

HIM TEKNOFORGE LIMITED

(FORMERLY KNOWN AS GUJARAT AUTOMOTIVE GEARS LIMITED)

CIN: L29130HP1971PLC000904

FORTY SEVENTH ANNUAL REPORT 2017-18

BOARD OF DIRECTORS:

Mr. Vijay Aggarwal	- Managing Director
Mr. Rajiv Aggarwal	- Joint Managing Director
Mrs. Anju Aggarwal	- Non-Executive Director
Mr. Ravikant Dhawan	- Non-Executive Independent Director
Mr. Rajendra Prasad Sinha	- Non-Executive Independent Director
Mr. Pradeep Kumar	- Non-Executive Independent Director
Mr. Purshotam Lal Sharma	- Non-Executive Independent Director
Mr. Baskaran Kesavareddiyar	- Nominee Director (M/s Canbank Venture Capital Fund Limited)
Ms. Bhavana Rao	- Nominee Director (M/s IFCI Venture Capital Fund Limited)

CHIEF FINANCIAL OFFICER

Mr. Shailesh Gandhi

COMPANY SECRETARY

Ms. Snehal Chokshi (w.e.f.01/06/2018)

AUDITORS

M/s M.L.Bhuwania and Co LLP, Mumbai
(resigned w.e.f. 03/08/2018)

M/s PRA Associates, Chandigarh

REGISTERED OFFICE

Village Billanwali, Baddi -173205,
Himachal Pradesh
Telephone No.: +91(1795) 246351,245466
Fax No.: +91-1795-245467
E mail: gujarat.gears@gmail.com
Website: www.gagl.net

BANKERS:

State Bank of India
Small Industrial Development Bank of India

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

REGISTRAR AND TRANSFER AGENT: MCS Shares Transfer Agent Limited
1flr, Alkapuri Neelam Apartment,
88 Sampatrao Colony, Above Chhapan Bhog, Alkapuri,
Vadodara -390007, Tel No.: 0265-2350490
Email: mcsitdbaroda@gmail.com

WORKS

1. Gear Division, Village Billanwali,
Labana, Baddi, Dist.: Solan (HP)
2. Manpura Unit, HP
3. Unit IV- Baddi (HP)
4. Pithampur Unit- I, MP
5. Pithampur Unit- II, MP
6. Kalali, Vadodara Unit (Gujarat)
7. Gametha Unit, Vadodara (Gujarat)
8. Admin office: Sector 7C, Chandigarh

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NOTICE

CIN: L29130HP1971PLC000904

Regd. Office: Vill. : Billanwali, Baddi-173205 Distt. Solan (HP)

NOTICE is hereby given that the 47th Annual General Meeting of the members of HIM TEKNOFORGE LIMITED (Formerly known as Gujarat Automotive Gears Limited) will be held at 11.30 a.m. on Saturday, the 29th September, 2018 at the Registered Office of the Company situated at VILLAGE BILLANWALI, BADDI, HP 173205 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2018 and the Statement of Profit & Loss of the Company for the year ended on that day together with the Directors' and Auditors' Reports thereon.
2. To declare dividend of Rs. 0.40 (20%) per Equity Share of Rs. 2/- each for the Financial Year 2017-18.
3. To appoint Mr. Rajiv Aggarwal (DIN: 00094198), who retires by rotation and being eligible offers himself for re-appointment as Director.

SPECIAL BUSINESS :

4. APPOINTMENT OF MR. VIJAY AGGARWAL (DIN: 00094141) AS MANAGING DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof and subject to the approval of shareholders, Mr. Vijay Aggarwal (DIN: 00094141) be and is hereby appointed as Managing Director of the Company with effect from 31st January, 2018 on the following terms and conditions:

- A. Salary: Rs. 2,50,000/- (Rupees two lacs fifty thousand only) per month.
- B. Commission: Mr. Vijay Aggarwal shall also be entitled to commission of such amount as may be decided by the Board of Directors of the Company for each financial year expiring after the date of this revision in remuneration, provided, however, that the commission paid or payable to him in respect of each financial year shall not exceed 2.5% (two and half percent) of the net profits of the company computed as per the provisions of The Companies Act, 2013.
- C. Perquisites:
 1. House Rent Allowance : Mr. Vijay Aggarwal shall be entitled to House Rent Allowance subject to ceiling of Rs. 2,30,000/- (Rupees two lacs thirty thousand only) per month.
 2. Gas, electricity, water and furnishing - Reimbursement of expense incurred for gas, electricity, water and furnishing.
 3. Medical Reimbursement: Reimbursement of expenses incurred for the medical treatment for himself and his family.
 4. Club Fees: Fee of club subject to a maximum of two clubs, including admission and life membership fees.
 5. Personal Accident Insurance Premium: Not exceeding Rs. 4,000/- p.a.
 6. Leave travel Concession: First Class air passage for self, wife, dependent children and dependent parents, once in a year to any place within or outside India.
 7. Telephone: The Company shall provide telephone at residence for official-cum personal use. However, the valuation of personal use of telephone shall be treated as perquisite.
 8. Conveyance Allowance: Rs. 5,000/- per month.

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

RESOLVED FURTHER THAT total remuneration shall not exceed Rs. 10,00,000/- (Rupees Ten Lacs only) per month."

5. RE-APPOINTMENT OF MR. RAJIV AGGARWAL (DIN: 00094198) AS JOINT MANAGING DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment thereof and subject to the approval of shareholders, Mr. Rajiv Aggarwal (DIN: 00094198) be and is hereby re-appointed as Joint Managing Director of the Company for a period of five years with effect from 14th August, 2018 on the following terms and conditions. The Remuneration of Mr. Rajiv Aggarwal has been approved by Members in their meeting held on 30th December, 2017:

1. Salary: Not exceeding Rs. 5,50,000/- (Rupees five lacs fifty thousand only) per month including perquisites and other allowances, if any.
2. Contribution to provident fund, superannuation and annuity fund will not be included in the computation of the ceiling on managerial remuneration to the extent these either singly or put together are not taxable under the Income Tax Act. Gratuity payable should not exceed half a month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisite.
4. Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites/remuneration. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to the individual appointee concerned.

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RESOLVED FURTHER THAT where in any financial year, during the currency tenure of Mr. Rajiv Aggarwal as Joint Managing Director, the Company has no profit or its profits are inadequate, it may pay him with minimum remuneration by way of salary, perquisites and allowances not exceeding the limits specified above."

6. TO FIX THE REMUNERATION OF M/S S.K. JAIN & CO., COST ACCOUNTANTS WHO ARE APPOINTED AS COST AUDITORS OF THE COMPANY FOR THE F.Y. 2018-19:

To consider and if though fit, to pass the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 or any statutory modification (s) or re-enactment thereof, M/s S.K. Jain & Co., Cost Accountants, appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31st March, 2019, be paid a remuneration of Rs. 30,000/- (Rupees thirty thousand only) plus taxes as applicable as recommended by the audit committee and the remuneration shall be subject to ratification by shareholders subsequently.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution".

Dated : 14.08.2018
Place: Baddi

By Order of the Board of Directors
Sd/-
Rajiv Aggarwal
Joint Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL ONLY TO VOTE INSTEAD OF HIM. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING A PROXY FORM IS SENT HEREWITH.
A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company.
Proxy submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/ authority as applicable.
2. Members should notify change in the address, if any, specifying full address in block letters with pin code of the post office.
3. Members seeking further information on the accounts or any other matter contained in the notice are requested to write to the Company at least 7 days before the meeting, so that relevant information can be kept ready at the meeting.
4. The register of members and share transfer book will remain closed from 21st September, 2018 to 29th September, 2018 [both days inclusive].
5. Members attending the meeting are requested to bring their copy of the Annual Report.
6. Pursuant to Section 72 of the Companies Act, 2013, members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filing required form.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent.
8. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has created an E-mail Id: gujarat.gears@gmail.com for quick redressal of shareholders/investors grievances.
9. In terms of the Circulars No. 17/2011 of 21st April, 2011 and 18/2011 of 29th April, 2011 issued by the Ministry of Corporate Affairs (MCA) as part of its "green initiative in Corporate Governance", MCA allows paperless compliances including service of a notice/document by companies to their members through electronic mode. Therefore, as was done last year, the Company proposes to send documents required to be sent to the members like Notices of General Meetings (including AGM), Audited Financial Statements, Report of the Directors, and Independent Auditor's Report etc. to the members in electronic form to the e-mail IDs provided by them and made available to the Company by the Depositories. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents will also be available on the Company's website www.gagl.net for download by the Members. The physical copies of the annual report will be made available upon receipt of a requisition from the members, any time as a member of the Company.
10. Voting through electronic means (E-voting): Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, the Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) as an alternative for all the members of the Company to enable them to cast their votes electronically. The instructions for E-voting are attached herewith.
11. The Board of Directors of the Company has appointed Mr. Pardeep Singla, Chartered Accountant, as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
12. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member (in case of electronic shareholding) as on the cut-off date i.e. 21st September, 2018.
13. A person, whose name is recorded in the register of members by the depositories as on the cut-off date, i.e. 21st September, 2018 only shall be entitled to avail the facility of e-voting / Poll.

14. The e-voting facility will be available during the following period: Commencement of e-voting: From 9.00 a.m. (IST) on 26th September, 2018 End of e-voting: Up to 5.00 p.m. (IST) on 28th September, 2018.
The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of aforesaid period.
15. The Scrutinizer, after scrutinizing the votes cast at the meeting on poll and through e-voting will, not later than 48 hrs of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.gagl.net and the results shall simultaneously be communicated to the Bombay Stock Exchange.
16. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting.

Explanatory statement setting out all material facts concerning the special business under Section 102 of the Companies Act, 2013 is annexed hereto:

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

ITEM NO. 4:

Mr. Vijay Aggarwal on the recommendation of Nomination & Remuneration Committee was appointed as Managing Director for a period of five years w.e.f. 31st January, 2018 for the remuneration as mentioned below, as per resolution passed at the meeting of the Board of Directors of the Company held on 31st January, 2018, subject to approval of the Company. He is a B.E. (Mechanical Engineering), having 42 years of rich experience in Auto Components & Engineering Goods. He looks after the operational matters of the Company.

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

I. Information about Mr. Vijay Aggarwal, Appointee:

1. **Background details:** Mr. Vijay Aggarwal is a B.E. (Mechanical Engineering) and having more than 42 years of experience in industry. He is looking after operational matters of the company.
2. **Past Remuneration: N.A.**
3. **Recognition or awards: None**
4. **Job profile and his suitability :** He is looking after the operational and commercial matters of the Company. He has rich experience in Auto Components and Engineering Goods Industry. The proposed remuneration is low considering his qualification, experience and responsibility as Managing Director of the Company.
5. **Remuneration proposed:**
 - a. **Salary:** Rs. 2,50,000/- (Rupees two lacs fifty thousand only) per month.
 - b. **Commission:** Mr. Vijay Aggarwal shall also be entitled to commission of such amount as may be decided by the Board of Directors of the Company for each financial year expiring after the date of this revision in remuneration, provided, however, that the commission paid or payable to him in respect of each financial year shall not exceed 2.5% (two and half percent) of the net profits of the company computed as per the provisions of the Companies Act, 2013.
 - c. **Perquisites:**
 1. **House Rent Allowance:** Mr. Vijay Aggarwal shall be entitled to House Rent Allowance subject to ceiling of Rs. 2,30,000/- (Rupees two lacs thirty thousand only) per month.
 2. **Gas, electricity, water and furnishing - Reimbursement of expense incurred for gas, electricity, water and furnishing.**
 3. **Medical Reimbursement:** Reimbursement of expenses incurred for the medical treatment for himself and his family.
 4. **Club Fees:** Fee of club subject to a maximum of two clubs, including admission and life membership fees.
 5. **Personal Accident Insurance Premium:** Not exceeding Rs. 4,000/- p.a.
 6. **Leave travel Concession:** First Class air passage for self, wife, dependent children and dependent parents, once in a year to any place within or outside India.
 7. **Telephone:** The Company shall provide telephone at residence for official-cum personal use. However, the valuation of personal use of telephone shall be treated as perquisite.
 8. **Conveyance Allowance:** Rs. 5,000/- per month.

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

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

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

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

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

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II. Other Information:

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

Name of the Director	Mr. Vijay Aggarwal
Date of Birth	11 th October, 1949
Nationality	Indian
Date of Appointment on Board	31 st January, 2018
Qualifications	B.E. (Mechanical Engineering)
Nature and Expertise in specific functional areas	42 Years of rich experiment in Auto Component & Engineering Goods
Number of shares held in Company	7,46,634
List of Directorship and Committee membership in Listed Companies [other than Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)]	Nil

III. Disclosures:

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

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

No Director, Key Managerial Personnel or their relatives, except Mr. Rajiv Aggarwal for drawing his remuneration and Mrs. Anju Aggarwal are directly or indirectly concerned or interested in the above resolution except to the extent of their shareholding (including his relatives), if any, in the Company

ITEM NO. 5:

Mr. Rajiv Aggarwal was appointed for five years in the Annual General Meeting held on 30th September, 2013 with effect from 12th September, 2013. His term of office is expiring on 10th September, 2018 and your Directors, subject to the approval of the shareholders in the General Meeting, has re-appointed him as Joint Managing Director with effect from 14th August, 2018 as per resolution passed at the meeting of the Board of Directors of the Company held on 14th August, 2018. He has been paid remuneration of not exceeding Rs. 5,50,000/- per month (including perquisites and other allowance, if any) as approved by the Shareholders in the 46th Annual General Meeting of the Company held on 30th December, 2017. He is a qualified Chartered Accountant and Company Secretary and having more than 36 years of experience in the industry. He is looking after finance, legal, banking, accounts and other commercial matters of the Company. Looking to the responsibilities shouldered by Mr. Rajiv Aggarwal, Nomination and Remuneration Committee of the Company has recommended to pay remuneration with effect from 14th August, 2018.

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

I. Information about Mr. Rajiv Aggarwal, Appointee :

1. Background details: Mr. Rajiv Aggarwal is a qualified Chartered Accountant and Company Secretary and having more than 36 years of experience in the industry. He is looking after finance, legal, banking, accounts and other commercial matters of the company.
2. Past Remuneration: Rs.5,50,000/- per month as Joint Managing Director of the Company.
3. Recognition or awards: None
4. Job profile and his suitability : He is looking after finance, legal, banking, accounts, marketing and other commercial matters of the company and proposed remuneration is low comparing his qualification, experience, efforts and responsibility as Joint Managing Director of the Company.
5. Remuneration proposed:
 - i. Salary:
Not exceeding Rs.5,50,000/- (Rupees five lacs fifty thousand Only) per month including perquisites and other allowances, if any with effect from 1st April, 2017.
 - ii. Contribution to provident fund, superannuation fund and annuity fund will not be included in the computation of the ceiling on managerial remuneration to the extent these either singly or put together are not taxable under the Income-Tax Act. Gratuity payable should not exceed half a month's salary for each completed year of service.
 - iii. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
 - iv. Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites/ remuneration. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the individual appointee concerned.

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

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

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

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

II. Other Information:

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

Further, various policy decisions taken would act as growth channel for the Company which would contribute in increased revenues and higher margins.

Name of the Director	Mr. Rajiv Aggarwal
Date of Birth	23 rd August, 1958
Nationality	Indian
Date of Appointment on Board	14 th August, 2018
Qualifications	Chartered Accountant and Company Secretary
Nature and Expertise in specific functional areas	More than 36 years of experience including 15 years as Corporate Finance, Legal, Corporate Communication, Operations, Marketing, Corporate Strategy Development, General Management and 21 years in Auto Industry.
Number of shares held in Company	9,90,306
List of Directorship and Committee membership in Listed Companies [other than Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)]	Nil

III. Disclosures:

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

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

No Director, Key Managerial Personnel or their relatives, except Mr. Vijay Aggarwal for drawing his remuneration and Mrs. Anju Aggarwal are directly or indirectly concerned or interested in the above resolution except to the extent of their shareholding (including his relatives), if any, in the Company.

ITEM 6:

The Board at its meeting held on 30th May, 2018, on the recommendations of the Audit Committee has appointed M/s S.K. Jain & Co., Cost Accountants as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019 on a remuneration of Rs. 30,000/- (Rupees thirty thousand only) plus taxes as applicable as recommended by the Audit Committee. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the Company. The Board recommends the aforesaid resolution for approval of the shareholders.

The instructions for shareholders voting electronically are as under:

1. The voting period begins on 26th September, 2018 at 9:00 A.M. and ends on 28th September, 2018 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. The shareholders should log on to the e-voting website www.evotingindia.com.
4. Click on Shareholders.
5. Now enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
Members holding shares in Physical Form should enter Folio Number registered with the Company.
6. Next enter the Image Verification as displayed and Click on Login.

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7. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
8. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number print in address slip Indexed in the PAN Feld.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth in dd/mm/yyyy format as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id/Folio number in the Dividend bank details field as mentioned in instruction (4)

9. After entering these details appropriately, click on "SUBMIT" tab.
10. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
12. Click on the EVEN i.e. 180827085 for the relevant Company Name, i.e. Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited) on which you choose to vote.
13. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
14. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
15. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
16. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
17. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
18. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
19. Shareholder can also use Mobile app -"m-Voting" for e voting. M-Voting app is available on Apple, Android and Windows based mobile. Shareholder may login to m-Voting using their e-Voting Credentials to vote for the Company resolution(s).
20. Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
21. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Dated : 14.08.2018
Place: Baddi

By Order of the Board of Directors
Sd/-
Rajiv Aggarwal
Joint Managing Director

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the 47th Annual Report of the Company together with the audited accounts for the Financial Year ended March 31, 2018.

1. Financial summary or highlights/Performance of the Company

FINANCIAL RESULTS:

(Rupees in lacs)

Particular	2017-2018	2016-2017
Revenue from Operations	27375.43	25135.06
Add: Other Income	345.21	112.78
Total Income	27720.64	25247.84
Profit before Depreciation and Tax (PBDT)	1827.93	1678.43
Less: Depreciation	735.16	657.30
Profit Before Tax (PBT)	1092.77	1021.13
Less: Taxes		
(a) Current Year Tax	234.87	272.00
(b) Taxes for Earlier Years	-	(0.13)
(c) Deferred Tax	(193.87)	33.78
Profit after Tax	1051.77	715.48
Dividend	20%	-
Earnings per Share's (Rs. 2/- each) (Basic & Diluted)	Rs. 13.37	Rs.9.10

(Financial Results for the year ended 31st March, 2018 are in compliance with Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and previous year figures for the year ended 31st March 2017, have been restated to make them Comparable.)

2. DIVIDEND

The Directors are pleased to recommend a dividend of Rs. 0.40 (20%) per Equity Share of Rs. 2/- each for the financial year ended on 31st March, 2018.

3. RESERVES

No amount has been transferred to General Reserve.

4. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIRS

The total turnover during the year is Rs. 27375.43 Lacs (Previous Year Rs. 25135.06 Lacs). We have made a Profit after depreciation and interest of Rs. 1092.77 Lacs (Previous Year Rs. 1021.13 Lacs).

5. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business during the financial year 2017-18.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Company has entered into Scheme of Amalgamation which affects the financial position of the Company during the Financial Year. The details of the same are mentioned below:

The Scheme of Amalgamation has been executed pursuant to the Order dated 9th January, 2018 of Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") for merger of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company).

7. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), in the matter of Amalgamation of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company), under Section 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013, vide its Order dated 9th January, 2018 approved the Scheme of Amalgamation of Him Teknoforge Limited with Gujarat Automotive Gears Limited.

8. IN THE MATTER OF AMALGAMATION OF HIM TEKNOFORGE LIMITED (TRANSFEROR COMPANY) WITH GUJARAT AUTOMOTIVE GEARS LIMITED (TRANSFEREE COMPANY), UNDER SECTION 230-232 READ WITH SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), in the matter of Amalgamation of Him Teknoforge Limited (Transferor Company) with Transferee Company, under Section 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013, vide its Order dated 5th May, 2017 directed the meeting of secured creditors, unsecured creditors and shareholders of the company on 23rd June, 2017.

HIM TEKNOFORGE LIMITED

(Formerly known as Gujarat Automotive Gears Limited)

As directed by the NCLT the meetings of secured creditors, unsecured creditors and shareholders of the company were held on 23rd June, 2017 at Chandigarh and the matter of Amalgamation as stated above was passed with the requisite majority respectively.

Upon receipt of requisite approval as mentioned above the second motion petition was filed with the NCLT on 6th July, 2017 for sanction of scheme of amalgamation and NCLT vide its order dated 13th July, 2017 fixed 24th August, 2017 as the date of hearing for the same.

Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), in the matter of Amalgamation of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company), under Section 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013, vide its order dated 9th January, 2018 approved the Scheme of Amalgamation of Him Teknoforge Limited with Gujarat Automotive Gears Limited.

9. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

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

10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

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

11. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

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

12. DEPOSITS

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

13. AUDITORS

• Statutory Auditors:

M/S M. L. BHUWANIA AND CO. LLP (FRN: 101484W/W100197) and M/S PRA ASSOCIATES (FRN: 2355N), Chartered Accountants, were appointed as the Joint Auditors of the Company for the period of 5(five) years who shall hold the office as Joint Auditors of the Company till 51st Annual General Meeting of the company to be held in the year 2022.

However, M/S M. L. BHUWANIA AND CO. LLP (FRN: 101484W/W100197), Chartered Accountants, expressing their disability to continue due to their pre occupation voluntarily resigned as Joint Statutory Auditors w.e.f. 3rd August, 2018. Whereas, M/S. PRA ASSOCIATES (FRN: 2355N) shall continue to act as Statutory Auditors of the Company.

• Internal Auditors:

M/s. Ashish Mehta and Associates, Chartered Accountants, Vadodara for Baroda Unit and M/s Anand Saklecha & Co., Chartered Accountants, for Indore Units, have been appointed as Internal Auditors of the Company in terms of Section 138 of the Companies Act, 2013 and rules, made thereunder, for the Financial Year 2018-19 by the Board of Directors, upon recommendation of the Audit Committee.

14. AUDITORS' REPORT

No qualification, reservation or adverse remark or disclaimer has been made by the auditors in their auditors' report for the year 2017-18.

15. SHARE CAPITAL

Consequent to the merger in pursuance of approval of Scheme of Amalgamation of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company), the changes in Share Capital of the Company are mentioned below:

As per the Scheme, 5,65,285 Equity Shares of Rs. 2/- each held by Him Teknoforge Limited (Transferor Company) in Gujarat Automotive Gears Limited (Transferee Company) stands cancelled and there is corresponding change in the Share Capital of Gujarat Automotive Gears Limited (transferee company) taking into account the cancellation of the shares of transferor company.

Further, pursuant to the said Scheme, the Board of Directors of the Company have allotted 66,81,301 Equity Shares of Rs. 2/- each to the Shareholders of Transferor Company on 30th March, 2018 and accordingly the present paid-up share capital is Rs.157.32 lacs comprising of 78,66,016 Equity Shares of Rs. 2/- each (fully paid).

16. EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No. MGT - 9 forming part of the Board's Report is attached herewith as **Annexure-A**.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

18. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The details on the CSR activities are enclosed as **Annexure-C**.

19. DIRECTORS

A) Changes in Directors and Key Managerial Personnel

The following changes in Directors and Key Managerial Personnel were made during the financial year 2017-18:

Sr. No.	Name of Director/ Key Managerial Personnel	Designation	Category	Date of Appointment	Date of Cessation
1	Mr. Vijay Aggarwal [DIN: 00094141]	Managing Director	Promoter Group	31.01.2018	--
2	Mr. Pradeep Kumar [DIN: 03052477]	Non-Executive Director	Independent	31.01.2018	--
3	Mr. Purshotam Lal Sharma [DIN: 03509280]	Non-Executive Director	Independent	31.01.2018	--
4	Mr. Baskaran Kesavareddiyar* [DIN: 07176788]	Non-Executive Director	Nominee Director	31.01.2018	--
5	Ms. Bhavna Rao [DIN: 00956209]#	Non-Executive Director	Nominee Director	30.05.2018	--
5	Mr. Chintankumar Doshi	Company Secretary	--	--	06.01.2018
6	Ms. Snehal Atulkumar Chokshi**	Company Secretary	--	01.06.2018	--

*Mr. Baskaran Kesavareddiyar has been appointed as Nominee Director of Canbank Venture Capital Fund Limited, with effect from 31st January, 2018.

Ms. Bhavna Rao has been appointed as Nominee Director of IFCI Venture Capital Funds Limited, with effect from 30th May, 2018

** Appointment of Ms. Snehal Atulkumar Chokshi as Company Secretary of the Company with effect from 1st June, 2018.

B) Declaration by Independent Director(s):

Declarations by Independent Directors - Mr. Rajendra Prasad, Mr. Ravikant Dhawan, Mr. Pradeep Kumar and Mr. Purshotam Lal Sharma that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 have been given.

The Board of Directors declares that the Independent Directors Mr. Rajendra Prasad, Mr. Ravikant Dhawan, Mr. Pradeep Kumar and Mr. Purshotam Lal Sharma in the opinion of the Board are:

- a) persons of integrity and they possess relevant expertise and experience;
- b) not a promoter of the Company or its holding, subsidiary or associate company;
- c) not related to promoters or directors of the company or its holding, subsidiary or associate company;
- d) have/had no pecuniary relationship with the company, or its holding or subsidiary or associate company or promoters or directors of the said companies during the two immediately preceding financial years or during the current financial year;
- e) none of their relatives have or had pecuniary relationship or transactions with the company or its holding or subsidiary or associate company or promoters or directors of the said companies amounting to two percent or more of its gross turnover or total income or fifty lakh rupees whichever is lower during the two immediately preceding financial years or during the current financial year;
- f) neither they nor any of their relatives -
 - i. hold or have held the position of a key managerial personnel or are or have been employees of the Company or its holding, subsidiary, associate company in any of the three financial years immediately preceding the current financial year.
 - ii. are or had been employee or proprietor or a partner in any of the three financial years immediately preceding the current financial year of
 - a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company
or
 - b) any legal or consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of gross turnover of the said firm;
 - iii) hold together with their relatives two percent or more of the total voting power of the company or
 - iv) is a Chief Executive or director of any non-profit organization that receives twenty-five percent or more of its receipts from the company, any of the promoters or directors of the company or its holding, subsidiary or associate company or that holds two percent or more of the total voting powers of the company;
- g) Possess qualifications prescribed in Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

C) Formal Annual Evaluation.

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

20. MEETINGS

An agenda of Meetings is prepared and circulated in advance to the Directors. During this year, five (5) Board and four (4) Audit Committee Meetings, were convened and held, the details of which are given in the Corporate Governance Report.

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

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

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has provided Guarantee to the SIDBI on behalf of one of its dedicated Job-work vendor- Gee Ess Precision Engineering Pvt. Ltd. for the loans availed by it. The Company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of the same.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

23. MANAGERIAL REMUNERATION

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

24. SECRETARIAL AUDIT REPORT

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

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

25. CORPORATE GOVERNANCE REPORT

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

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

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

27. RISK MANAGEMENT

The Management has put in place adequate and effective system and man power for the purposes of risk management. In the opinion of the Board, there are no risks which would threaten the existence of the Company.

28. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the directors have prepared the annual accounts on a going concern basis.
- (e) that the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively; and
- (f) that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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

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

30. INVESTOR EDUCATION AND PROTECTION FUND

Transfer of Unpaid Dividend:

Pursuant to the provisions of Section 124(5) the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after the completion of seven (7) years. Consequently, your Company has transferred Rs.79,890/- during the year to the Investor Education and Protection Fund, lying with it for a period of seven years pertaining to year 2009-10.

31. COST AUDIT

During the year under review, the Company had not been mandatorily required to get its Cost Records audited in terms of provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 notified by the Ministry of Corporate Affairs (MCA) on 31 December, 2014, as the Industry under which the Company falls has been exempted from the Cost Audit under the said rules.

Pursuant to the Scheme of Amalgamation of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company), overall annual turnover of the Company from all its products and services exceeds Rs. 100 crore and the aggregate turnover of the individual product or products or service or services for which cost records are required to maintained exceeds Rs. 35 Crores, thus the Board of the company has appointed Cost Auditor for the Cost Audit purpose for the Financial Year 2018-19 in its meeting held on 30th May, 2018.

32. ACKNOWLEDGEMENTS

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

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

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

Date : 14.08.2018

Place: Baddi

For and on behalf of Board

Sd/-

Rajiv Aggarwal

Joint Managing Director

HIM TEKNOFORGE LIMITED
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Annexure - A

Form No MGT 9

Extract of Annual Return for the financial year ended on 31.03.2018

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

I. Registration and other details:

- i. CIN : L29130HP1971PLC000904
ii. Registration date : 27/03/1971
iii. Name of the Company : Him Teknoforge Limited
(Formerly known as Gujarat Automotive Gears Limited)
iv. Category/ Sub category of the Company : Public Company Limited by shares
v. Registered office Address : Village Billanwali Baddi, Baddi, Himachal Pradesh 173205, India
Contact Details : gujarat.gears@gmail.com
vi. Whether listed Company : Yes
vii. Details of Registrar and Transfer Agent : MCS SHARE TRANSFER AGENT LIMITED,
1st Floor, Neelam Apartment, 88 Sampatrao Colony,
above Chapanhog Sweet, Alkapuri, Vadodara - 390021
Tel No : 0265-2314757 Email Id : mcsltdbaroda@gmail.com

II. Principal Business activities of the Company;

<u>Business activities contributing 10% or more of the total turn over of the Company</u>			
Sr. No.	Name and Description of main products / services	*Industrial Group	% to total turnover of the Company.
1	Manufacture of parts and accessories for motor vehicle	293	51%
2	Forging	259	49%

*As per National Industrial Classification - Ministry of Statistics and Programme Implementatoin.

III. Particulars of Holding, Subsidiary and Associate Companies : NA

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

1) Category wise Share holding

Category of Shareholders		No. of shares held at the beginning of the year i.e. on 01.04.2017				No. of shares held at the end of the year i.e. on 31.03.2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters.									
1.	Indian									
	a. Individual / HUF	173655	0	173655	9.92	173655	3331233	3504888	44.56	34.63
	b. Central Government	0	0	0	0.00	0	0	0	0.00	0.00
	c. State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
	d. Bodies Corporate	840285	0	840285	48.02	273500	534820	808320	10.28	-37.74
	e. Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	f. Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub - total (A) (1) :-	1013940	0	1013940	57.94	447155	3866053	4313208	54.83	-3.11
2.	Foreign	0	0	0	0.00	0	0	0	0.00	0.00
	a. NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	b. Other individuals	0	0	0	0.00	0	0	0	0.00	0.00
	c. Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
	d. Bank / FI	0	0	0	0.00	0	0	0	0.00	0.00
	e. Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (2) :-	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of promoters (A) = (A)(1) + (A)(2)	1013940	0	1013940	57.94	447155	3866053	4313208	54.83	-3.11

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Category of Shareholders	No. of shares held at the beginning of the year i.e. on 01.04.2017				No. of shares held at the beginning of the year i.e. on 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	39231	39231	0.50	0.50
b) Banks/ FI	0	2750	2750	0.16	0	0	0	0.00	-0.16
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	2758225	2758225	35.07	35.07
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FII's	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	54600	0	54600	0.69	0.69
Sub – total (B)(1) :-	0	2750	2750	0.16	54600	2797456	2852056	36.26	36.10
2. Non – institutions									
a) Bodies Corporate									
i) Indian	46818	500	47318	2.70	59539	500	60039	0.76	-1.94
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh.	532592	112105	644697	36.84	509654	73297	582951	7.41	-29.43
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	0	0	0	0.00	0	0	0	0.00	0.00
c) others (HUF and NRI)	41295	0	41295	2.36	57762	0	57762	0.73	-1.63
d) Director or Directors Relative	0	0	0	0.00	0	0	0	0.00	0.00
Sub – total (B)(2) :-	620705	112605	733310	41.90	626955	73797	700752	8.91	-32.99
Total Public Shareholding (B) = (B)(1) + (B)(2)	620705	115355	736060	42.06	681555	2871253	3552808	45.17	3.11
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	1634645	115355	1750000	100.00	1128710	6737306	7866016	100.00	0.00

The 5,65,285 Equity Shares of Rs.2/- each held by Him Teknoforge Limited (transferor Company) in Gujarat Automotive Gears Limited(transferee Company) stands cancelled and there is corresponding decrease in the Share Capital of Gujarat Automotive Gears Limited (transferee company) as per terms of the Scheme of Amalgamation for merger of Him Teknoforge Limited (transferor Company) with Gujarat Automotive Gears Limited (transferee Company). Pursuant to the said Scheme, the Board of Directors of the Company have allotted 66,81,301 Equity Shares of Rs. 2/- each to the Shareholders of Transferor Company on March 30, 2018. Now the total Shares, of the Company after drop-out and Allotment of Shares, are 78,66,016 Equity Shares of Rs.2/ - each.

Pursuant to the Scheme of Amalgamation of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company), Pursuant to the said Scheme, the Board of directors of the Company had allotted 66,81,301 Equity Shares of Rs. 2/- each to the Shareholders of Transferor Company on March 30, 2018. Now the Share capital of the Company after drop out and Allotment of Shares total Share Capital of the Company would be 78,66,016 equity shares of Rs.2/- each.

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ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year i.e. on 01.04.2017			Shareholding at the end of the year i.e. on 31.03.2018			% change in shareholding during the year
		No. of shares	% of total Shares of the Company	% of Shares pledged/encumbered to total shares	No. of shares	% of total Shares of the Company	% of Shares pledged/encumbered to total sharesheld	
1	Vinod Aggarwal	44680	2.55	0.00	553598	7.04	62.63	4.48
2	Asha Aggarwal	64630	3.69	0.00	472967	6.01	0.00	2.32
3	Him Teknoforge Ltd	565285	32.30	0.00	0	0.00	0.00	-32.30
4	Globe Precision Industries Pvt Ltd	275000	15.71	0.00	596577	7.58	0.00	-8.13
5	Rajiv Aggarwal	8740	0.50	0.00	990306	12.59	57.67	12.09
6	Vijay Aggarwal	15721	0.90	0.00	746634	9.49	85.69	8.59
7	Urmil Aggarwal	11600	0.66	0.00	129327	1.64	0.00	0.98
8	Nitin Aggarwal	9021	0.52	0.00	32661	0.42	0.00	-0.10
9	Anju Aggarwal	7821	0.45	0.00	213592	2.72	0.00	2.27
10	Ankur Aggarwal	9221	0.53	0.00	31767	0.40	0.00	-0.12
11	Manan Aggarwal	2221	0.13	0.00	91230	1.16	0.00	1.03
12	Daya Rani	0	0.00	0.00	197749	2.51	0.00	2.51
13	Medha Aggarwal	0	0.00	0.00	3554	0.05	0.00	0.05
14	Mrinal Aggarwal	0	0.00	0.00	6648	0.08	0.00	0.08
15	Rajiv Aggarwal (HUF)	0	0.00	0.00	5082	0.06	0.00	0.06
16	Vinod Aggarwal (HUF)	0	0.00	0.00	4516	0.06	0.00	0.06
17	Vijay Aggarwal (HUF)	0	0.00	0.00	4823	0.06	0.00	0.06
18	Mukesh Kumar	0	0.00	0.00	92	0.00	0.00	0.00
19	Rohan Aggarwal	0	0.00	0.00	20342	0.26	0.00	0.26
20	Him Overseas Pvt Ltd	0	0.00	0.00	160011	2.03	0.00	2.03
21	Him Chem. & Fert. Pvt Ltd	0	0.00	0.00	369	0.00	0.00	0.00
22	P.C.Alloys Pvt Ltd	0	0.00	0.00	51363	0.65	0.00	0.65
	Total	1013940	57.94	0.00	4313208	54.83	0.00	-3.11

iii) Change in Promoters' Shareholding.

Pursuant to the Scheme of Amalgamation of Him Teknoforge Limited (Transferor company) with Gujarat Automotive Gears Limited (Transferee company), the shareholding of the Promoters is as Follows :

Sr. No.	Name of Promoter	Date	Shareholding/change in shareholding during the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of Shares	% of the total shares of the Company
1	Him Teknoforge Limited	30.03.2018	565285	32.3	0	0
2	Globe Precision Industries Pvt Ltd	30.03.2018	323077	15.71	596577	7.58
3	Vinod Aggarwal	30.03.2018	508918	6.47	553599	7.04
4	Asha Aggarwal	30.03.2018	408337	5.19	472967	6.01
5	Rajiv Aggarwal	30.03.2018	981566	12.48	990306	12.59
6	Vijay Aggarwal	30.03.2018	730913	9.29	746633	9.49
7	Urmil Aggarwal	30.03.2018	117727	1.50	129327	1.64
8	Nitin Aggarwal	30.03.2018	23640	0.30	32661	0.42

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9	Anju Aggarwal	30.03.2018	205771	2.62	213592	2.72
10	Ankur Aggarwal	30.03.2018	22546	0.29	31767	0.40
11	Manan Aggarwal	30.03.2018	89009	1.13	91230	1.16
12	Daya Rani	30.03.2018	197749	2.51	197749	2.51
13	Rohan Aggarwal	30.03.2018	20342	0.26	20342	0.26
14	Medha Aggarwal	30.03.2018	3554	0.05	3554	0.05
15	Mrinal Aggarwal	30.03.2018	6648	0.08	6648	0.08
16	Rajiv Aggarwal (HUF)	30.03.2018	5082	0.06	5082	0.06
17	Vinod Aggarwal (HUF)	30.03.2018	4516	0.06	4516	0.06
18	Vijay Aggarwal (HUF)	30.03.2018	4823	0.06	4823	0.06
19	Mukesh Kumar	30.03.2018	92	0.0012	92	0.0012
20	Him Overseas Pvt Ltd	30.03.2018	160011	2.0342	160011	2.0342
21	Him Chem. & Fert. Pvt Ltd	30.03.2018	369	0.0047	369	0.0047
22	P.C.Alloys Pvt Ltd	30.03.2018	51363	0.6530	51363	0.6530

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

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding at the end of the year 31.03.2018	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	India Automotive Components Manufacturer Private Equity Fund-1 Domestic (IACM-1-D)	-	-	983077	12.50
2	Canbank Venture Capital Fund Limited, Trustee of Canbank Venture Capital Fund (Emerging India Growth Fund CVCF V)	-	-	1775148	22.57
3	Investor Education and Protection Fund - Ministry of Corporate Affairs	-	-	54600	0.69
4	GLOBE CAPITAL MARKET LTD	2136	0.12	9759	0.12
5	Bharat N Shah, Varsha B Shah	-	-	7000	0.09
6	Franklin Templeton Mutual Fund A/C Frankin India Prime Fund	-	-	39231	0.50
7	SUNDARESAN KANNAN	7000	0.40	6595	0.08
8	VIJAYKUMAR BABULAL SHAH, SHAILESH BABULAL SHAH	6487	0.37	5237	0.07
9	MITAL SACHIN GALA	-	-	5209	0.07
10	VIVEK VASUDEV NAIK	-	-	5100	0.06

* The shares of the Company are traded on daily basis and hence the datewise increase/ decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Directors and KMPs	Shareholding at the beginning of the year i.e. on 01.04.2017		Shareholding at the end of year i.e. on 31.03.2018	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Rajiv Aggarwal	8740	0.50	990306	12.59
2	Anju Aggarwal	7821	0.45	213592	2.72
3	Ravikant Dhawan	500	0.03	500	0.03
4	Rajendra Prasad Sinha	--	--	--	--
5	Vijay Aggarwal	15721	0.9	746634	9.49
6	Pradeep Kumar	--	--	--	--
7	Purshotam Lal Sharma	--	--	--	--
8	Baskaran Kesavareddiyar	--	--	--	--
9	Shailesh Gandhi	--	--	--	--
10	Chintan Doshi.	--	--	--	--

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for the payment. (Rs. in Lacs)

Particulars		Secured Loans excluding deposits	Unsecured loan	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year i.e. 01.04.2017					
I)	Principal Amount	1175.28	-	-	1175.28
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	7.98	-	-	7.98
Total (i+ii+iii)		11763.26	-	-	272481453
Change in indebtedness during the financial year					
Addition		839.36	-	-	839.36
Reduction		1109.89	-	-	1109.89
Net Change		(270.53)	-	-	(270.53)
Indebtedness at the end of the financial year i.e. on 31.03.2018					
I)	Principal Amount	11485.75	-	-	11485.75
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	8.97	-	-	8.97
Total (i+ii+iii)		11493.72	-	-	233946109

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount Rs.
		Rajiv Aggarwal [Joint Managing Director]	Vijay Aggarwal [Managing Director]	
1	Gross Annual Salary Salary as per provisions contained in section 17(1) of the Income tax Act 1961	3081600	5530000	8611600
	Value of perquisites u/s 17(2) Income tax Act, 1961	-	-	
	Profits in lieu of Salary under section 17(3) Income tax Act, 1961.	-	-	
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission			
	- as a % of profit	-	-	
	- others, specify	-	-	
5	Others, Please Specify	-	-	
	Total (A)*	3081600	5530000	
	Ceiling as per the Act	3081600	5530000	8611600

B. Remuneration to other directors

Sr. No.	Particulars of Remuneration [Annual]	Name of the Director				Total Amount (Rs)
		Rajendra Prasad Sinha	Ravikant Dhawan	Pradeep Kumar	Purshotam Lal Sharma	
1	Independent Directors					
	Fees for attending board committee meetings	12000	12000	5000	5000	34000
	Commission	-	-	-	-	
	Others, Please Specify	-	-	-	-	
	Total (1)	12000	12000	5000	5000	
2	Other Non Executive Directors.	Anju Aggarwal				
	Fees for attending board committee meetings	17000				17000
	Commission	-				
	Others, Please Specify	-				
	Total (2)	17000				
	Total (B)=(1+2)					51000

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

Sr. No.	Particulars of Remuneration	key Managerial Personnel		Total Amount Rs.
		Company Secretary*	Chief Financial Officer	
1	Gross Annual Salary			
	(a) Salary as per provisions contained in Sec 17(1) of the Income tax Act 1961.	324869	437770	762639
	(b) Value perquisites u/s 17(2) Income tax Act, 1961.	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income tax act ,1961.	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission	--	--	--
	-as % of profit	--	--	--
	-others, specify	--	--	--
	Total	324869	437770	762639

* Remuneration of Company Secretary includes the remuneration for the part of the year as Company Secretary had resigned from the office w.e.f. 06.01.2018, and till 31st March, 2018 the office had not filled.

VII. Penalties/ Punishment/ Compounding of offences. : None

Dated : 14.08.2018
Place: Baddi

For and on behalf of Board
Sd/-
Rajiv Aggarwal
Joint Managing Director

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

ANNEXURE - B

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

(A) Conservation of energy:

- | | |
|---|------|
| (i) The steps taken or impact on conservation of energy | N.A. |
| (ii) The steps taken by the Company for utilizing alternate sources of energy | N.A. |
| (iii) The capital investment on energy conservation equipments | N.A. |

(B) Technology absorption:

- | | |
|--|------|
| (i) Efforts, in brief, made towards technology absorption | N.A. |
| (ii) Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. | N.A. |
| (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year): (a) Details of technology imported. (b) Year of import (c) Whether the technology been fully absorbed (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof. | N.A. |
| (iv) The Expenditure incurred on Research and Development | N.A. |

(C) Foreign exchange earnings and Outgo

Particulars	Amount	
Foreign Exchange earned in terms of actual inflows during the year	Rs. 2734.17 Lacs	P.Y.(Rs.3188.43Lacs)
Foreign Exchange outgo during the year in terms of actual outflows	Rs. 143.70 Lacs	P.Y (Rs. 162.40 Lacs)

For and on behalf of Board

Sd/-

Rajiv Aggarwal

Joint Managing Director

Dated : 14.08.2018

Place: Baddi

ANNEXURE – C

Report on Corporate Social Responsibility

Composition of CSR Committee.

CSR Committee comprising of the following Directors of the Board:

Name of Director	Category	Status	No. of Meeting attended
Sh. Rajiv Aggarwal	Joint Managing Director	Chairman	1/1
Sh. Ravi Kant Dhawan	Independent Director	Member	0/1
Sh. P.L.Sharma	Independent Director	Member	1/1

Committee met on 30.03.2018, during the year 01st April, 2017 to 31st March, 2018.

Details about CSR Expenditure.

Sr. No.	Particulars	Amount (Rs)
1.	Average Net Profit of the Company for last three Financial Years.	7,06,79,793
2.	CSR Expenditure required to incurred (2% of Avg net profit of last 3 Financial Year + c/f amount)	20,42,300
3.	Total Amount spent the during the year	15,78,000
4.	Amount Unspent*	4,64,300

CSR activities at Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)

Sr. no	CSR Project/ activity identified	Projects or programs 1.Local area or other 2.State or district where projects or programs was under taken	Sector in which the project is covered	Amount outlay (Budget) (Rs.)	Amount spent on projects or programs (Rs.)	Cumulative expense upto the reporting period (Rs.)	Amount spent Direct or through implementing Agency
1.	Promoting preventive health care.	Thane (w) 400601	Health care	20,42,300	15,00,000	15,00,000	Shri Bhiksu Mahapragya Trust 203,DNS Tower, Court Naka, Opp. Town Hall, Thane (w) 400601
		Chandigarh	Health care	20,42,300	33,500	15,33,500	Refreshment expense at Blood donation camp by Rotary Club, Chandigarh.

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2.	Promoting education, including special education and employment enhancing vocation skills.	TAL. Barotiwala, Baddi	Promoting Education	20,42,300	4,500	15,38,000	Govt. Senior Secondary School, Barotiwala, Baddi
		Vadodara, Gujarat.	Promoting Education & culture.	20,42,300	30,000	15,68,000	Through United Way of Baroda
3.	Promotion of Culture	Gametha, Vadodara	Promoting Culture	20,42,300	10,000	15,78,000	Gametha Gram Panchayat, Gametha, Vadodara

*Reason for unspent amount: Non availability of proper NGO for CSR activities.

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Sd/-
Mr. Rajiv Aggarwal
Chairman - CSR Committee

Sd/-
Mr. Ravikant Dhawan
Member - CSR Committee

ANNEXURE-D

Form No. AOC-2

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

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

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

i)	Name of the related party :	Globe Precision Industries Pvt. Ltd.	
	Nature of Relationship :	Mr. Vijay Aggarwal, Managing Director, Mr. Rajiv Aggarwal, Joint Managing Director and Mrs. Anju Aggarwal, Director of the Company are relatives of the Directors of the said Company.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods, Fixed Assets, Job Work charges	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		17.07.2017	1 year [01.04.2017 to 31.03.2018]
iv)	Salient terms of contracts or arrangements :	Purchase of material by the Company on 30 days credit terms.	
	Value of transaction undertaken during the year.	1. Purchase of Material : Rs. 98.38 Lacs 2. Sales of Material : Rs. 8149.97 Lacs 3. Job Work Charges paid: Rs. 44.98 Lacs 4. Job Work Charges Received: Rs. 75.09 Lacs 5. Sale of Fixed Assets: Rs. 9.56 Lacs 6. Purchase of Fixed Assets: Rs. 0.64 Lacs	
v)	Amount paid in advance, if any :	No advanced is paid.	

i)	Name of the related party :	Himachal Shots & Metals Pvt. Ltd.	
	Nature of Relationship :	Mr. Vijay Aggarwal, Managing Director, Mr. Rajiv Aggarwal, Joint Managing Director and Mrs. Anju Aggarwal, Director of the Company are relatives of the Directors of the said Company.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		17.07.2017	1 year [01.04.2017 to 31.03.2018]
iv)	Salient terms of contracts or arrangements :	Purchase of material by the Company on 30 days credit terms.	
	Value of transaction undertaken during the year.	1. Purchase of Goods : Rs. 39.24 Lacs 2. Sales of Goods : Rs. 165.86 Lacs	
v)	Amount paid in advance, if any :	No advanced is paid.	

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

i)	Name of the related party :	Him Overseas.	
	Nature of Relationship :	Mr. Vijay Aggarwal, Managing Director, Mr. Rajiv Aggarwal, Joint Managing Director and Mrs. Anju Aggarwal, Director of the Company are partners of the said firm.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods, Fixed Assets, Job Work charges	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		17.07.2017	1 year [01.04.2017 to 31.03.2018]
iv)	Salient terms of contracts or arrangements :	Purchase of material by the Company on 30 days credit terms.	
	Value of transaction undertaken during the year.	1. Purchase of Goods : Rs. 0.63 Lacs 2. Sales of Goods : Rs. 8.13 Lacs 3. Job Work Charges paid: Rs. 1.04 Lacs 4. Job Work Charges Received: Rs. 0.03 Lacs 5. Sale of Fixed Assets: Rs. 0.07 Lacs 6. Purchase of Fixed Assets: Rs. 0.22 Lacs	
v)	Amount paid in advance, if any :	No advanced is paid.	

Notes: All the Related party transactions entered into by Him Teknoforge Limited (Transferor Company) before execution of scheme of Amalgamation with Gujarat Automotive Gears Limited (Transferee Company).

Dated : 14.08.2018
Place: Baddi

For and on behalf of Board
Sd/-
Rajiv Aggarwal
Joint Managing Director

ANNEXURE - E

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

Sr. No.	Name of Directors and KMPs.	The Ratio of the remuneration of each Directors to the median remuneration of the employees of the company for the financial year 2017-18.	The Percentage increase in remuneration of each Directors, and KMPs, if any in the financial year 2017-18.	
(i)	Mr. Vijay Aggarwal ¹ [Managing Director]	65.87	-	
	Mr. Rajiv Aggarwal [Joint Managing Director]	36.71	(27.38)%*	
	Mr. Shailesh Gandhi [CFO]	NA	9.07%	
	Mr. Chintan Doshi ² [Company Secretary]	NA	3.63%	
(ii)	Percentage increase in the median remuneration of employees in the financial year 2017-18 compared to 2016-17		11.88	
(iii)	Number of permanent employees on the rolls of the company as on 31.03.2018.		1398	
(vi)	Average percentage increase in salaries of Employees other than managerial personnel in the last financial year.		8.23%	
	Comparison between average percentage increase in salaries of Employees other than managerial personnel in the last financial year and percentage increase in the Managerial Remuneration. And Justification if there any exceptional circumstances for increase in Managerial Remuneration.		Avg % Increase in Managerial Remuneration. (27.38)%	Avg % increase in salaries of Employee other than managerial personnel. 8.23%
(v)	Key parameter for any variable component of remuneration availed by the Directors.		NA	
(vi)	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year.		Nil	

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

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

1. Appointed as Managing Director w.e.f. 31.01.2018.

2. Resigned as Company Secretary w.e.f. 06.01.2018.

* Managerial Remuneration of Joint Managing Director Mr. Rajiv Aggarwal has been decreased during the year to 27.38%.

ANNEXURE - F

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members,
HIM TEKNOFORGE LIMITED (Formerly known as GUJARAT AUTOMOTIVE GEARS LIMITED)
Village Billanwali, Baddi, Solan
Himachal Pradesh - 173205, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HIM TEKNOFORGE LIMITED (Formerly known as Gujarat Automotive Gears Limited)(hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (Not applicable to the company during the audit period);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the audit period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the audit period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the audit period) and
 - (i) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Listing Regulations)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Only SS 1, SS 2 and SS 3 are notified hence applicable to the company during the audit period)
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange.

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

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Following Directors are appointed at the Board meetings held on 31st January, 2018 & 30th May, 2018:

Sr. No.	Name of the Director	Date of Appointment	Designation
1	VIJAY AGGARWAL	31/01/2018	Managing Director
2	PURSHOTAM LAL SHARMA	31/01/2018	Independent Director
3	PRADEEP KUMAR	31/01/2018	Independent Director
4	BASKARAN KESAVAREDDIYAR	31/01/2018	Nominee Director
5	BHAVANA RAO	30/05/2018	Nominee Director

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All the decisions at the Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and committees, as the case may be.

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

For Dinesh Mehta & CO.
Company Secretaries

Dinesh Mehta
Proprietor
C.P.No.2127

Place: VADODARA
Date: 25/06/2018

ANNEXURE - G

CORPORATE GOVERNANCE REPORT

To,
The Members,

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

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

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

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

Company's Philosophy on Code of Governance:

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

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

1. Board of Directors:

As on March 31, 2018, The Board has eight (8) members comprising of Six (6) Non-Executive Directors out of which four (4) Independent Directors, one (1) Nominee Director, (1) one women Director and two (2) Executive Directors. The majority of Board members are Non-Executive Independent Directors as per the requirement of Regulation 17 of SEBI (LODR) Regulations, 2015.

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

The details of the composition, nature of directorship, the number of meetings attended and the directorships in other Companies as at March 31, 2018 are detailed herein below:

Name of the Director	Category	No. of Board Meetings held and attended during the year		Attendance at Last AGM held on 30.12.2017	*No. of other directorships and committee memberships / chairmanships		
		Held	Attended		Other directorships*	Committee Memberships**	Committee Chairmanships**
Mr. Vijay Aggarwal#	Managing Director	5	2	N.A.	0	0	0
Mr. Rajiv Aggarwal	Joint Managing Director	5	5	Yes	1	2	0
Mrs. Anju Aggarwal	Non-Executive Director	5	5	Yes	0	0	0
Mr. Ravikant Dhawan	Independent Director	5	4	No	0	2	2
Mr. R P Sinha	Independent Director	5	4	Yes	0	0	0

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

Mr. R P Sinha	Independent Director	5	4	Yes	0	0	0
Mr. Pradeep Kumar#	Independent Director	5	2	N.A.	1	3	0
Mr. Purshotam Lal Sharma#	Independent Director	5	2	N.A.	0	1	0
Mr. Baskaran Kesavareddiyar#	Nominee Director	5	1	N.A.	3	0	0

Note:
Mr. Vijay Aggarwal, Mr. Pradeep Kumar, Mr. Purshotam Lal Sharma, Mr. Baskaran Kesavareddiyar have been appointed on 31.01.2018. Mr. Baskaran Kesavareddiyar have been appointed as Nominee Director of M/S Canbank Venture Capital Fund Limited.
*Other Directorships does not include Directorships of private limited companies, Companies formed under section 8 of the Companies Act, 2013 and foreign companies.
**Chairmanship / Membership of Board Committees include only Audit Committee and Stakeholders Relationship Committee as per Regulation 26 of the SEBI (LODR) Regulations, 2015.
Mr. Rajiv Aggarwal, Mr. Vijay Aggarwal & Mrs. Anju Aggarwal are related Directors.

Number of Board Meetings during the year 2017-18:

Name of the Director	Category of the Director	Date of Board Meeting and attendance				
		29.05.2017	14.09.2017	27.11.2017	31.01.2018	30.03.2018
Mr. Vijay Aggarwal#	Managing Director	N.A.	N.A.	N.A.	✓	✓
Mr. Rajiv Aggarwal	Joint Managing Director	✓	✓	✓	✓	✓
Mr. Ravikan Dhawan	Independent Director	✓	✓	✓	✓	-
Mr. Rajendra Prasad Sinha	Independent Director	✓	✓	✓	✓	-
Mrs. Anju Aggarwal	Non-Executive Director	✓	✓	✓	✓	✓
Mr. Pradeep Kumar#	Independent Director	N.A.	N.A.	N.A.	✓	✓
Mr. Purshotam Lal Sharma#	Independent Director	N.A.	N.A.	N.A.	✓	✓
Mr. Baskaran Kesavareddiyar#	Nominee Director	N.A.	N.A.	N.A.	✓	-

Note:
Mr. Vijay Aggarwal, Mr. Pradeep Kumar, Mr. Purshotam Lal Sharma, Mr. Baskaran Kesavareddiyar have been appointed on 31.01.2018. Mr. Baskaran Kesavareddiyar have been appointed as Nominee Director of M/S Canbank Venture capital Fund Limited.

2. Committees of the Board:

Recognizing the immense contribution that committees make in assisting the Board of Directors in discharging its duties and responsibilities and with a view to have a close focus on various facets of the business, the Board has constituted the following three (3) Committees of the Board.

1. Audit Committee;
2. Nomination and Remuneration Committee;

3. Stakeholders' Relationship Committee;
4. CSR Committee.

(i) Audit Committee:

The terms of reference:

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

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

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

Composition as well as Attendance of Audit Committee:

Name	Category	Status	No. of Meeting entitled to attend	No. of Meeting Attended
Mr. Rajendra Prasad Sinha	Independent Director	Chairman*	4	3
Mr. Rajiv Aggarwal	Joint Managing Director	Member	4	4
Mr. Ravikant Dhawan	Independent Director	Chairman**	4	4
Mr. P. L. Sharma	Independent Director	Member	1	1
Mr. Pradeep Kumar	Independent Director	Member	1	1

* Mr. Rajendra Prasad Sinha was chairman of the Audit Committee till the meeting of committee held on 27.11.2017.

** Mr. Ravikant Dhawan has become the Chairman of Audit Committee w.e.f. 31.01.2018.

- The Committee was reconstituted on 31.01.2018 (Comprising Mr. Ravikant Dhawan - Chairman, Mr. Rajiv Aggarwal - Member, Mr. Purshotam Lal Sharma - Member, Mr. Pradeep Kumar - Member).

During the year from 01.04.2017 to 31.03.2018 the Audit Committee met four (4) times on 29.05.2017, 14.09.2017, 27.11.2017 and 31.01.2018.

(ii) Nomination and Remuneration Committee:

The Terms of Reference:

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

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
4. Oversee familiarization programs for directors.

Composition as well as Attendance of Nomination and Remuneration Committee:

Name	Category	Status	No. of Meeting Attended.
Mr. Rajendra Prasad Sinha	Independent Director	Chairman	1/1
Mr. Ravikant Dhawan	Independent Director	Member	1/1
Mrs. Anju Aggarwal	Non-Executive Director	Member	1/1

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During the year from 01.04.2017 to 31.03.2018 the Nomination & Remuneration Committee met one (1) time on 31.01.2018.

- The Committee was reconstituted on 31.01.2018 (comprising Mr. Purshotam Lal Sharma - Chairman, Mr. Pradeep Kumar - Member, Mr. Ravikant Dhawan - Member).

The policy formulated by nomination and remuneration committee:

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

Performance Evaluation Criteria of selection of Independent Directors:

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

(iii) Stakeholders' Relationship Committee:

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

Composition as well as attendance of Stakeholders' Relationship Committee:

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

Name	Category	Status	No. of Meeting Attended.
Mr. Ravikant Dhawan	Independent Director	Chairman	0/1
Mr. Pradeep Kumar	Independent Director	Member	1/1
Mr. Rajiv Aggarwal	Managing Director	Member	1/1

The Committee met once on 30.03.2018 during the year 01.04.2017 to 31.03.2018.

Details of investor complaints received and redressed during the year 2017-18 are as follow:

Number of shareholders complaints received so far	Number of complaints not solved to the satisfaction of shareholders	Number of pending complaints
1	0	0

(iv) Corporate Social Responsibility Committee:

In compliance with the section 135 of the Companies Act, 2013. Corporate Social Responsibility (CSR) Committee of the Board has been constituted. The Committee recommend to the Board Budget for CSR activities for the particular financial year, monitor the CSR activities undertaken by the Company. The whole details about the CSR committee and activities undertaken during the financial year 2017-18 has been given in **Annexure -C**.

3. General Body Meetings:

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

AGM No.	Date	Time	Location
44 th AGM	29.09.2015	11.30 a.m.	Village Billanwali, Baddi – 173205, Solan (HP)
45 th AGM	30.09.2016	11.30 a.m.	
46 th AGM	30.12.2017	11.30 a.m.	

Details of Special Resolutions passed in the previous three AGM:

Sr. No.	<i>At the 44th AGM</i>
1	To appoint Mr. Ravikant Dhawan as an Independent Director of the Company for the term of five year w.e.f 29.09.2015.
2	To appoint Mr. Rajendra Prasad Sinha as an Independent Director of the Company for the term of five year w.e.f 29.09.2015.
3	To appoint Mr. Ankit Jain as an Independent Director of the Company for the term of five year w.e.f 29.09.2015.
	<i>At the 45th AGM</i>
	No Special Resolution was passed
	<i>At the 46th AGM</i>
1	To fix the Remuneration of Mr. Rajiv Aggarwal, Managing Director of the Company.

Details of special resolution passed through postal ballot:

- The Special Resolution was passed at the Hon'ble National Company Law Tribunal, Chandigarh Bench (NCLT) convened Meeting of Shareholders held on 23.06.2017 at Hotel "Sip n Dine", sco 16-A, Sector - 7-C, Madhya Marg Chandigarh-160019, to approve the Scheme of Amalgamation for Merger of Him Teknoforge Limited with Gujarat Automotive Gears Limited for which different manner of voting were E-Voting, Postal Ballot and voting conducted at NCLT convened meeting.
- The Majority votes cast in favor of the Resolution.
- Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), approve the scheme of "Amalgamation" of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company), under section 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013, vide its order dated 09.01.2018.

4. Disclosures:

Related Party Transactions:

During the financial year under review, your Company has transactions / contracts / agreements that are classified as "Related Party Transactions" under provisions of the Companies Act, 2013 and the Rules framed thereunder. These contracts/ arrangements/ agreements have been made in the ordinary course of business, to facilitate the business of the Company and have been approved by the Audit Committee and Board of Directors. Suitable disclosures as required by Accounting Standards (AS-18) have been made in the Notes to the financial statements as well as in Board Report disclosure made in **Annexure - D**. Company has also formulated a Related Party Transactions Policy which is available on the website of the Company. There are no materially significant transactions with the related parties' viz. promoters, directors or the management or their relatives etc. that had potential conflict with the company's interest.

Vigil Mechanism:

The Company has framed a whistle blower policy in terms of Companies Act, 2013 and the same may be accessed on the Company's website. And that the every employee of the Company can directly report to the Chairman of the Audit Committee when she / he become aware of any actual or possible violation of the Code or an event of misconduct, act of misdemeanor or act not in the company's interest.

5. Means of Communications

The website of the Company <http://www.gagl.net> is the primary source of information about the company to the public. The Company maintains a functional website containing the basic details of the Company in terms of Regulation 46 of the SEBI (LODR) Regulations, 2015. The quarterly, half-yearly and annual results of the Company are published in English and Vernacular language newspapers as per the requirements of Regulation 47 of the SEBI (LODR) Regulations, 2015. The results are available on the website of the Company.

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

6. General Shareholders Information:

- i. **Annual General Meeting:** Day : Saturday
Date : 29th September, 2018
Time : 11.30 A.M.
- ii. **Financial Year:** Financial Year of the Company is April 1 to March 31.
- iii. **Date of Book Closure:** 21st September, 2018 to 29th September, 2018
- iv. **Listing on Stock Exchanges:** The BSE Limited
- v. **Listing Fees:** The Company has paid annual listing fees to the Stock Exchange for the year 2018-19.
- vi. **Stock Code:** BSE Limited : **505712**
- vii. **CIN of the Company:** L29130HP1971PLC000904
- viii. **ISIN:** INE705G01021
- ix. Monthly high, low prices and number of shares traded from April, 2017 to March, 2018 on the BSE Limited are as follows:

Months	BSE Limited		
	High (Rs.)	Low (Rs.)	Low (Rs.)
April-17	367.45	229	299459
May-17	338	254	108526
June-17	297.70	255.05	44427
July-17	362	268	166900
August-17	330.30	260.60	49743
September-17	325	260	38183
October-17	316.80	280.40	44823
November-17	350	285	100298
December-17	373.90	300.05	85362
January-17	382	301	118975
February-17	325	260	41744
March-17	300.95	245	37898

- x. **Registrar and Transfer Agents:** MCS SHARE TRANSFER AGENT LIMITED
1st Floor, Neelam Apartment, 88, Sampatrao Colony,
Above Chhappanbhog Sweet, Vadodara - 390007
Tel No : 0265-2314757
Email Id : mcsltdbaroda@gmail.com
- xi. **Share Transfer System:** Share Transfer requests, which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being in order and complete in all aspects.
- xii. **Address for Correspondence:** Company Secretary & Compliance Officer
Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)
Kalali, Vadodara - 390012
(T): (0265) 2680164
Email id: gujarat.gears@gmail.com
Website: www.gagl.net
- xiii. **Plant Locations:** **Plant Location**
Forging Division, Manpura, Dist. Solan (HP)
Gear Division, Village Billanwali, Labana, Baddi, Dist. Solan (HP)
Plot No. 30, HPSIDC Industrial Area, Baddi, ist. Solan (HP)

Plot No. 264-268, MPKVAN, Industrial Area-I, Pithampur, Dist. Dhar (MP)
 Plot No. 95-100, MPKVAN, Industrial Area-II, Pithampur, Dist. Dhar (MP)
 Village Kalali, Vadodra (Gujarat)
 345 A, Padra Jambusar Road, Village Gametha, Tal Padra, Dist. Vadodra (Gujarat)
 SCO No. 19 (First Floor), Sector-7C, Chandigarh

xiv. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADR as on date.

xiv. Dematerialization of Shares:

14.35% of the paid-up capital of the Company has been in dematerialized form as on March 31, 2018.

xvi. Shareholding Pattern as on March 31, 2018: [Annexure A]

xvii. Distribution Schedule as on March 31, 2018:

Range	Shares	Folios	Percent Shares	Percent Holders
1 - 500	342310	2884	4.3518	91.6428
501 - 1000	105422	134	1.3402	4.2580
1001 - 2000	90785	61	1.1541	1.9384
2001 - 3000	62334	24	0.7924	0.7626
3001 - 4000	35628	10	0.4529	0.3178
4001 - 5000	41448	9	0.5269	0.2860
5001 - 10000	84933	12	1.0797	0.3813
10001 - 50000	177760	7	2.2598	0.2224
50001 - 100000	259602	4	3.3003	0.1271
And Above	6665794	13	84.7417	0.0636
Total *	7866016	3158	100.0000	100.0000

xviii. Position of Shares as on 31st March, 2018:

The Percentage of Shares held in NSDL (10.25%), CDSL (4.10%) and in Physical Form (85.65%).

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

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

8. Green Initiative

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

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

Date: 14.08.2018
Place: Baddi

For and on behalf of Board of Directors
Sd/-
Rajiv Aggarwal
Joint Managing Director

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

CONFIRMATION ON CODE OF CONDUCT

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

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

This is to confirm that the board has laid down a code of conduct for Board of Directors and senior management of the Company. It is further confirmed that all Directors and senior management of the company have affirmed compliance with the Code of Conduct of the Company as at March 31, 2018, as envisaged in Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dated : 14-08-2018
Place: Baddi

For and on behalf of Board of Directors
Sd/-
Rajiv Aggarwal
Joint Managing Director

CFO Certification
TO WHOM SO EVER IT MAY CONCERN

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

- A. I have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2018 and that to the best of my knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit committee:
1. Significant changes in internal control over financial reporting during the year;
 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which I become aware and the involvement therein if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully,

For Him Teknoforge Limited
(Formerly known as Gujarat Automotive Gears Limited)
Sd/-

Place : Vadodara
Date : 30/05/2018

Shailesh Gandhi
Chief Financial Officer

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

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

We have reviewed the records concerning the company's compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2018.

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

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

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

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

**For Dinesh Mehta & Co.
Company Secretaries**

**Place: Vadodara
Date: 28.05.2018**

**[Dinesh Mehta]
Proprietor
C.P NO. 2127**

ANNEXURE - H
Management Discussion and Analysis Report

Economic Overview

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

Products includes transmission gears, pins, axle shaft, propeller shaft components, wheel spanners, fork lift parts, offroad parts and many more.

Industry Structure & Development

The Indian auto-components industry has experienced healthy growth over the last few years. Some of the factors attributable to this include: a buoyant end-user market, improved consumer sentiment and return of adequate liquidity in the financial system. According to Central Statistics Office, India's Gross Domestic Product (GDP) growth for FY 2018 is pegged at 6.70%. While this is lower than the 7.10% clocked in FY 2017, the intermittent dip in the growth rate is attributed to the fact that the economy recently received two major policy shocks in the form of demonetisation and the implementation of Goods & Services Tax (GST). The return to 7%+ growth, in the October- December quarter of FY 2018, is viewed as an indicator that the economy has successfully adjusted to these shocks and recovered.

The Government proceeded with its reforms in various sectors, aiming to achieve a growth rate of 7.00 - 7.50% in FY 2019 and a growth rate of above 8.00% in the near future as manufacturing, services and exports return to their good growth path. The focus of the Union Budget 2018 was on strengthening agriculture, rural development, health, education, employment, MSME and infrastructure sectors.

Opportunity and Threats

Over the decade, India has emerged as one of the most preferred locations in the world for manufacturing high quality automotive components. Over the next decade, the Automotive Industry at a global level is likely to see significant transformation. Principal ones that are expected include the shift of growth in demand automotive components from developed nations to developing nations. With a focus on cost optimization, auto industries across the world have looked to cost effective countries like India, for sourcing automotive components, this has led to an increase in India made automotive components exports.

Considering the global scenario and major government initiatives, the Company is ready to grab opportunities by developing new products and expanding the customer base.

With the Government of India's emphasis on substitution of imported goods to reduce import bills, sectors such as railway, public transport and defence are expected to look to Indian companies for procurement.

Threats

Presence of large number of players, domestic as well as multinational, in the automobile industry, results into intensive competition. Moreover, Government of India's aim to propel the Indian Automotive Industry to be the engine of the "Make in India" programme will intensify competition as the existing entity will have to compete with settled as well as new players entering into the market with some privilege under "Make in India" initiatives.

Segment wise or products wise performance

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

Outlook

We plan to continue and expand our product portfolio for Automotive products. The areas of design and manufacturing for automotive components will be systematically expanded. We are also working specifically on developing our manufacturing capabilities.

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

The market response to the profile of Him Teknoforge Limited (formerly known as Gujarat Automotive Gears Limited) continues to be very positive. The management is confident that, with the improved economic environment and further developments within the organization, it will be able to benefit from the investments. These developments can be summarized for Him Teknoforge Limited (formerly known as Gujarat Automotive Gears Limited) in many opportunities for continued expansion and positive development of the business in the next few years.

Risks & Concerns

Your Company regularly evaluates and reviews potential risks on account of various factors such as government policies, natural/man-made disasters, and political risks. Apart from above, the Company is exposed to changes in foreign exchange rates and commodity prices, global competition, technological changes, high dependency on few customers. Any change in laws & regulations, whether domestically or internationally could affect the business and financial condition of your Company.

The management of your Company has put in place adequate risk management system so as to minimize and/or eliminate the adverse impact if any, of any of the risks.

Internal Control Systems and their adequacy:

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

intervals.

Discussion on financial performance with respect to operational performance

Your Company has achieved turnover of Rs. 27375.43 Lacs for the financial year 2017-18 as against the previous year 2016-17 turnover of Rs. 25135.06 Lacs. Further, Company earned profit of Rs. 1051.77 Lacs in the F.Y. 2017-18.

Company Performance:

Total revenue:Rs. 27375.43 Lacs

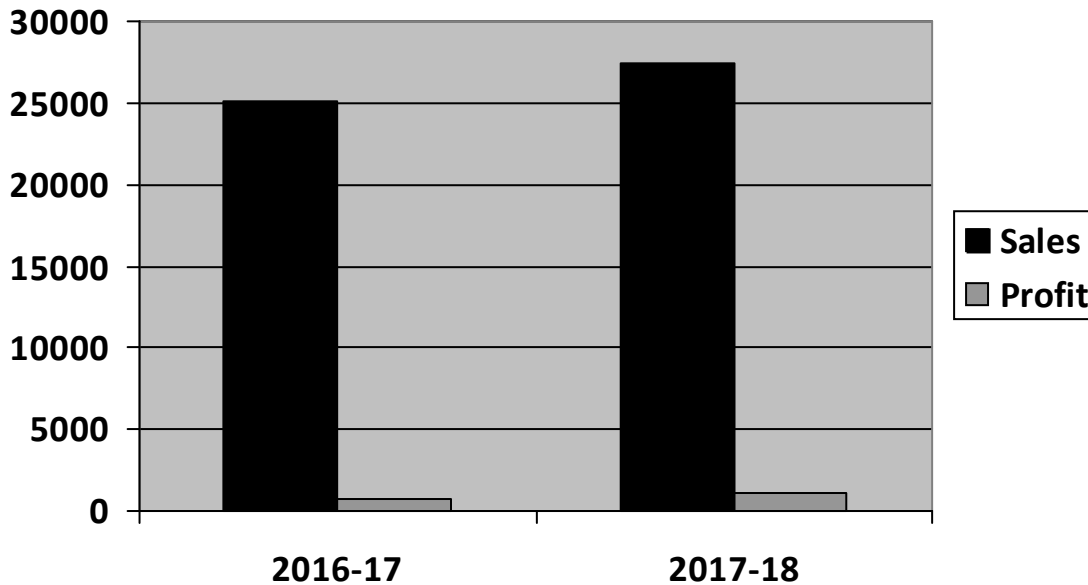
Profit after tax:Rs. 1051.77 Lacs

Break up (Revenue from operation):

The quarterly Revenue from Operations during the year is mentioned as follows:

The Revenue from Operations during the year is Rs.27375.43 Lacs as compared to Rs. 25135.06 Lacs in the Previous year and Profit has been increased to Rs. 1051.77/- Lacs as compared to Rs.715.48/- Lacs in the previous year.:

Break up (Revenue from operation) (Rs. In lacs)



Material Developments in Human resources/Industrial relations front, including no. of people employed:

The Company regards its human resources as the most valuable asset and proactively reviews and evolves policies and processes to attract and retain good people. The Company continues its focus on attracting and retaining the best talent in the industry. The Company further makes continuous efforts to upgrade the knowledge and skills of its present employees. As new business challenges emerge, there is a need to continue to be a learning organization that supports operational excellence, continuous improvement and rising standards of performance at all levels.

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

Independent Auditors' Report

To,
The Members of **HIM TEKNOFORGE LIMITED**
(Formerly known as Gujarat Automotive Gears Limited)

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of HIM TEKNOFORGE LIMITED (Formerly known as Gujarat Automotive Gears Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss (including other comprehensive income) and the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

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

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) as at March 31, 2018 and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

1. We draw attention to Note No. 49 of the financial statements, in respect of the amalgamation of the erstwhile Him Teknoforge Limited (Transferor Company) into Gujarat Automotive Gears Limited (Transferee Company) (whose name has been changed to Him Teknoforge Limited) with effect from April 01, 2016, being the appointed date as approved by the Hon'ble National Company Law Tribunal, Chandigarh Bench (NCLT) vide its Order dated January 09, 2018 pursuant to Sections 230 to 232 of the Companies Act, 2013 which has been accounted under the 'Pooling of Interest Method' as per the then applicable Accounting Standard 14 on "Accounting for Amalgamation". The amalgamation has been given effect from the aforesaid appointed date in the financial statements.
2. The comparative financial information of the Company as published prior to giving effect of the scheme of amalgamation (as mentioned in the Note 1 above) for the year ended March 31, 2017 and the transition date opening balance sheet as at

April 01, 2016 included in these Ind AS financial statements are based on (i) the previously issued financial statements for the year ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standard) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 and March 31, 2017 dated May 31, 2016 and dated May 29, 2017 respectively expressed an unmodified opinion on those financial statements and (ii) also includes financial information of the Transferor Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these Ind AS financial statements which are based on the previously issued financial statements for the year ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standard) Rules, 2006 audited by the auditor of the transferor company whose report for the year ended March 31, 2016 and March 31, 2017 dated September 02, 2016 and dated September 05, 2017 respectively expressed an unmodified opinion on those financial statements after giving effect of the scheme of amalgamation and (iii) as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS which have been audited by us.

3. The Company has various divisions. For the year ended March 31, 2018, audit of the Company's Divisions at Baddi (HP) and Pithampur (MP) have been conducted by the Joint Auditors, PRA Associates, Chartered Accountants and audit of the Company's Divisions at Vadodra (Gujarat) has been conducted by the Joint Auditors, M L BHUWANIA AND CO LLP, Chartered Accountants.

Our opinion is not modified in respect of these matters.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government 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 of the aforesaid Ind AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Ind AS financial statements.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors, as on March 31, 2018 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' and;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note No. 38 to the Ind AS financial statements;
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivatives contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For M L BHUWANIA AND CO LLP

Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra

Partner
Membership No. 109931
Place: Mumbai
Date: May 30, 2018

For PRA Associates

Chartered Accountants
FRN: 2355N

Deepak Gupta

Partner
Membership No. 89597
Place: Chandigarh
Date: May 30, 2018

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirements' in our Report of even date on the accounts of HIM TEKNOFORGE LIMITED (Formerly known as Gujarat Automotive Gears Limited) for the year ended 31st March, 2018.

- i. (a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management in accordance with a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of accounts.
- iii. As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore clauses 3(iii) and sub clause (a) to (c) of clause 3(iii) are not applicable to the Company.
- iv. The Company has complied with provisions of section 186 of the Companies Act, 2013 in respect of investments made and guarantees provided for loans taken by others and section 185 of the Companies Act, 2013 is not applicable as there were no such loans, securities or guarantees provided during the year.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has prescribed maintenance of cost records for the company under sub section (1) of section 148 of the Companies Act, 2013 and such accounts have been made and maintained by the company. However, no detailed examinations of such records and accounts have been carried out by us.
- vii. (a) According to the information and explanation given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Customs Duty, Value Added Tax, Cess, Goods and Services Tax with effect from 1st July, 2017 and other statutory dues applicable to it with the appropriate authorities. According to information and explanation given to us, no undisputed amount were in arrears as on March 31, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of Service Tax, Cess and Customs Duty which have not been deposited on account of any dispute. The disputed amounts that have not been deposited in respect of Value Added Tax, Income Tax, Sales Tax, Excise Duty are as under:

Sr. No.	Name of the Statute	Nature of Dispute	Amount (Rs. in Lacs)	Period to which dispute relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax demand	37.07	Assessment Year 2010-11	Commissioner of Income Tax (Appeals)
2	Income Tax Act, 1961	Income Tax demand	38.06	Assessment Year 2011-12	Commissioner of Income Tax (Appeals)
3	Income Tax Act, 1961	Income Tax demand	0.98	Assessment Year 2012-13	Commissioner of Income Tax (Appeals)
4	M. P. VAT Act, 2002 and Central Sales Tax Act, 1956	Sales tax demand	152.80	29.03.2004 to 31.03.2007	Honorable Supreme Court of India.
5	Central Excise Act, 1944	Excise Duty demand	5.42	2010-11	CESTAT
6	Central Excise Act, 1944	Excise Duty demand	45.69	July 2006 to March 2016	Commissioner (Appeals)
7	Central Sales Tax Act, 1956	Central Sales Tax	1.48	2012-13	Assistant Commissioner, Commercial Tax
8	Madhya Pradesh VAT Act, 2002	Entry Tax	2.87	2012-13	Commercial Tax Officer
9	Madhya Pradesh VAT Act, 2002	Entry Tax	1.27	2013-14	Commercial Tax Officer

- viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions and banks during the year. The Company has not taken any loan or

borrowing from government and has not issued debentures during the year.

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

For M L BHUWANIA AND CO LLP

Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra

Partner
Membership No. 109931
Place: Mumbai
Date: May 30, 2018

For PRA Associates

Chartered Accountants
FRN: 2355N

Deepak Gupta

Partner
Membership No. 89597
Place: Chandigarh
Date: May 30, 2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **HIM TEKNOFORGE LIMITED (Formerly known as Gujarat Automotive Gears Limited)** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over

financial reporting were operating effectively as at March 31, 2018, 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 M L BHUWANIA AND CO LLP

Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra

Partner
Membership No. 109931
Place: Mumbai
Date: May 30, 2018

For PRA Associates

Chartered Accountants
FRN: 2355N

Deepak Gupta

Partner
Membership No. 89597
Place: Chandigarh
Date: May 30, 2018

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

BALANCE SHEET AS AT 31ST MARCH, 2018

CIN : L29130HP1971PLC000904

Particulars	Note No.	As at 31 March, 2018 Rs. Lacs	As at 31 March, 2017 Rs. Lacs	As at 1 April, 2016 Rs. Lacs
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	3	11,248.06	9,884.33	9,648.12
(b) Capital work-in-progress	4	944.00	1,465.72	366.86
(c) Other Intangible Assets	5	1,593.37	1,628.99	1,345.82
(d) Financial Assets				
(i) Investments	6	1.01	1.20	0.31
(ii) Other Financials Assets	7	267.82	277.16	175.09
(e) Deferred Tax Assets (Net)	8	570.00	371.67	360.25
(f) Other non-current assets	9	296.63	663.12	262.51
Total Non- Current Assets		14,920.89	14,292.19	12,158.96
(2) Current assets				
(a) Inventories	10	11,674.40	10,938.36	10,041.21
(b) Financial assets				
(i) Trade Receivable	11	3,797.00	3,979.43	3,624.72
(ii) Cash and Cash Equivalents	12	88.67	93.61	95.20
(iii) Bank Balances other than above	13	475.08	492.19	404.31
(iv) Other Financial Assets	14	456.93	71.07	45.22
(c) Other Current Assets	15	334.80	358.12	351.16
Total Current Assets		16,826.88	15,932.78	14,561.82
TOTAL ASSETS		31,747.77	30,224.97	26,720.78
EQUITY & LIABILITIES				
(1) Equity				
(a) Equity Share Capital	16	157.32	157.32	157.32
(b) Other equity	17	13,301.88	12,245.88	11,177.50
Total		13,459.20	12,403.20	11,334.82
LIABILITIES				
(2) Non-current Liabilities				
(a) Financial liabilities				
(i) Borrowings	18	2,330.49	2,719.58	2,821.94
(b) Provisions	19	216.79	166.38	134.77
(c) Other Non-current Liabilities	20	15.10	13.93	14.52
Total Non- Current Liabilities		2,562.38	2,899.89	2,971.23
(3) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	8,107.04	7,906.18	6,026.32
(ii) Trade Payables	22	5,473.43	4,883.99	4,583.72
(iii) Other Financial Liabilities	23	1,081.81	1,164.40	1,206.34
(b) Other Current Liabilities	24	957.16	847.56	530.73
(c) Provisions	25	106.70	76.56	63.91
(d) Current Tax Liabilities (Net)	26	-	43.19	3.71
Total Current Liabilities		15,726.19	14,921.88	12,414.73
TOTAL EQUITY & LIABILITIES		31,747.77	30,224.97	26,720.78

Summary of significant accounting policies

2

The accompanying notes form an integral part of the financial statements

As per our report of even date

For M L BHUWANIA AND CO LLP

Chartered Accountants

Firm Registration

Number: 101484W/W100197

Ashishkumar Bairagra

Partner

Membership No. 109931

Place:- Mumbai

Date :- 30th May, 2018

For PRA ASSOCIATES

Chartered Accountants

Firm Registration Number: 2355N

Deepak Gupta

Partner

Membership No. 89597

Place: Chandigarh

Date :- 30th May, 2018

Shailesh Gandhi

Chief Financial Officer

Date :- 30th May, 2018

On behalf of the Board

Vijay Aggarwal

Managing Director

DIN: 00094141

Rajiv Aggarwal

Jt. Managing Director

DIN:00094198

Date :- 30th May, 2018

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

CIN : L29130HP1971PLC000904

Particulars	Note No.	For the year ending 31 March, 2018 Rs. Lacs	For the year ending 31 March, 2017 Rs. Lacs
Income			
Revenue from Operations	27	27,375.43	25,135.06
Other Income	28	345.21	112.78
Total Income		27,720.64	25,247.84
Expenses			
Cost of Materials Consumed	29	14,257.25	12,702.78
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	30	84.05	(577.11)
Excise Duty on Sales	31	497.79	1,734.97
Employee Benefits Expenses	32	3,303.39	2,605.56
Finance Cost	33	1,450.88	1,513.26
Depreciation and Amortisation Expenses	34	735.16	657.30
Other expenses	35	6,299.35	5,485.79
Total expenses		26,627.87	24,122.55
Profit Before Tax & Exceptional Items		1,092.77	1,125.29
Exceptional Items	36	-	(104.16)
Profit Before Tax		1,092.77	1,021.13
Less: Tax Expense			
Current Tax	8	234.87	272.00
Taxes for earlier years		-	(0.13)
Deferred Tax	8	(193.87)	33.78
Profit after tax	A	1,051.77	715.48
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
i) Remeasurements - On post employment benefit plan - gratuity		4.21	(5.42)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(4.55)	1.51
B (i) Items that will be reclassified to profit or loss		4.26	0.89
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year	B	3.92	(3.02)
Total Comprehensive Income for the year	(A+B)	1,055.69	712.46
Earnings per equity share: [Face Value per share: Rs. 2]			
-Basic		13.37	9.10
-Diluted		13.37	9.10

Summary of significant accounting policies

2

The accompanying notes form an integral part of the financial statements

As per our report of even date

For M L BHUWANIA AND CO LLP

Chartered Accountants

Firm Registration

Number: 101484W/W100197

Ashishkumar Bairagra

Partner

Membership No. 109931

Place:- Mumbai

Date :- 30th May, 2018

For PRA ASSOCIATES

Chartered Accountants

Firm Registration Number: 2355N

Deepak Gupta

Partner

Membership No. 89597

Place: Chandigarh

Date :- 30th May, 2018

Shailesh Gandhi

Chief Financial Officer

Date :- 30th May, 2018

On behalf of the Board

Vijay Aggarwal

Managing Director

DIN: 00094141

Rajiv Aggarwal

Jt. Managing Director

DIN:00094198

Date :- 30th May, 2018

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

CIN : L29130HP1971PLC000904

(Rs. In Lacs)

Particulars	As at 31 March, 2018	As at 31 March, 2017
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary Items	1,092.77	1,021.13
Adjustment for:		
Dividend income on from Mutual Fund designated at FVTPL	-	(4.19)
Depreciation /Amortisation	735.16	657.30
Interest Income	(14.42)	(7.90)
Profit on Sale of Assets/Discarded Assets (Net)	(1.81)	(21.79)
Excess Provision written back (Net)	(11.45)	(0.85)
	<u>707.47</u>	<u>622.58</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,800.24	1,643.71
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
(Increase)/Decrease Other non - current assets	288.67	(110.94)
(Increase)/Decrease in Inventories	(736.04)	(897.16)
(Increase)/Decrease in Trade Receivable	97.98	(381.74)
(Increase)/Decrease Other Bank Balances	17.12	(87.88)
(Increase)/Decrease Other Non Current financial assets	9.34	-
(Increase)/Decrease Other financial assets	(385.55)	(127.83)
(Increase)/Decrease Other current assets	119.23	20.83
Increase/(Decrease) Other non current liabilities	5.09	(3.61)
Increase/(Decrease) Trade payables	589.44	251.05
Increase/(Decrease) Other current financial liabilities	(82.55)	(41.94)
Increase/(Decrease) Other current liabilities	109.60	316.83
Increase/(Decrease) Provisions	80.54	29.52
	<u>112.87</u>	<u>(1,032.87)</u>
Cash Generated from Operations	1,913.11	610.83
Direct Taxes paid	282.52	277.08
NET CASH FROM OPERATING ACTIVITIES	1,630.59	333.75
B) CASH FLOW FROM INVESTING ACTIVITIES		
Loan (given)/returned	77.82	(289.67)
Purchase of Fixed Assets including Capital Work in Progress	(1,589.82)	(2,250.01)
Sale of Fixed Assets	50.09	75.69
Purchase of Non Current Investments	-	(0.89)
Sale of Non Current Investments	0.20	370.67
Interest Received	14.42	7.90
Dividend Received	-	4.19
	<u>(1,447.31)</u>	<u>(2,082.11)</u>
NET CASH USED IN INVESTING ACTIVITY	(1,447.31)	(2,082.11)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Term Loans	(389.09)	(118.34)
Net (Decrease)/ Increase in Short Term Borrowings	200.86	1,879.86
Dividend Paid (Inclusive of Dividend Distribution Tax)	-	(14.74)
	<u>(188.23)</u>	<u>1,746.78</u>
NET CASH USED IN FINANCING ACTIVITY	(188.23)	1,746.78
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(4.94)	(1.59)
OPENING BALANCE OF CASH & CASH EQUIVALENTS	93.61	95.20
Add: Taken over pursuant to Merger	-	-
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	88.67	93.61
	<u>(4.94)</u>	<u>(1.59)</u>
Notes		
1 Closing Balance of Cash & Cash Equivalents		
Cash and Cash Equivalents Includes: (Refer Note No. 12)		
CASH IN HAND	2.52	2.33
BALANCE WITH SCHEDULED BANKS		
- In Current Account	86.15	91.28
	<u>88.67</u>	<u>93.61</u>
2 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.		

As per our report of even date
For M L BHUWANIA AND CO LLP
Chartered Accountants
Firm Registration
Number: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931
Place:- Mumbai
Date :- 30th May, 2018

For PRA ASSOCIATES
Chartered Accountants
Firm Registration Number: 2355N

Deepak Gupta
Partner
Membership No. 89597
Place: Chandigarh
Date :- 30th May, 2018

Shailesh Gandhi
Chief Financial Officer
Date :- 30th May, 2018

On behalf of the Board
Vijay Aggarwal
Managing Director
DIN: 00094141

Rajiv Aggarwal
Jt. Managing Director
DIN:00094198
Date :- 30th May, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2018

(All Amounts Are In Rs. Lacs, Unless Otherwise Stated)

Particulars	(Rs. Lacs)	
	No. of Shares	Amount
Balance at at 1st April, 2016	17,50,000	35.00
Less : Cancellation of Shares held by transferor company in the transferee company pursuant to Order of Hon'ble National Company Law Tribunal, Chandigarh Bench	(5,65,285)	(11.31)
Add : Allotment of shares to the shareholders of Transferor Company pursuant to the Order of Hon'ble National Company Law Tribunal, Chandigarh Bench	66,81,301	133.63
Balance as at 1st April, 2016 (After Merger)	78,66,016	157.32
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2017	78,66,016	157.32
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2018	78,66,016	157.32

Note : The adjustment in the Equity Share Capital is made w.e.f. 1st April, 2016 in pursuance of the approval of Scheme of Amalgamation for merger of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company) vide Order dated 9th January, 2018 of Hon'ble National Company Law Tribunal, Chandigarh Bench as the appointed dated is 1st April, 2016

B. Other Equity

Particulars	Reserves & Surplus						Other items of Other comprehensive income	Total Other Equity
	Capital Reserve	Securities Premium	Other Reserves (Capital Investment Subsidy)	General Reserve	Retained Earnings	Reserve Created on Amalgamation		
Balance as at April 1, 2016	27.22	3,023.29	75.00	720.32	6,236.73	1,096.86	(1.93)	11,177.50
Profit for the year	-	-	-	-	715.48	370.67	-	1,086.15
Remeasurements of Defined Benefit Plan	-	-	-	-	(14.74)	-	(3.02)	(3.02)
Dividend & Dividend Distribution tax paid	-	-	-	-	-	-	-	(14.74)
Balance as at March 31, 2017	27.22	3,023.29	75.00	720.32	6,937.46	1,467.53	(4.95)	12,245.88
Profit for the year	-	-	-	-	1,051.77	-	-	1,051.77
Remeasurements of Defined Benefit Plan	-	-	-	-	-	-	3.92	3.92
Cash Flow from Hedging Reserve	-	-	-	-	-	-	0.31	0.31
Balance as at March 31, 2018	27.22	3,023.29	75.00	720.32	7,989.23	1,467.53	(1.03)	13,301.88

The accompanying notes form an integral part of the financial statements

As per our report of even date

For M L BHUWANIA AND CO LLP

Chartered Accountants

Firm Registration

Number: 101484W/W100197

Ashishkumar Bairagra

Partner

Membership No. 109931

Place:- Mumbai

Date :- 30th May, 2018

For PRA ASSOCIATES

Chartered Accountants

Firm Registration Number: 2355N

Deepak Gupta

Partner

Membership No. 89597

Place: Chandigarh

Date :- 30th May, 2018

On behalf of the Board

Vijay Aggarwal

Managing Director

DIN: 00094141

Rajiv Aggarwal

Jt. Managing Director

DIN: 00094198

Date :- 30th May, 2018

Shailesh Gandhi

Chief Financial Officer

Date :- 30th May, 2018

HIM TEKNOFORGE LIMITED
(Formerly Known as Gujarat Automotive Gears Limited)

1 Company Overview

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

2 Significant Accounting Policies

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

(A) Basis of Preparation of Financial Statement

i) Compliance with Ind AS

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

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) notified under Section 133 of the Act and other relevant provisions of the Act ("Previous GAAP").

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to IND AS is 1st April, 2016. Refer note 46 related to First-time Adoption of Ind AS for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

First-time adoption: In accordance with Ind AS 101 on First-time adoption of Indian Accounting Standards, the Company's first Ind AS financial statements include, three balance sheets viz. the opening balance sheet as at 1st April, 2016 and balance sheets as at 31st March, 2017 and 2018 and two statements each of profit and loss, cash flows and changes in equity for the years ended 31st March, 2017 and 2018 together with related notes. The same accounting policies have been used for all periods presented.

The financial statements were authorized for issue by the Company's Board of Directors on 30th May, 2018.

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

ii) Historical cost convention

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

- (a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;
- (b) Defined benefit plans where plan assets are measured at fair value.
- (c) Investments are measured at fair value.

iii) Current and Non Current Classification.

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

(B) Use of estimates and judgements

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

(C) Financial Instruments

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

(I) Financial Assets

(i) Classification

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

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

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

- (a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.
- (b) For investments in debt instruments, this will depend on the business model in which the investment is held.
- (c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

(ii) Measurement

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

(a) Debt instruments

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

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

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

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

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to

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

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

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For Trade receivables company provides when there is a significant uncertainty arise for recovery.

(iv) Derecognition of financial assets

A financial asset is derecognised only when -

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

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

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

(II) Financial Liabilities

(i) Measurement

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

(ii) Derecognition

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

(D) Financial guarantee contracts

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

(E) Segment Report

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

(F) Inventories Valuation

- (i) Raw materials, components, stores & spares, packing material, semi-finished goods & finished goods are valued at lower of cost and net realisable value.
- (ii) Cost of Raw Materials, components, stores & spares and packing material is arrived at FIFO and Cost of semi-finished good

and finished good comprises, raw materials, direct labour, other direct costs and related production overheads.

(iii) Scrap is valued at net realisable value.

(G) Cash and cash equivalents

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

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

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

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

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

(i) Current income tax

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

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

(ii) Deferred tax

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

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

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

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

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

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

(iii) Dividend distribution tax

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

(I) Property, plant and equipment

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

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

(J) Intangible assets

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

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

(K) Leases

(i) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(L) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue as under:

(I) Sales

(i) The Company recognizes revenue from sale of goods when:

- (a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods.
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.
- (c) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods.
- (d) It is probable that future economic benefits associated with the transaction will flow to the Company.
- (e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.
- (f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(ii) Sales of Services

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed. The Company recognises income from power generated on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

(II) Other Income

(i) Interest Income

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

(ii) Dividends

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

(iii) Export Benefits

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

(M) Employee Benefit

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be

made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

(iii) Post-employment obligations

The group operates the following post-employment schemes:

(a) Defined benefit plan:

Defined benefit obligation plans and other long term benefits – The present value of the obligation under such plans is determined based on an actuarial valuation, using the projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognized immediately in the profit & loss Account. In case of gratuity, which is combination of funded plan with the Life Insurance Corporation Of India and unfunded plan, the fair value of the plan assets is reduced from the gross obligation under defined benefit plans to recognize the obligation on net basis. The liability for Earned Leave has been provided as per the Actuarial valuation as at the end of the accounting year.

(b) Defined Contribution plan:

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

(N) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

(O) Borrowing Cost

(i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

(P) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii) Diluted earnings per share

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

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

(Q) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(R) Provisions, contingent liabilities and contingent assets

(i) Provisions:

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

(ii) Contingent liabilities:

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

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

(S) Investments

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

(T) Trade receivables

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(U) Trade and other payables

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

(V) Operating Cycle

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

(W) Rounding of amounts

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

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Notes Forming Part of Financial Statements for the year ended 31st March, 2018

Note No. 3

PROPERTY, PLANT AND EQUIPMENT (All amounts are in Rs. Lacs, unless otherwise stated)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT
	As at 01.04.2017	Purchase during The Year	Deduction during the year	As at 31.03.2018	Upto 01.04.2017	Dep. For The Year	Deduction during the year	As at 31.03.2018	As at 31.03.2018
Property, Plant and Equipment									
Land - Freehold	264.30	-	-	264.30	-	-	-	-	264.30
Land - Leasehold	124.68	-	-	124.68	83.33	-	-	83.33	41.35
Building - Factory	1,559.37	165.08	-	1,724.45	433.49	53.00	-	486.49	1,237.96
Plant & Machinery	11,437.56	1,717.88	140.32	13,015.12	3,284.02	368.59	97.27	3,555.34	9,459.78
Furniture & Fixture	72.45	3.20	-	75.65	40.42	5.51	-	45.93	29.72
Office Equipment	71.28	2.61	-	73.89	57.86	4.93	-	62.79	11.10
Computers	94.76	10.25	-	105.01	64.05	9.89	-	73.94	31.07
Vehicles	504.52	11.79	19.76	496.55	281.41	56.88	14.53	323.76	172.79
Total	14,128.91	1,910.81	160.08	15,879.64	4,244.58	498.80	111.80	4,631.58	11,248.06

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT
	As at 01.04.2016	Purchase during The Year	Deduction during the year	As at 31.03.2017	Upto 01.04.2016	Dep. For The Year	Deduction during the year	As at 31.03.2017	As at 31.03.2017
Property, Plant and Equipment									
Land - Freehold	264.30	-	-	264.30	-	-	-	-	264.30
Land - Leasehold	124.68	-	-	124.68	79.42	3.91	-	83.33	41.35
Building - Factory	1,541.70	17.67	-	1,559.37	384.04	49.45	-	433.49	1,125.88
Plant & Machinery	10,896.68	610.68	69.80	11,437.56	2,956.95	344.90	17.83	3,284.02	8,153.54
Furniture & Fixture	65.97	6.48	-	72.45	34.55	5.87	-	40.42	32.03
Office Equipment	66.70	4.58	-	71.28	51.47	6.39	-	57.86	13.42
Computers	82.92	11.84	-	94.76	54.51	9.54	-	64.05	30.70
Vehicles	410.29	106.68	12.45	504.52	244.17	47.76	10.52	281.41	223.11
Total	13,453.24	757.93	82.25	14,128.91	3,805.11	467.82	28.35	4,244.58	9,884.33

Particulars	Gross Value as on 1st April, 2016	Accumulated Depreciation as on 1st April, 2016	Net Carrying Amount as on 1st April, 2016
Property, Plant and Equipment			
Land - Freehold	264.30	-	264.30
Land - Leasehold	124.68	79.42	45.26
Building - Factory	1,541.70	384.04	1,157.66
Plant & Machinery	10,896.68	2,956.95	7,939.72
Furniture & Fixture	65.97	34.55	31.42
Office Equipment	66.70	51.47	15.23
Computers	82.92	54.51	28.41
Vehicles	410.29	244.17	166.12
Total	13,453.24	3,805.11	9,648.12

4 CAPITAL WORK-IN-PROGRESS

PARTICULARS	AS AT 01.04.2017	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018
Capital Work- in- Progress	1,465.72	902.02	1,423.74	944.00
Previous Year	366.86	1,161.42	62.56	1,465.72

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

5 OTHER INTANGIBLE ASSETS (All amounts are in Rs. Lacs, unless otherwise stated)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT
	As at 01.04.2017	Purchase during the Year	Deduction during the year	As at 31.03.2018	Upto 01.04.2017	Dep. For the Year	Deduction during the year	As at 31.03.2018	As at 31.03.2018
Other Intangible Assets									
Product Design & Development	2,321.47	198.78	-	2,520.25	707.60	232.14	-	939.74	1,580.51
Computer Software	27.44	1.96	-	29.40	12.32	4.22	-	16.54	12.86
Total	2,348.91	200.74	-	2,549.65	719.92	236.36	-	956.28	1,593.37

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT
	As at 01.04.2016	Purchase during the Year	Deduction during the year	As at 31.03.2017	Upto 01.04.2016	Dep. For the Year	Deduction during the year	As at 31.03.2017	As at 31.03.2017
Other Intangible Assets									
Product Design & Development	1,851.27	470.20	-	2,321.47	522.48	185.12	-	707.60	1,613.87
Computer Software	25.00	2.44	-	27.44	7.96	4.36	-	12.32	15.12
Total	1,876.27	472.64	-	2,348.91	530.44	189.48	-	719.92	1,628.99

Notes:

(a) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e. April 1, 2016 as its deemed cost on the date of transition to Ind AS i.e. April 1, 2016.

(b) Net carrying amount as on 1st April, 2016 has been considered as deemed cost, however for the presentation purpose Gross Carrying value and Accumulated depreciation has been presented

Note No.	Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1 April 2016	
6	Financial asset -Non-Current Investments	Qty.		Qty.		Qty.	
	Non Trade Investments Quoted						
	Equity Instruments (At FVOCI)						
	Nagarjuna Fertilisers & Chemicals Ltd. - Face Value Rs. 10 each	5,500	0.85	5,500	1.06	5,500	0.20
	In Other Securities (At FVTPL)						
	SBI Infrastructure Bond - Face Value Rs. 10 each	1,000	0.16	1,000	0.14	1,000	0.11
	Total		1.01		1.20		0.31
7	Other financial assets						
	Security deposits		267.82		277.16		175.09
	Total		267.82		277.16		175.09
8	Deferred Tax Assets (Net)						-
	Deferred Tax Assets						
	MAT Credit Entitlement		1,013.71		778.84		735.35
	Employee retirement benefits		69.62		57.01		46.22
	Business Losses as per Income Tax Act		476.30		291.62		241.20
	Allowance for Doubtful Assets		1.44		1.44		1.44
	Less : Deferred Tax Liabilities						
	On account of difference in depreciation as per books and Income Tax Act		(991.07)		(757.24)		(663.96)
	Total		570.00		371.67		360.25

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Notes Forming Part of Financial Statements for the year ended 31st March, 2018

(All amounts are in Rs. Lacs, unless otherwise stated)

Income tax

The major components of income tax expense for the year ended 31 March, 2018

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Current tax – including earlier years	234.87	271.87
Deferred Tax	(193.87)	33.78
	41.00	305.65

Reconciliation of tax expenses and accounting profit multiplied by domestic tax rate

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Profit before income tax expenses	1,092.77	1,021.13
Tax at the Indian tax rate @ 34.608 % / 21.3416%	233.21	353.39
Add: Item giving rise to difference in tax		
Timing difference of depreciation on Property Plant & Equipment	233.83	93.28
Timing difference of Gratuity & Leave Eancashment	(12.61)	(10.79)
MAT Credit	(234.87)	(43.49)
Income Tax busniess losses	(184.68)	(50.42)
Others	6.12	(36.33)
Total Tax Expenses	41.00	305.65

Note No.	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1 April 2016
9	Other Non-Current Assets			
	Balance with Government Authorities	28.38	317.05	206.11
	Capital Advances	268.25	346.07	56.40
	Total	<u>296.63</u>	<u>663.12</u>	<u>262.51</u>
10	Inventories			
	Raw Material & Components	1,270.23	687.22	716.69
	Work-in-progress	6,307.98	6,392.86	5,816.95
	Finished goods (Refer Note No. 10.1)	642.45	632.92	623.09
	Stores & Packing Materials	3,421.31	3,206.97	2,849.83
	Scrap	32.43	18.39	34.65
	Total	<u>11,674.40</u>	<u>10,938.36</u>	<u>10,041.21</u>
	Note No 10.1: Finished Goods Inventory includes Goods in transit of Rs. 138.26 lacs (31 March 2017 Rs. 77.12 lacs and 1 April 2016 Rs. 74.01 lacs)			
11	Trade receivables			
	Unsecured			
	Considered good (Refer Note No. 44 and 11.1)	3,797.00	3,979.43	3,624.72
	Considered doubtful	4.79	4.79	4.79
	Less: Allowance for Expected Credit Loss	(4.79)	(4.79)	(4.79)
	Total	<u>3,797.00</u>	<u>3,979.43</u>	<u>3,624.72</u>
	Movement in the allowance of expected credit loss			
	Balance at the beginning of the year	4.79	4.79	4.79
	Less: Amounts written off during the year (net)	-	-	-
	Balance at end of the year	<u>4.79</u>	<u>4.79</u>	<u>4.79</u>
	The average credit period ranges from 30 to 180 days for Sales. No interest is charged.			
	Note No. 11.1: Debts due by Related Party			
	Firm in which director is a partner	9.25	2.90	-
12	Cash and Cash Equivalents			
	Balances with Banks in Current Accounts	86.15	91.28	92.25
	Cash in Hand	2.52	2.33	1.79
	Cash in Foreign Currency	-	-	0.16
	Cheques/Drafts in Hand	-	-	1.00
	Total	<u>88.67</u>	<u>93.61</u>	<u>95.20</u>

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

Note No.	Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
13	Bank Balances			
	Margin Money Deposits (Refer Note No. 13(i) to 13(iv))	449.41	465.30	377.17
	Unclaimed Dividend Accounts (Refer Note No. 13(v))	25.67	26.89	27.14
	Total	475.08	492.19	404.31

Note 13(i) : The Fixed Deposit of Rs. 314.90 lacs (31 March 2017 Rs. 337.10 lacs, 1 April 2016 Rs. 257.41 lacs) are pledged with the State Bank of India being margin money against Letter of Credit & Bank Guarantees issued.

Note 13(ii) : The Fixed Deposit of Rs. 105.00 lacs (31 March 2017 Rs. 105 lacs, 1 April 2016 Rs. 119.36 lacs) are pledged with the State Bank of India for securing working capital facilities.

Note 13(iii) : Fixed Deposits of Rs. 0.54 lacs (31 March 2017 Rs. 0.40 lacs, 1 April 2016 Rs. 0.40 lacs) are pledged with the Sales Tax Authorities`.

Note 13(iv) :The above fixed deposits of Rs. 28.97 lacs (31 March 2017 Rs. 22.80 lacs, 1 April 2016 Rs. NIL) are pledged with Siemens Financial Services Pvt. Ltd., against partial disbursement of Loan for Machinery.

Note 13(v) : The balances can be utilised only towards settlement of the unpaid dividend.

14	Other Financial Assets			
	Others	397.47	9.91	0.01
	Employee Advances	25.68	36.09	29.54
	Fair Value of Forward Contracts	0.31	-	-
	Interest Receivable	33.47	25.07	15.67
	Total	456.93	71.07	45.22
15	Other Current Assets			
	Prepaid Expenses /Advances to Suppliers	49.56	119.70	53.38
	Advance Recoverable in Cash or Kind or for Value to be Received	285.24	238.42	297.78
	Total	334.80	358.12	351.16

16	Equity Share Capital (a) Authorised Share Capital	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
		No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
	Equity shares of Rs. 2/- each (31 March 2017: Rs. 2/- each) (1 April 2016: Rs. 2/- each)	15,21,25,000	3,042.50	15,21,25,000	3,042.50	15,21,25,000	3,042.50
	9.5% Cumulative Preference shares of Rs.100/- each (31 March 2017: Rs. 100/- each) (1 April 2016: Rs. 100/- each)	7,500	7.50	7,500	7.50	7,500	7.50
	Unclassified Shares of Rs. 10/- each	5,00,000	50.00	5,00,000	50.00	5,00,000	50.00
	Total		3,100.00		3,100.00		3,100.00
	(b) Issued, Subscribed and Paid Up Capital						
	Equity shares of Rs.2/- each (31 March 2017: Rs. 2/- each) (1 April 2016: Rs. 2/- each)	78,66,016	157.32	78,66,016	157.32	78,66,016	157.32
	Total		157.32		157.32		157.32

Note No. 16.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31 March, 2018:

	No. of shares	Rs. in Lacs
Balance at at 1st April, 2016 (Pre Merger)	17,50,000	35.00
Changes in equity share capital during the year		
Less : Cancellation of Shares held by transferor company in the transferee company pursuant to Order of Hon'ble National Company Law Tribunal, Chandigarh Bench	(5,65,285)	(11.31)
Add : Allotment of shares to the shareholders of Transferor Company pursuant to the Order of Hon'ble National Company Law Tribunal, Chandigarh Bench	66,81,301	133.63
Balance at at 1st April, 2016 (after Merger)	78,66,016	157.32
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2017	78,66,016	157.32
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2018	78,66,016	157.32

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Notes Forming Part of Financial Statements for the year ended 31st March, 2018

Note No. 16.2 Details of Shareholders holding more than 5% shares in the Company

Name of the Shareholder	No. of shares held	%	No. of shares held	%	No. of shares held	%
Canbank Venture Capital Fund Ltd. - Trustee of Canbank Venture Capital Fund (Emerging India Growth Fund CVCF-V)	17,75,148	22.57%	17,75,148	22.57%	17,75,148	22.57%
Sh. Rajiv Aggarwal	9,90,306	12.59%	9,90,306	12.59%	9,90,306	12.59%
India Automotive Component Manufacturers Private Equity Fund (ICAM-1-D)	9,83,077	12.50%	9,83,077	12.50%	9,83,077	12.50%
Sh. Vijay Aggarwal	7,46,634	9.49%	7,46,634	9.49%	7,46,634	9.49%
Globe Precision Industries Pvt. Ltd.	5,96,577	7.58%	5,96,577	7.58%	5,96,577	7.58%
Sh. Vinod Aggarwal	5,53,598	7.04%	5,53,598	7.04%	5,53,598	7.04%
Smt. Asha Aggarwal	4,72,967	6.01%	4,72,967	6.01%	4,72,967	6.01%

Note : The detail of shareholders holding more than 5% shares as on 31st March, 2017 & 2016 is considered on the basis of allotment of shares pursuant to the approval of Scheme of Amalgamation vide Order dated 9th January, 2018 of Hon'ble National Company Law Tribunal, Chandigarh Bench.

Note No.	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1 April, 2016
17	Other Equity			
	Reserves & Surplus*			
	Capital Reserve (including reserve created on merger)#	1,494.75	1,494.75	1,124.08
	Security Premium Reserve ##	3,023.29	3,023.29	3,023.29
	Capital Investment Subsidy ###	75.00	75.00	75.00
	General reserve ####	720.32	720.32	720.32
	<u>Other Comprehensive Income (OCI)</u>			
	-Remeasurement of net defined benefit plans	(1.03)	(4.95)	(1.93)
	Cash flow from Hedging Reserves #####	0.31	-	-
	Retained earning #####	7,989.23	6,937.46	6,236.73
	Total	13,301.88	12,245.88	11,177.50

* For movement, refer statement of change in equity.

Capital Reserve

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

Securities Premium Reserve

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

Capital Investment Subsidy

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

General reserve

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

Hedging Reserve

Created on transaction relating to cash flow hedge.

Retained earnings

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

18	Borrowings			
	Secured Term Loans :			
	From Banks (refer note on. 18(i), 18(ii), 18(iii), 18(vii) & 18(viii))	1,974.90	2,290.07	- 2,674.26
	From Non-Banking Financial Institutions (Refer Note No. 18(iv), 18(v), 18(vi) & 18(ix))	355.59	429.51	47.68
	Unsecured- From Director (Refer Note No. 18(x))	-	-	100.00
	Total	2,330.49	2,719.58	2,821.94

Note 18(i) : Term loans from State Bank of India Rs. 1770.54 lacs are secured by first charge on fixed assets, except specific charge on Plant & Machinery purchased against Loan from Siemens Financial Services Pvt. Ltd., of the company and second pari-passu charge on the current assets of the company and further secured by pledge of 115385 equity shares of the Company held by Promoters and personal guarantee of two Directors namely Sh. Vijay Aggarwal and Sh. Rajiv Aggarwal.

Note 18(ii) : Corporate Loan from State Bank of India Rs. 50.00 lacs is secured by first exclusive charge on fixed assets of the company, except specific charge on Plant & Machinery purchased against loan from Siemens Financial Services Pvt. Ltd., first charge on company's entire stocks of raw material, stock in process, finished goods, consumable stores and spares, tool & dies, book debts and all other current assets present and future.

Note 18(iii) : Vehicle Loans from State Bank of India, HDFC Bank and Leasing & Finance Companies are secured against hypothecation of vehicles.

Note 18(iv) : Loans from Siemens Financial Services Ltd. are secured by first charge on specific Plant & Machinery purchased against these loans.

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

Note 18(v) : Loan from SIDBI for Rs. 1000.00 lacs is secured against first charge by way of mortgage of Factory Land and Building at village Kalali, Baroda and covered by personal guarantee of Sh. Rajiv Aggarwal, Director.

Note 18(vi) : Loan from SIDBI for Rs. 690.00 lacs is secured against first charge by way of hypothecation of assets acquired under the loan and first charge by way of mortgage of all immovable properties both present and future situated at Village Gametha, Baroda including factor shed, buildings and structures thereon and covered by personal guarantee of Sh. Rajiv Aggarwal, Director.

Note 18 (vii) : Maturity profile of Secured Term Loans is set out as below:
 1-2 Years - Rs. 977.22 Lacs
 2-3 Years - Rs. 652.77 Lacs
 3-4 Years - Rs. 518.08 Lacs
 Above 4 Years - Rs. 182.42 Lacs

Note 18(viii) : Interest rates on secured loans taken from Banks varies from 9.80% to 12.50% p.a.

Note 18 (ix) : Interest on secured Loans taken from Leasing & Finance Companies varies from 9.15% to 14.00% p.a.

Note 18 (x) : Loan from Directors repayable not within twelve months

Note No.	Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
19	Provisions - Non Current			
	Provisions for Employee Benefits (funded)			
	Gratuity (Refer Note No. 40)	171.37	137.59	114.96
	Leave Encashment (Refer Note No. 40)	45.42	28.79	19.81
	Total	216.79	166.38	134.77
20	Other Non-Current Liabilities			
	Security From Emloyees	8.15	7.98	7.57
	Security From Dealers	6.95	5.95	6.95
	Total	15.10	13.93	14.52
21	Borrowings			
	Secured (Refer Note No 21(i) to 21(iii))			
	From Banks			
	Export Packing Credit	433.58	67.33	305.46
	PCFC loan	-	110.80	-
	Cash Credit	7,673.46	7,728.05	5,720.86
	Total	8,107.04	7,906.18	6,026.32
	Note 21(i) : Working Capital Borrowings - Cash Credit are secured by first charge on all the current assets, second charge on the fixed assets of the company and further secured by way of pledge of 115385 Equity Shares of the company held by promoters, by the personal gaurantee of two Directors namely Sh. Vijay Aggarwal and Sh. Rajiv Aggarwal, personal guarantee of Sh. Vinod Aggarwal & Smt. Anju Aggarwal and Corporate Guarantee of Metalchem India Pvt. Ltd.			
	Note 21(ii) : Working Capital Borrowings- EPC and PCFC are secured by first charge on all the current assets, second charge on the fixed assets of the company at Village Kalali, Baroda and further secured by way of personal gaurantee of Sh. Rajiv Aggarwal, Director and Corporate Guarantee of Globe Precision Industries Pvt. Ltd.			
	Note 21(iii) : Working Capital Borrowings are repayable on demand and carries interest @ 8.55 % to 11.50% p.a.			
22	Trade Payables			
	Dues of micro and small enterprises (Refer Note No. 22(i))	-	-	-
	Dues of other than micro enterprises and small enterprises	5,473.43	4,883.99	4,583.72
	Total	5,473.43	4,883.99	4,583.72
	Note 22 (i) : The Company has not received information from the vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest paid/payable under this Act has not been given.			
23	Other Financial Liabilities			
	Current Maturities of Long Term Debts (Refer Note No. 18(vii))	1,047.22	1,129.52	1,151.93
	Unclaimed Dividend	25.66	26.90	27.15
	Interst Accrued but not Due	8.98	7.98	7.09
	Derivative Contract - Marked to Market	-	-	20.17
	Total	1,081.86	1,164.40	1,206.34
24	Other Current Liabilities			
	Statutory dues payable	335.18	94.33	78.97
	Salary Payables	281.02	228.45	170.42
	Outstanding Expenses	268.21	371.43	138.88
	Payables for Capital Goods	-	106.16	81.97
	Advance from Customers	72.75	47.19	60.49
	Total	957.16	847.56	530.73

HIM TEKNOFORGE LIMITED
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Notes Forming Part of Financial Statements for the year ended 31st March, 2018

(All amounts are in Rs. Lacs, unless otherwise stated)

Note No.	Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
25	Provisions			
	Provisions for Employee Benefits (funded)			
	-Gratuity (Refer Note No. 40)	36.53	19.17	15.43
	-Leave Encashment (Refer Note No. 40)	3.24	3.44	3.44
	Bonus	66.93	53.95	45.04
	Total	<u>106.70</u>	<u>76.56</u>	<u>63.91</u>
26	Current Tax Liabilities (Net)			
	Provision for taxation (Net of tax payment)	-	43.19	3.71
	Total	<u>-</u>	<u>43.19</u>	<u>3.71</u>

Note No.	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
27	Revenue from operations		
A.	Sale of Products		
	Sale of Products (Refer Note No. 27.1)	25,607.68	24,013.85
B.	Other Operating Revenue		
	Processing Charges	128.04	101.00
	Scrap Sales	1,462.30	891.10
	Export Incentives	177.41	129.11
	Total	<u>27,375.43</u>	<u>25,135.06</u>

Note No.27.1: Goods and Service Tax (GST) have been effective from July 1, 2017. Consequently, excise duty, value added tax (VAT), Service tax etc. have been replaced with GST. Until June 30, 2017, 'Sale of products' included the amount of excise duty recovered on sales. With effect from July 1, 2017, 'Sale of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products, and 'Revenue from operations' for the year ended March 31, 2018 are not comparable with those of previous year. Excise duty on sales amounting to Rs. 497.79 lacs (31st March, 2017 : Rs. 1,734.97 lacs) has been included in sales in Statement of Profit and Loss.

Note No.	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
28	Other Income		
	Interest Income (Refer Note No 28.1)	22.00	9.95
	Exchange Fluctuation	84.45	30.16
	Profit on Sale of Fixed Assets	10.86	27.76
	Excess Provision Written Back	11.45	0.85
	Dividend Received	-	4.19
	Cash Discount	7.28	22.35
	IGST/CGST Rebate	193.08	-
	Other Income	16.09	17.52
	Total	<u>345.21</u>	<u>112.78</u>
28.1	Break-up of Interest Income		
	Interest from Bank Deposits	14.42	7.90
	Interest on security deposits	0.84	1.27
	Interest on Income tax / Service tax Refund	6.74	0.78
	Total Interest Income	<u>22.00</u>	<u>9.95</u>

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

(All amounts are in Rs. Lacs, unless otherwise stated)

Note No	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
29	Cost of Raw Materials Consumed		
	Opening stock	687.22	716.69
	Add: Raw Material Purchased	14,840.26	12,673.31
	Less: closing stock	1,270.23	687.22
		14,257.25	12,702.78
30	Changes in inventories of finished goods Stock-in-process and Stock-in-Trade		
	Opening stocks of		
	Finished Goods	628.84	611.38
	Stock in Process	6,392.86	5,816.95
	Scrap	18.39	34.65
		7,040.09	6,462.98
	Closing Stocks of		
	Finished Goods	615.63	628.84
	Stock in Process	6,307.98	6,392.86
	Scrap	32.43	18.39
		6,956.04	7,040.09
	Changes in inventories of finished goods Stock-in-process and Stock-in-Trade	84.05	(577.11)
31	Excise Duty on Sale of Goods		
	Excise Duty on Sales (Refer Note No. 27.1)	497.79	1,734.97
		497.79	1,734.97
32	Employee Benefit Expenses		
	Salaries & Wages	2,991.37	2,359.80
	Contribution to Provident and other fund	215.40	168.28
	Staff Welfare Expenses	96.62	77.48
		3,303.39	2,605.56
33	Finance Costs		
	Interest on Bill Discounting / LC Discounting	179.34	302.01
	Interest on Bank Loan	1,189.42	1,143.63
	Interest on Loan from Financial Institution	54.08	11.90
	Interest Others	3.16	3.18
	Other Charges	24.88	52.54
		1,450.88	1,513.26

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Notes Forming Part of Financial Statements for the year ended 31st March, 2018

(All amounts are in Rs. Lacs, unless otherwise stated)

Note No	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
34	Depreciation		
	Depreciation on Property Plant & Equipment	498.80	467.82
	Amortisation on Intangible Assets	236.36	189.48
	TOTAL	735.16	657.30
35	Other expenses		
	Consumables, Stores & Spare Consumed	923.33	739.92
	Consumption of Packing Materials	139.10	142.87
	Freight Inward, Octroi & Loading/Unloading	154.41	175.97
	Power Charges	2,231.07	1,891.86
	Excise Duty on Finished Goods	-	0.59
	Processing Charges	875.77	790.20
	Freight Outward	342.39	281.30
	Repairs to Machinery	284.93	318.98
	Repairs to Buildings	3.67	11.13
	Other Maintenance Charges	68.98	48.73
	Rejections & Deduction	3.36	10.97
	Bank Charges	128.23	76.30
	Office Expenses	34.18	23.35
	Printing & Stationery	9.26	10.59
	Telephone Expenses	25.91	30.66
	Travelling & Conveyance Expenses	492.77	449.92
	Advertisement & Publicity	-	2.40
	Foreign Exchange Fluctuation	-	3.13
	Discount	221.62	127.43
	Rates & Taxes	41.48	50.09
	Insurance	29.64	26.58
	Rent	114.41	80.54
	Legal & Professional Charges	53.14	68.73
	Auditors Remuneration (Refer Note No. 35.1)	9.90	10.86
	CSR Expense	15.78	13.94
	Laboratory Charges	0.06	0.13
	Penalty	0.28	-
	Subscription	1.30	10.81
	Business Promotion & Sales Commission	38.50	35.89
	Loss on Sales /Discard of Assets	9.05	5.98
	Watch & Ward	46.53	45.44
	Charity & Donations	0.30	0.50
		6,299.35	5,485.79
35.1	As auditor :		
	Audit Fee	6.00	5.25
	Tax Audit Fee	1.50	1.25
	Other Services	1.65	3.03
	Reimbursement of Expenses	0.75	1.33
		9.90	10.86

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

(All amounts are in Rs. Lacs, unless otherwise stated)

Note No.	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
36	Extraordinary/Exceptional Item Compensation paid to IFCI Venture Capital Fund	-	104.16
	TOTAL	-	104.16
37	<p>Note 36.1 : The exceptional item represents the amount of compensation paid to IFCI-Venture Capital Fund by the Transferor Company, on buyout of 20 lacs shares of Transferor Company by Canbank Venture Capital Fund held by IFCI Venture Capital Fund towards the difference in agreed rate of return as per the terms of the agreement between Transferor Company and IFCI Venture Capital Fund.</p> <p>Capital Management For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.</p> <p>The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio and is measured by net debt divided by total equity. Company's Debt is defined as long-term and short-term borrowings including current maturities of long term borrowings and total equity (as shown in balance sheet) includes issued capital and all other reserves.</p>		
	Particulars	31 March 2018	31 March 2017
	Borrowings (Incl. short term borrowings)	11,484.75	11,755.27
	Less: Cash and Cash Equivalent	88.67	93.61
	Net Debt	11,396.08	11,661.66
	Total Equity	13,459.20	12,403.20
	Total Equity+Net Debt	24,855.28	24,064.86
	Gearing ratio (Ideal Ratio <50%)	46%	48%
38	<p>CONTINGENT LIABILITIES</p> <p>i. In respect of Bank Guarantee : Rs. 202.13 lacs (Previous year Rs. 117.64 lacs)</p> <p>ii. Bills Discounted with Banks Rs. 692.85 lacs (Previous year Rs. 1459.67 lacs) (These represents Bills discounted against confirmed Letters of Credit issued by the customers and no liability is likely to arise against the same)</p> <p>iii. In respect of Capital commitments Net of Advances : Rs.479.63 lacs (Previous year Rs. 378.9 lacs)</p> <p>iv. Guarantees given by the company on behalf of others Rs.140.00 lacs (Previous year Rs. 639.00 lacs)</p> <p>v. Sales tax liability in respect of matters in appeal - Rs. 152.80 lacs (Previous Year Rs. 152.80 lacs)</p> <p>vi. Excise Duty Liability in respect of matters in appeals – Rs. 24.33 lacs (Previous year Rs.51.11 lacs)</p> <p>vii. Disputed Liability in respect of Entry Tax – Rs. 2.19 lacs (Previous year Rs.4.14 lacs) – The impugned demand is towards denial of exemption for the Entry Tax, the company is however eligible for the same and is being perused with the concerned authorities.</p> <p>viii. Disputed liability of power expenses demanded by H.P.S.E.B. Rs. 37.56 lacs (Previous year Rs.37.56 lacs) (The company has filed appeal before the Honble High court of Himachal Pradesh. The company has deposited Rs.37.56 lacs (Previous Year Rs. 17.27 lacs) against the impugned demand and the amount has been shown under the head "Advances recoverable" in the balance sheet</p> <p>ix. Income Tax Demand under appeal –Rs. 76.96 lacs (Previous year Rs.76.96lacs). The Company has already deposited tax under MAT and the liability, if arise shall be adjusted against it.</p> <p>x. Claim against the company not acknowledged as debt- Rs 76.00 lacs (Previous year Rs. 76.00 lacs)</p> <p>Export Obligations against EPCG Licences :The Company has obtained licenses/authorization under the Export Promotion Capital Goods (EPCG) scheme for importing capital goods at a concessional rate of custom duty against submission of bonds. Under the term of the respective license authorization, the Company is required to export goods of FOB value equivalent to eight times duty saved in respective licenses/authorization where export obligation has been fixed by the office of DGFT, Ministry of Commerce and Industry, as applicable. Balance obligation as on 31.03.2018 under the aforesaid licenses/authorizations is Rs.507.60 lacs (Previous Year Rs.463.07 lacs).</p>		

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Notes Forming Part of Financial Statements for the year ended 31st March, 2018

(All amounts are in Rs. Lacs, unless otherwise stated)

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

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

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

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

S.No.	Related parties	Nature of Transactions during the year	2017-18	2016-17
			(Rs. Lacs)	(Rs. Lacs)
(i)	Globe Precision Industries Pvt. Ltd	Sale of Goods	8,149.97	6,832.29
		Purchase of Goods	98.38	107.77
		Sale of Fixed Assets	9.56	10.55
		Purchase of Fixed Assets	0.64	-
		Job Work Charges Received	75.09	27.13
		Job Work Charges Paid	44.98	22.55
(ii)	Himachal Shots & Metals Pvt. Ltd.	Sale of Goods	165.86	139.82
		Purchase of Goods	39.24	44.94
(iii)	Him Overseas	Sale of Goods	8.13	5.16
		Purchase of Goods	0.63	0.45
		Job Work Charges Received	0.03	-
		Job Work Charges Paid	1.04	0.43
		Sale of Fixed Assets	0.07	-
(iv)	Sh. Vijay Aggarwal	Purchase of Fixed Assets	0.22	-
		Short Term Benefits	55.30	57.60
(v)	Sh. Rajiv Aggarwal	Rent	2.55	0.30
		Short Term Benefits	30.82	42.22
		Repayment of unsecured Loan	-	100.00
(vi)	Sh. Manan Aggarwal	Short Term Benefits	15.60	15.00
(vii)	Sh. Mrinal Aggarwal	Short Term Benefits	9.00	7.20
(viii)	Sh. Shailesh Gandhi	Short Term Benefits	4.38	4.46
(ix)	Sh. Chintan Doshi	Short Term Benefits	3.25	2.85
(x)	Smt. Anju Aggarwal	Rent	2.55	0.30
(xi)	Smt. Asha Aggarwal	Rent	15.00	-

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

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

S.No.	Related parties	Nature of Transactions during the year	As at 31 March, 2018 (Rs. Lacs)	As at 31 March, 2017 (Rs. Lacs)	As at 1 April, 2016 (Rs. Lacs)
(i)	Globe Precision Industries Pvt. Ltd	Receivables	278.76	669.17	740.93
(ii)	Himachal Shots & Metals Pvt. Ltd.	Receivables	69.14	70.99	46.48
(iii)	Him Overseas	Receivables	9.25	2.90	-
		Payables	-	-	16.43
(v)	Sh. Vijay Aggarwal	Short Term Benefits payable	11.79	5.42	5.53
(vi)	Sh. Rajiv Aggarwal	Unsecured Loan	-	-	100.00
		Short Term Benefits payable	2.55	3.52	2.50
(vii)	Sh. Shailesh Gandhi	Short Term Benefits payable	0.34	0.31	0.28
(viii)	Sh. Chintan Doshi	Short Term Benefits payable	-	0.24	0.21

40 Employee Benefits

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

(i) Defined Contribution Plan

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

Particulars	2017-18 (Rs. Lacs)	2016-17 (Rs. Lacs)
Employer's Contribution to Provident Fund	127.73	103.51

(ii) Defined Benefit Plan

(a) Gratuity:

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

(b) Leave encashment:

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

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

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Notes Forming Part of Financial Statements for the year ended 31st March, 2018

(c) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March 2018 and 31 March 2017.

Sr. No.	Particulars	2017-18		2016-17	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		(Rs. Lacs)	(Rs. Lacs)	(Rs. Lacs)	(Rs. Lacs)
I	Changes in present value of obligations				
(a)	Present value of obligations as at the beginning of year	32.23	171.57	23.25	142.79
(b)	Past Service Cost	-	25.35	-	-
(c)	Interest cost	2.43	13.71	1.54	10.00
(d)	Current Service Cost	39.66	30.07	21.26	20.55
(e)	Benefits Paid	(5.96)	(14.84)	(7.22)	(14.20)
(f)	Actuarial gain on obligations	(19.69)	0.91	(6.61)	13.88
(g)	Present value of obligations as at the end of year	48.66	226.76	32.23	173.03
		-	-	-	-
II	Changes in the fair value of plan assets				
(a)	Fair value of plan assets at the beginning of year	-	16.27	-	12.71
(b)	Expected return on plan assets	-	1.30	-	1.06
(c)	Contributions	2.65	1.81	3.21	2.76
(d)	Benefits paid	(2.65)	(0.51)	(3.21)	(0.27)
(e)	Actuarial gain on Plan assets	-	-	-	-
(f)	Fair value of plan assets at the end of year	-	18.86	-	16.27
III	Change in the present value of the defined benefit obligation and fair value of plan assets	48.66	207.90	32.23	155.30
(a)	Present value of obligations as at the end of the year	48.66	226.76	32.23	173.03
(b)	Fair value of plan assets as at the end of the year	-	18.86	-	16.27
(c)	Net (liability) / asset recognized in balance sheet	48.66	207.90	32.23	156.76

(d) Amount for the year ended 31 March, 2018 and 31 March, 2017 recognised in the statement of profit and loss under employee benefit expenses.

Sr. No.	Particulars	2017-18		2016-17	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		(Rs. Lacs)	(Rs. Lacs)	(Rs. Lacs)	(Rs. Lacs)
I	Expenses Recognised in statement of Profit & Loss				
(a)	Current Service cost	39.66	30.07	21.26	20.55
(b)	Past Service Cost	-	25.35	-	-
(c)	Interest Cost	2.43	13.71	1.54	10.00
(d)	Expected return on plan assets		(1.27)	-	(1.06)
(e)	Net Actuarial gain recognised in the year				
(f)	Expenses recognised in statement of Profit & Loss Account	42.09	67.86	22.80	29.49

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

(All amounts are in Rs. Lacs, unless otherwise stated)

(e) Amount for the year ended March 31, 2018 and March 31, 2017 recognised in the statement of other comprehensive income.

Sr. No.	Particulars	2017-18		2016-17	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		(Rs. Lacs)	(Rs. Lacs)	(Rs. Lacs)	(Rs. Lacs)
I	Actuarial Gain/Loss recognized				
(a)	Actuarial gain for the year -Obligation	-	(15.46)	0.17	2.54
(b)	Actuarial gain for the year - plan assets	(0.54)	16.34	3.97	-
(c)	Total gain for the year	(0.54)	0.88	4.14	2.54
(d)	Total actuarial (gain)/ loss included in other comprehensive income	(0.54)	0.88	4.14	2.54

41 Derivatives

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

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

Particulars	Foreign Currency	Receivables	
		Amount in Foreign Currency	(Rs. Lacs)
As on 31.03.2018	EURO	3,22,004	259.61
	USD	85,952	55.91
As on 31.03.2017	EURO	4,72,911	327.48
	USD	43,731	28.35
As on 1.04.2016	EURO	4,75,855	357.35
	USD	1,198	0.79

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

Particulars	Foreign Currency	As on 31.03.2018	
		Amount in Foreign Currency	(Rs. Lacs)
As on 31.03.2018	USD	4,794	3.12

42 Financial Risk Management

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

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

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

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

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

(A) Credit Risk

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

Credit Risk Management

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

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

	(Rs. in Lacs)
Loss allowance as on 1 April 2016	4.79
Change in loss allowance	-
Loss allowance as on 31 March 2017	4.79
Change in loss allowance	-
Loss allowance as on 31 March 2018	4.79

(B) Liquidity Risk

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

(C) Market risk

Foreign currency risk

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

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

Open exposure

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

Particulars	Euro	USD
31 March 2018		
Trade receivables- Foreign Currency	3,22,004	85,952
Trade receivables- Rs. Lacs	259.61	55.91
Trade payables- Foreign Currency	-	4,794
Trade payables - Rs. Lacs	-	3.12
31 March 2017		
Trade receivables- Foreign Currency	4,72,911	43,731
Trade receivables- Rs. Lacs	327.48	28.35
31 March 2016		
Trade receivables- Foreign Currency	4,75,855	1,198
Trade receivables- Rs. Lacs	357.00	0.79

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

Sensitivity Analysis-

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

Particulars	31 March 2018 (Rs. Lacs)	31 March 2017 (Rs. Lacs)	1 April 2016 (Rs. Lacs)
Euro	12.98	16.37	17.87
USD	2.64	1.42	0.04
Total	15.62	17.79	17.91

(d) Price risk

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

43 LEASES:

The Company's major leasing arrangements are in respect of factory building & machinery /office premises (including furniture & fittings therein wherever applicable taken on leave and license basis). The aggregate lease rentals of Rs. 114.41 lacs (March 2017: Rs. 80.54 lacs) are charged as Rent and shown under the Note No. 34 "Other Expenses". These leasing arrangements, which are cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms and conditions.

44 Balance of Trade Receivable includes Rs. 164.11 lacs (March 2017: Rs. 102.90 lacs and April 2016: Rs. 115.68 lacs) which are overdue for which a provision of Rs.4.79 lacs is made and for others no provision has been made in the accounts as the Management is hopeful of recovery.

45 Balances of Trade Receivables, Trade Payables and Financial Assets & Liabilities are subject to confirmation and consequential adjustment, if any.

46 FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Explanation 1 - Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(I) Ind AS Optional exemptions

Deemed Cost - Property, Plant and Equipment, Capital work-in-progress and Intangible Assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, Capital work-in-progress and intangible assets at their previous GAAP carrying values.

(II) Ind AS mandatory exemptions

(i) Estimates

An entity's estimates in accordance with Ind AS' at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with the previous GAAP (after adjustments to reflect any difference in accounting policies) unless there is an objective evidence that those estimates were in error.

(ii) Classification and measurement of financial assets (other than equity instruments)

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

(iii) De-recognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions for Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows first time adopter to apply the derecognition requirements provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past Ind AS 101 retrospectively from the date of entity's choosing, transactions was obtained at the time of initially accounting for the transactions.

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

(All amounts are in Rs. Lacs, unless otherwise stated)

Effects of Ind AS adoption on Balance Sheet as at 31st March, 2017 and 1st April, 2016:

Particulars	Note No.	As at 31st March, 2017 (End as of last period presented as per IGAAP)		
		As per IGAAP	Adjustments on transition to Ind AS	AS As per Ind AS
Non - Current Assets				
(a) Property, Plant and Equipment	1	10,214.35	(330.02)	9,884.33
(b) Capital work - in - progress	1	1,219.03	246.69	1,465.72
(c) Other Intangible Assets	(c)	1,628.99	-	1,628.99
(d) Financial assets				
(i) Non Current Investments	2	2.24	(1.04)	1.20
(ii) Other financial assets	3	284.12	(6.97)	277.16
(e) Deferred tax assets (Net)	4	(406.14)	777.81	371.67
(f) Other non - current assets	4	1,441.96	(778.84)	663.12
Current Assets				
(a) Inventories		10,938.36	-	10,938.36
(b) Financial assets			-	
(i) Trade receivables		3,979.43	-	3,979.43
(ii) Cash and cash equivalents		93.61	-	93.61
(iii) Bank balances other than (ii) above		492.19	-	492.19
(iv) Other financial assets		71.07	-	71.07
(c) Other current assets	3	351.40	6.72	358.12
Total Assets		30,310.63	(84.65)	30,224.97
Equity				
Equity Share Capital		157.32	-	157.32
Other equity		12,318.02	(72.14)	12,245.88
Liabilities				
Non - Current Liabilities				
(a) Financial Liabilities				
i) Borrowings	5	2,733.08	(13.51)	2,719.58
(b) Provisions		166.38	-	166.38
(c) Other Non-current Liabilities		13.93	-	13.93
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		7,906.18	-	7,906.18
(ii) Trade payables		4,883.99	-	4,883.99
(iii) Other financial liabilities		1,164.40	-	1,164.40
(b) Other current liabilities		847.56	-	847.56
(c) Provisions		76.56	-	76.56
(d) Current Tax Liabilities (Net)		43.19	-	43.19
Total Equity and Liabilities		30,310.63	(84.65)	30,224.97

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

Particulars	Note No.	As at 1st April, 2016 (Date of Transition)		
		As per IGAAP (Post Merger) (Refer Note 49)	Adjustments on transition to Ind AS	As per Ind AS
Non - Current Assets				
(a) Property, Plant and Equipment	1	9,727.55	(79.42)	9,648.12
(b) Capital work - in - progress	1	366.86	-	366.86
(c) Other Intangible Assets		1,345.82	-	1,345.82
(d) Financial assets				
(i) Non Current Investments	2	2.25	(1.94)	0.31
(ii) Other financial assets	3	175.18	(0.08)	175.09
(e) Deferred tax assets (Net)	4	(374.58)	734.83	360.25
(f) Other non - current assets		997.86	(735.35)	262.51
Current Assets				
(a) Inventories		10,041.21	-	10,041.21
(b) Financial assets				
(i) Trade receivables		3,624.72	-	3,624.72
(ii) Cash and cash equivalents		95.20	-	95.20
(iii) Bank balances other than (ii) above		404.31	-	404.31
(iv) Other financial assets		45.22	-	45.22
(c) Other current assets	3	351.08	0.08	351.16
Total Assets		26,802.66	(81.87)	26,720.78
Equity				
Equity Share Capital		157.32	-	157.32
Other equity		11,228.66	(51.16)	11,177.50
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
i) Borrowings	5	2,837.91	(15.97)	2,821.94
(b) Provisions		134.77	-	134.77
(c) Other Non-current Liabilities		14.52	-	14.52
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		6,026.32	-	6,026.32
(ii) Trade payables		4,583.72	-	4,583.72
(iii) Other financial liabilities		1,206.34	-	1,206.34
(b) Other current liabilities		530.73	-	530.73
(c) Provisions		78.66	(14.74)	63.91
(d) Current Tax Liabilities (Net)		3.71	-	3.71
Total Equity and Liabilities		26,802.66	(81.87)	26,720.78

Statement of Reconciliation of Equity (Shareholders' funds) as at 31 March, 2017 and 1 April, 2016:

Particulars	Note No.	As at 31 March, 2017	As at 1 April, 2016
Total Equity (Shareholders' Fund) as per IGAAP		12,475.35	11,385.98
Adjustments on transition to Ind AS:			
- Recognition of Financial Assets at Fair Value	2	(4.70)	1.93
- Impact of Effective Interest Rate	5	(1.90)	15.97
- Impact of depreciation on leasehold land	1	(3.91)	(79.42)
- Other Impacts	3,5 & 8	(60.70)	10.87
- Taxes on account of above items	6	(4.82)	(0.51)
Total adjustments		(72.14)	(51.16)
Total Equity (Shareholders' Fund) as per IND AS		12,403.21	11,334.82

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

Effects of Ind AS adoption on Statement of Profit & Loss for the year ended 31 March, 2017

(Rs. in Lacs)

Particulars	Note No.	Year ended 31 March, 2017 (End of last period presented as per IGAAP)		
		As per IGAAP	Adjustments on transition to Ind AS	As per Ind AS
Revenue from operations	7	23,424.85	1,710.21	25,135.06
Other income		112.78	-	112.78
Total Revenue		23,537.63	1,710.21	25,247.84
Cost of Materials Consumed		12,702.78	-	12,702.78
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(577.11)	-	(577.11)
Excise Duty on sales of goods	7	-	1,734.97	1,734.97
Employee benefit expenses	8	2,611.19	(5.62)	2,605.56
Finance Costs	5	1,514.27	(1.01)	1,513.26
Depreciation & amortization expenses	1	653.39	3.91	657.30
Other Expenses	3,4 & 7	5,506.83	(21.04)	5,485.79
Total Expenses		22,411.34	1,711.20	24,122.55
Profit before exceptional items & tax		1,126.29	(0.99)	1,125.29
Exceptional Items		(104.16)	-	(104.16)
Profit before tax		1,022.13	(0.99)	1,021.13
Less: Income Tax expenses				
-Current Tax		271.87	-	271.87
-Deferred Tax		31.56	2.22	33.78
Profit for the period		718.70	(3.21)	715.48
Other comprehensive income		-	(3.02)	(3.02)
Total comprehensive income		718.70	(6.24)	712.46

Statement of Reconciliation of total comprehensive income for the year ended 31st March, 2017

Particulars	Note No.	As at 31 March, 2017
Net Profit after Tax previously presented under IGAAP		718.70
Adjustments on transition to Ind AS		(3.21)
Net Profit after Tax before OCI as per IND AS		715.48
Others	2	(5.42)
Reclassification of remeasurement of employee benefits	8	1.51
Tax effects of adjustments	6	0.89
Total adjustments		(3.02)
Total Equity (Shareholders' Fund) as per IND AS		712.46

Effects of Ind AS adoption on Cash Flow statement for the year ended 31 March, 2017

Particulars	Note No.	Year ended 31 March, 2017 (End of last period presented as per IGAAP)		
		As per IGAAP	Adjustments on transition to IndAS	As per Ind AS
Cash flow from operations		333.75	-	333.75
Cash flow from Investing Activities		(2,082.11)	-	(2,082.11)
Cash flow from Financing Activities		1,746.78	-	1,746.78
Net Increase/(decrease) in cash and cash equivalents		(1.59)	-	(1.59)
Cash and cash equivalents at the beginning of the year		95.20	-	95.20
Cash and cash equivalents at the end of the year		93.61	-	93.61

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

Note No.:

1 Property, Plant and Equipment and Investment Property

Under the previous GAAP, Lease hold property taken from Government under long term tenure was not amortised. Under Ind AS amortisation has been done and impact of the same given. This change has resulted in net decrease in equity as at March 31, 2017 by Rs. 83.33 lacs (March 31, 2016 : Rs. 79.42 lacs). There is also a Regrouping of PPE into CWIP which has NIL impact on Equity

2 Investments

Under the previous GAAP, investments in equity instruments and Bonds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in profit and loss for the year ended 31 March 2017. This increase the retained earnings by Rs.0. 04 lacs as at March 31, 2017 (March 31, 2016: Rs.0.01 lacs).

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI Equity investments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended 31 March 2017. This decreased other reserves by Rs. 1.08 lacs as at 31 March 2017 (1 April 2016 - Rs. 1.94 lacs).

3 Security Deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposits have been recognised in Prepaid Exp. Net Impact in Equity is Nil.

4 Mat Credit Entitlement

Under the previous GAAP, Mat Credit Entitlement was the grouped as Long term loans & advances. Under Ind AS, MAT Credit is an element of deferred tax being a tax credit under IND AS 12 (Income Tax). Hence the amount of Mat Credit regrouped with deferred tax liabilities (net) of Rs. 778.84 lacs as at 31 March 2017 (1 April 2016 Rs. 735.35 lacs). There is no impact on the total equity and profit.

5 Borrowings

Long term borrowings from Bank and financial institution have been recognised as financial liabilities and have been measured at fair value through amortised cost using effective rate of interest. Interest expense is recognised using effective rate of interest. This change the amount of borrowing by Rs. 13.51 lacs Lacs as at 31 March 2017 (1 April 2016 Rs. 15.97 lacs). Consequently, the total equity increased by an equivalent amount.

6 Deferred Tax

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of assets and liabilities in the books and their respective tax base.

7 Revenue from operations

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. There is no impact on total equity and profit.

Under the previous GAAP, certain discounts was shown in expenses. Under Ind AS, the same has been netted from revenue. There is no impact on the total equity and profit.

8 Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. There is no impact on the total equity.

9 Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.

Notes. 47 Fair Value measurement-

The fair value of Financial instrument as of March 31,2018, March 31,2017 and April 1,2016 were as follows-

Particulars	March 31,2018	Marach 31,2017	April 1,2016	Fair value Hierarchy & Technique
Assets-				
Investment in Equity shares through OCI	0.85	1.06	0.20	Level-1 (Quoted Market Price)
Investment in Bonds through Profit and Loss	0.16	0.14	0.11	Level-1 (Quoted Market Price)
Total	1.01	1.20	0.31	

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

Notes Forming Integrat Part of Financial Statements for the year ended 31st March, 2018

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

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

48 EARNINGS PER SHARE

Particulars	For the Year ended 31.3.2018	For the Year ended 31.3.2017
(A) Profit attributable to Equity Shareholders (Rs. Lacs)	1,051.77	715.48
(B) Weighted Average No. of Equity Shares outstanding during the year	78,66,016	78,66,016
(C) Face Value of each Equity Share (Rs.)	2	2
(D) Basic earning per Share (Rs.)	13.37	9.10
(E) Diluted earning per Share (Rs.)	13.37	9.10

49 NOTE ON MERGER OF HIM TEKNOFORGE LIMITED WITH GUJARAT AUTOMOTIVE GEARS LIMITED

A joint- petition by Him Teknoforge Limited (Transferor Company) and Gujarat Automotive Gears Limited (Transferee Company) for approval of Scheme of Amalgamation was filed before the Hon'ble National Company Law Tribunal, Chandigarh Bench under the provisions of Section 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013 in April, 2017. The Scheme was duly approved by the Secured Creditors, Unsecured Creditor and Shareholders of both the companies in their respective meetings held during the course of proceedings. The Hon'ble NCLT approved the Scheme with appointed dated as 1st April, 2016 vide its Order dated 9th January, 2018. The Scheme inter-alia provided for i) allotment of 3 (three) equity shares of face value of Rs.2/- each of the Transferee Company to the shareholders of Transferor Company for every 13 (thirteen) equity shares of face value of Rs.10/- each , accordingly 7866016 equity shares of face value of Rs.2/- each were allotted on 30th March, 2018 ii) cancellation of 565285 equity shares held by the Transferee Company in the Transferor Company iii) Increase in the Authorised Capital of the Transferee Company from Rs. 1000.00 lacs to Rs. 3100.00 lacs iv) Change of name of the merged entity as Him Teknoforge Limited

Pursuant to the Order of NCLT, the Scheme is made effective from 1st April, 2016 and accordingly the Financial Statements are made w.e.f. 1st April, 2016 on a Going Concern basis for both the Companies under the 'Pooling of Interest Method" as per the then applicable Accounting Standard AS-14- on Accounting for Amalgamation. On merger of both the Companies a Reserve of Rs. 1467.53 lacs is created which forms part of the Other Equity .

Him Teknoforge Limited (Transferor Company) merged with the Company effective 1st April, 2016 pursuant to an order received from National Company Law Tribunal. Consequently, 66,81,301 Equity Shares of the company have been issued to the shareholders of the Transferor Company and 5,65,285 Equity Shares held by the Transferor Company have been cancelled. The order was received on 9th January, 2018 and filed with Ministry of Corporate Affairs (Registrar of Companies) on 6th February, 2018. The merger has been effected under Pooling of Interest Method with effect from the appointed date 1st April, 2016.

(Rs. in Lacs)

Particulars	PRE MERGER 1 April 2016	Transferor Company	Merger Impact (Elimination)	Post Merger (as per I GAAP) 1 April 2016
Non - Current Assets				
(a) Property, Plant and Equipment	494.74	9,232.81	-	9,727.55
(b) Capital work - in - progress	-	366.86	-	366.86
(c) Other Intangible Assets	-	1,345.82	-	1,345.82
(d) Financial assets				
(i) Non Current Investments	-	1,678.29	(1,676.04)	2.25
(ii) Loan	2,550.00	-	(2,550.00)	-
(iii) Other financial assets		175.18	-	175.18
(e) Deferred tax assets (Net)	(17.95)	(356.63)	-	(374.58)
(f) Other non - current assets	198.33	799.53	-	997.86
Current Assets				
(a) Inventories	339.85	9,701.36	-	10,041.21
(b) Financial assets				
(i) Trade receivables	396.89	3,227.83	-	3,624.72
(ii) Cash and cash equivalents	66.76	28.43	-	95.20
(iii) Bank balances other than (ii) above	102.15	302.17	-	404.31
(iv) Other financial assets	246.80	26.03	(227.61)	45.22
(c) Other current assets	7.76	343.31	-	351.08
Total Assets	4,385.33	26,870.98	(4,453.65)	26,802.66

Notes Forming Part of Financial Statements for the year ended 31st March, 2018

(Rs. in Lacs)

Particulars	PRE MERGER 1 April 2016	Transferor Company	Merger Impact (Elimination)	Post Merger (as per I GAAP)
				1 April 2016
Equity Share Capital	35.00	2,895.23	(2,772.91)	157.32
Other equity	2,672.42	7,459.37	1,096.87	11,228.66
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
i) Borrowings	727.00	4,660.92	(2,550.00)	2,837.91
(b) Provisions	2.86	131.91	-	134.77
(c) Other Non-current Liabilities	-	14.52	-	14.52
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	305.46	5,720.86	-	6,026.32
(ii) Trade payables	347.45	4,236.27	-	4,583.72
(iii) Other financial liabilities	235.14	1,198.81	(227.61)	1,206.34
(b) Other current liabilities	54.47	476.26	-	530.73
(c) Provisions	5.52	73.13	-	78.66
(d) Current Tax Liabilities (Net)	-	3.71	-	3.71
Total Equity and Liabilities	4,385.33	26,870.98	(4,453.65)	26,802.66

50 SEGMENT REPORTING

The Management information system of the company identifies & monitors Auto Parts as the primary business Segment. In the opinion of the management, the company is primarily engaged in the business of automotive parts, as the basic nature of these activities are governed by the same set of risk and returns; these constitute and have been grouped as single segment as per Ind As 108 dealing with segment report.

51 COMPANY SECRETARY

During the year under reference the Company Secretary resigned from the Services of Company and the position is lying vacant since then. The Company is in search for some suitable candidate for the same and the vacancy so caused shall be filled in due course.

52 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of even date
For M L BHUWANIA AND CO LLP
 Chartered Accountants
 Firm Registration
 Number: 101484W/W100197

Ashishkumar Bairagra
 Partner
 Membership No. 109931
 Place:- Mumbai
 Date :- 30th May, 2018

For PRA ASSOCIATES
 Chartered Accountants
 Firm Registration Number: 2355N

Deepak Gupta
 Partner
 Membership No. 89597
 Place: Chandigarh
 Date :- 30th May, 2018

Shailesh Gandhi
 Chief Financial Officer
 Date :- 30th May, 2018

On behalf of the Board

Vijay Aggarwal
 Managing Director
DIN: 00094141

Rajiv Aggarwal
 Jt. Managing Director
DIN:00094198
 Date :- 30th May, 2018

HIM TEKNOFORGE LIMITED

(Formerly known as Gujarat Automotive Gears Limited)

CIN: L29130HP1971PLC000904

ATTENDANCE CARD

I/We

Folio No.	
D.P. I.D.	
Client I.D.	

hereby record my/our presence at the **FORTY SEVENTH ANNUAL GENERAL MEETING** of the Company held at registered office of the Company at **Village Billanwali, Baddi - 173205, Dist. Solan (HP) on Saturday, 29th September 2018 at 11:30 A.M.**

HIM TEKNOFORGE LIMITED

(Formerly known as Gujarat Automotive Gears Limited)

REGISTERED OFFICE: Village Billanwali, Baddi - 173205,
District. Solan (Himachal Pradesh)

E-mail ID: gujarat.gears@gmail.com, website: www.gagl.net

FORTY SEVENTH ANNUAL GENERAL MEETING

Saturday, 29th September, 2018 at 11:30 a.m.

PROXY FORM

I/We, being the member(s), holding _____ shares of the above named Company, hereby appoint:

- (1) Name _____ Address _____
E-mail ID: _____ Signature _____ or failing him/her
- (2) Name _____ Address _____
E-mail ID: _____ Signature _____ or failing him/her
- (3) Name _____ Address _____
E-mail ID: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Forty Seventh Annual General Meeting of the Company, to be held on **Saturday, 29th September, 2018 at 11:30 a.m.** at registered office of the company at Village Billanwali, Baddi - 173205, District. Solan (Himachal Pradesh) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Option*	
		For	Against
Ordinary Business			
1	To receive, consider and adopt the Financial Statement for the year ended on 31st March, 2018.		
2	To Declare Dividend		
3	To appoint a Director in place of Mr. Rajiv Aggarwal (DIN: 00094198), who retires by rotation and is eligible for re-appointment.		
Special business			
4	Appointment of Mr. Vijay Aggarwal (DIN: 00094141) as Managing Director of the Company.		
5	Re- Appointment of Mr. Rajiv Aggarwal (DIN: 00094198) as Managing Director of the Company.		
6	Appointment of M/S S.K.Jain & Co., Cost Accountant as Cost Auditors of the Company for F.Y. 2018-19.		

Signed this _____ day of _____ 2018

Member's Folio/ DP ID- Client ID No. _____

Signature of shareholder(s) _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp
Re. 1/-

- Note: : 1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, explanatory statement and notes please refer to the notice of 47th Annual General Meeting.
3. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

