, Investments, inventories, Trade Receivable and Other Current Assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of the financial Statements, has used external and internal sources of information/ indicators to estimate the future performance of the Company. Based on current estimates the Company expects the carrying amount of these assets to be recovered. Hence, company has estimated nil impact of COVID-19 in the financial Statements for the year ended on 31st March, 2020. The impact of the COVID-19 on the Company's Audited financial Statements may differ from the estimation after the date of approval of these Financial Statements.

The detailed disclosure was made to SEBI on 12.06.2020 for the material impact of COVID-19 pandemic on business operations as required in pursuant to SEBI Circular dated 20th May, 2020.


## Note No. 12

<u>Particulars</u>	<u>Land</u>	<u>Building</u>	<u>Plant &amp; Machinery</u>	<u>Furniture &amp; Fixtures</u>	<u>Office Equipment</u>	<u>Vehicles</u>	<u>Computers &amp; Software</u>	<u>Tangible Assets Total</u>	<u>Intangible Assets Total</u>
<b>Cost</b>									
As at 31st March, 2019	23,41,840	261,41,893	1162,97,886	7,90,467	4,83,780	45,08,091	10,06,475	1515,70,432	150,000
Additions	-	90,55,972	384,78,631	9,500	91,469	-	57,542	476,93,114	-
Disposals									
As at 31st March, 2020	23,41,840	351,97,865	1547,76,517	7,99,967	5,75,249	45,08,091	10,64,017	1992,63,546	150,000
<b>Depreciation</b>									
As at 31st March, 2019	-	44,29,257	430,06,014	2,27,623	3,74,092	25,23,923	6,33,429	511,94,338	46,060
Additions		24,65,944	145,00,224	1,47,921	1,11,841	7,06,437	2,15,853	181,48,220	26,947
Deletion							-	-	
As at 31st March, 2020	-	68,95,201	575,06,238	3,75,544	4,85,933	32,30,360	8,49,282	693,42,558	73,007
<b>Net Block</b>									
As at 31st March, 2019	2,341,840	217,12,636	732,91,872	5,62,844	1,09,688	19,84,168	3,73,046	<b>1003,76,094</b>	<b>1,03,940</b>
As at 30th Sept., 2019	2,341,840	284,92,359	1007,96,340	4,98,460	1,61,519	16,22,124	2,76,099	<b>1341,88,742</b>	<b>90,429</b>
As at 31st March, 2020	2,341,840	283,02,664	972,70,279	4,24,423	89,316	12,77,731	2,14,735	<b>1299,20,988</b>	<b>76,993</b>
<b>Capital Work in Progress :</b>									
As at 31st March, 2019								-	
Addition								373,76,495	
Capitalised during the year								373,76,495	
As at 31st March, 2020								-	



**Tirupati**  
Forge Limited

**Registered Office & Factory**

 Plot No. 1-5, Survey No. 92/1,  
Near Shan Cement, N.H. 27,  
Hadamta Industrial Area,  
Village: Hadamtala, Tal: Kotda Sangani  
Rajkot 360311, Gujarat.

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