



**Samrat Forgings Limited**  
**35th ANNUAL REPORT 2015-16**

# **SAMRAT FORGINGS LIMITED**

## **35<sup>th</sup> ANNUAL REPORT 2015-16**

### **BOARD OF DIRECTORS**

Mrs. Bindu Chowdhary  
(Chairperson)

Mr. Rakesh M. Kumar  
(Managing Director)

Mrs. Ritu Joshi  
Mr. Ajay Kapoor  
Mr. Ajay Kumar Arora  
Mr. Ashok Lakhanpal

### **COMPANY SECRETARY**

Mr. Sandeep Kumar

### **AUDITORS**

M/s. Jain & Associates  
Chartered Accountants  
SCO : 819-820, Sector 22-A,  
Chandigarh - 160 022

### **BANKERS**

The Jammu & Kashmir Bank Ltd.  
SCO 803-804, Sector 22-A,  
Chandigarh-160 022

### **REGISTERED OFFICE**

# 406, First Floor, Sector 15-A,  
Chandigarh-160 015  
Phone: 0172-2774555  
E-mail: info@samratforgings.com  
Website: www.samratforgings.com  
CIN:L28910CH1981PLC004522

### **WORKS & ADMN. OFFICE**

Village & PO Ghollu Majra,  
Chandigarh - Ambala Highway,  
Tehsil : Derabassi,  
Distt. Mohali (Punjab)

### **MACHINING DIVISION**

Village & PO Bhankerpur,  
Tehsil : Derabassi,  
Distt. Mohali (Punjab)

### **REGISTRARS AND SHARE TRANSFER AGENTS**

Mas Services Ltd.  
T-34, 2nd Floor,  
Okhla, Industrial Area,  
Phase - II, New Delhi - 110020

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## NOTICE

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the members of Samrat Forgings Limited will be held on Friday, the 30<sup>th</sup> September, 2016 at 11:00 A.M. at the Registered Office of the Company at # 406, First Floor, Sector 15-A, Chandigarh- 160 015 to transact the following business.

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2016 and Statement of Profit and Loss for the year ended on that date together with Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Bindu Chowdhary (DIN: 01154263), who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 139, 142 and Companies (Audit and Auditors) Rules, 2014 (the rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s Jain & Associates, Chartered Accountants, (Registration number 001361N), be and are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the said Auditors."

Regd. Office:  
# 406, First Floor,  
Sector 15-A,  
Chandigarh – 160 015  
Email: [info@samratforgings.com](mailto:info@samratforgings.com)  
CIN: L28910CH1981PLC004522  
Date: 26<sup>th</sup> August, 2016

By order of the Board of Directors  
**For Samrat Forgings Limited**

**(Rakesh M Kumar)**  
Managing Director  
DIN: 00066497

**NOTES:**

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
A PROXY CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.
3. Proxies in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the commencement of the meeting and the proxies shall not have any voting rights except on poll.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 25.09.2016 to 30.09.2016 (both days inclusive) pursuant to the provisions of Section 91 of the Companies Act, 2013.
6. Members/Proxies are requested to bring their attendance slips and copy of Annual Report to the Meeting.
7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company at least 7 days before the date of the meeting so that information required may be made available at the meeting.
8. Members / proxy holders are requested to produce the attendance slip duly completed and signed, for admission to the meeting hall.
9. In case of joint shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Members who hold shares in de-materialized form are requested to bring their client ID and DP-ID number for the purpose of identification and attendance at the meeting.
11. Members are requested to immediately intimate the change in address and bank details, if any, to the Company's Registrar and Share Transfer Agent i.e. M/s Mas Services Ltd, at T- 34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi- 110 020 with their Folio number/DPID/Client ID.
12. Members holding shares in electronic form are requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/Registrar & Share Transfer Agent of the Company.
13. For receiving all communication including Annual Report, Notices etc. from the Company electronically, members are requested to register/update their e-mail address with their respective Depository Participant, where shares are held in electronic mode. If, shares are held in physical form, members are advised to register their e-mail address with the Company's Registrar and Share Transfer Agent i.e. Mas Services Ltd.
14. All documents referred in the notice are open for inspection at the Registered Office of the Company between 11:00 A.M. to 01:00 P.M. on any working day prior to the date of the Annual General Meeting.

15. At the ensuing Annual General Meeting Mrs. Bindu Chowdhary (DIN: 01154263), Director of the Company retires by rotation and being eligible, offers herself for re-appointment. The particulars of the said Director are given below:

Mrs. Bindu Chowdhary is Promoter Director and associated with the Company since 1990. Her services have been very useful for the general affairs of the Company.

Mrs. Bindu Chowdhary is holding 10 Equity Shares of the Company as on 31.03.2016.

**Other Directorship:**

Mrs. Bindu Chowdhary was director in following other Companies as on 31.03.2016:

1. Jandwani Poly Products Pvt Ltd
2. Punjab Pre Stressed Concrete Works Pvt Ltd

**16. Voting through Electronic means**

- I. In compliance/accordance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of the 35<sup>th</sup> Annual General Meeting of the Company.
- II. Similarly, members opting to vote physically can do the same by remaining present at the meeting and should exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.
- III. The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on 27<sup>th</sup> September, 2016 at 9.00 AM and ends on 29<sup>th</sup> September, 2016 at 5.00 PM. 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 23<sup>rd</sup> September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter i.e. 29<sup>th</sup> September, 2016.
  - (ii) The shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (iv) Click on Shareholders.
  - (v) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (vi) Next enter the Image Verification as displayed and Click on Login.
  - (vii) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number/folio number in the PAN field. Sequence number/folio number is printed on your address slip pasted on the envelope containing the Annual Report.</li> <li>In case the sequence number/folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Rakesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **Samrat Forgings Limited** on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xvii) You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non - Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- (xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 23<sup>rd</sup> September, 2016 may follow the same instructions as mentioned above for e-Voting.
- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 23<sup>rd</sup> September, 2016.
- V. A copy of this notice has been placed on the website of the Company and will also be available on website of CDSL during voting period.
- VI. Shri Kanwaljit Singh, Practicing Company Secretary (Certificate of Practice Number 5870) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- VII. The scrutinizer shall, immediately after the conclusion of voting at the general meeting first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.
- VIII. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.samratforgings.com](http://www.samratforgings.com) and on the website of CDSL immediately after the result is declared by the chairman.

Regd. Office:  
# 406, First Floor,  
Sector 15-A,  
Chandigarh – 160 015  
Email: [info@samratforgings.com](mailto:info@samratforgings.com)  
CIN: L28910CH1981PLC004522  
Date: 26<sup>th</sup> August, 2016

By order of the Board of Directors  
**For Samrat Forgings Limited**

**(Rakesh M Kumar)**  
**Managing Director**  
**DIN: 00066497**

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 35<sup>th</sup> Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended on 31<sup>st</sup> March, 2016. The financial highlights for the year under review are given below:

	(Rs. in lacs)	
<b>FINANCIAL RESULTS</b>	<b>For the year ended 31.03.2016 (Current Year)</b>	<b>For the year ended 31.03.2015 (Previous Year)</b>
<b>Gross Sales including Job Work</b>	7476.25	7608.72
Less: Excise Duty/Service Tax	801.64	775.94
<b>Net Sales</b>	<b>6674.61</b>	<b>6832.78</b>
Other Income	22.08	223.32
Profit before Interest, Depreciation & Tax	654.72	699.36
Interest	403.38	440.96
Depreciation	212.70	214.01
Net Profit before Tax	38.64	44.39
Provision for Tax	6.16	16.09
Provision for deferred Tax	2.71	18.22
Profit after tax available for appropriation	29.76	10.08
Transfer to General Reserve	0.00	0.00

## OPERATIONAL REVIEW

Through the constant efforts put by the directors and employees, the Company has achieved a gross sales turnover of Rs. 7476.25 during the year ended on March 31, 2016 as against gross sales turnover of Rs. 7608.72 Lacs during the corresponding previous financial year ended on 31<sup>st</sup> March, 2015. Despite weak market scenario the Company has been able to achieve same level of sales. The company has earned profit of Rs. 29.76 Lacs (after tax) as compared to the previous year's figure of Rs. 10.08 Lacs. Your directors putting constant efforts to further increase the production, sales and profitability and expecting to post improved results during the year 2016-17.

## FUTURE PROSPECTS/ EXPANSION

The Company is endeavored to upgrade its production base by installing latest technology machines in its forging as well as machining unit to meet with the demand of its products by the existing and new customers. The company has added new valued customers in its customer list and it is expected that it will certainly be beneficial for the business growth of the Company in the coming years.

The company is regularly conversing with its bankers and other financial institutions to provide financial assistance for the expansion in production facilities and it is expected that with the installation of new machinery and by up gradation of technology, the production level and sales would be further improved in the coming years.

## TRANSFER TO RESERVES

The Company has not transferred any amount to reserves.

## **CAPITAL STRUCTURE**

There is no change in the Capital Structure of the Company during the year under review.

## **DIVIDEND**

The Directors regret their inability to recommend any dividend for the year under review and rather prefer to conserve the resources and plough back the accrued profits into the Company.

## **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed to this report as Annexure- 1.

## **FIXED DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014, during the financial year under review.

## **DIRECTORS**

There was no change in the constitution of the Board during the financial year under review.

Mrs. Bindu Chowdhary (DIN: 01154263), Director is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment. The brief profile of Mrs. Bindu Chowdhary, names of the Companies in which she has held directorship etc is furnished in the notes forming part of the notice of the ensuing Annual General Meeting.

All independent directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

## **Meetings of the Board**

During the year five Board Meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

## **Remuneration Policy**

The Board has, on recommendation of the Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013, the directors report that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit & loss of the Company for the year under review.
- (iii) The directors have taken proper & 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.

- (iv) The directors have prepared the annual accounts on a going concern basis.
- (v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### **SUBSIDIARY COMPANIES**

The Company does not have any subsidiary.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Your Company has not given any loans or guarantees, nor the Company has made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

### **CHANGE IN NATURE OF BUSINESS**

There has been no change in the nature of business of the company during the year under review.

### **COMPANIES BECOME/CEASED TO BE SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary or Joint Venture or Associate company during the year under review.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed Mr. Kanwaljit Singh Thanewal, company secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report received from the said auditor is annexed to this report as Annexure- 2.

Following qualification/reservation has been made by the Secretarial Auditor in his Secretarial Audit Report for the year ended 31st March, 2016:

The company has not filed the copy of the Board resolution for approval of financial Statements for the financial year ended on March 31, 2015 in Form MGT-14.

The Explanations of the Board on qualifications/reservations made in the secretarial audit report are as below:

The omission in filing of copy of board resolution in Form MGT-14 regarding approval of financial statements of the company for the financial year ended on March 31, 2015 is due to inadvertence and oversight. Necessary steps are being taken to rectify the omission and file the aforesaid return at the earliest.

### **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis. There are no material significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules there under.

Pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, Form AOC-2 is annexed as Annexure-3 to this report.

## **SHIFTING OF COMPANY TO THE DISSEMINATION BOARD OF NSE**

The Company has been listed on Ludhiana Stock Exchange and on dissolution of the said stock exchange the Company ceased to be a listed company and shifted to the dissemination board of the National Stock Exchange. Since the company is not listed on any nationalized stock exchange, the provisions of Listing Regulations such as Report on Corporate Governance, Certificate on Corporate Governance, Management Discussion & Analysis Report, Code of Conduct, Whistle Blower Policy, Vigil Mechanism etc are not applicable on the company and therefore not been reported.

## **AUDITORS' & AUDITORS' REPORT**

M/s Jain & Associates, Chartered Accountants, Statutory Auditors of the Company will retire at the forthcoming Annual General Meeting and are eligible offer themselves for re-appointment. They have confirmed that the said appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from disqualification specified under Section 141(3) of the Companies Act, 2013. It is proposed to appoint them as Auditors from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, subject to the approval of shareholders.

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

## **ISO / TS CERTIFICATION**

Your Directors are pleased to inform you that the Company continues to be holder of ISO/TS – 16949:2009 AD 2000-Merkblatt W 0 Certification from TUV Rheinland. Regular audits are conducted under this Certification.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an optimum internal control system commensurate with the size, scale and complexity of its operations which ensure control over its various functions in its business operations. The effectiveness of the internal control system has been reviewed by the internal audits of all operational departments and all major corporate functions under the directions of the Internal Audit department.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. The process owners undertake corrective action in accordance of the guidance and suggestions of the senior designated officials, in their respective areas and thereby strengthen the controls.

## **INVESTORS' RELATIONS**

The Company has always endeavors to keep the time of response to shareholders' requests / grievances at the minimum. Priority is accorded to address all the issues raised by the

shareholders and provide them a satisfactory reply immediately. The Company has not received any grievance from the shareholders during the financial year 2015-16.

## **INDUSTRIAL RELATIONS**

The company continued to maintain very healthy, cordial and harmonious industrial relations at all levels and there was no conflict between workmen and the management during the year under review.

## **MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR**

There have been no material changes and commitments, 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 this report.

## **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Corporate Social Responsibility are not applicable to the company. Hence, the company has not made any policy on corporate social responsibility.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## **BUSINESS RISK MANAGEMENT**

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks to the business. Your company is always endeavored to identify and take appropriate and timely action to mitigate all type of risks involved in business of the company.

At present the company has not identified any element of risk which may threaten the existence of the company.

## **SAFETY, POLLUTION & QUALITY CONTROL**

The Company is committed to achieve and maintain at all levels, safety in plant operations. To achieve this, sufficient safety provisions have been made and the same are checked periodically. There were no major accidents in the plant during the year. Further there are no effluents, which require treatment. Stringent quality control for all products and raw materials has been incorporated and the Company have well equipped laboratory to ensure quality control.

## **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

During the year under review, none of the employees of the Company has drawn remuneration over and above the limits specified under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The disclosure pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the names and other details of top ten employees in terms of remuneration drawn during the financial year 2015-16 are annexed as Annexure-4 to this report.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure- 5 to this Report.

## **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the whole hearted and sincere co-operation the Company has received from its bankers, financial institutions and various Government agencies. The Directors also wish to place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the management of the Company. Last but not the least, the Directors wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company at all levels that has contributed to the growth and success of the Company.

For and on behalf of the Board of Directors of  
**Samrat Forgings Limited**

Place: Chandigarh  
Dated: 26<sup>th</sup> August, 2016

**Rakesh M. Kumar**  
**Managing Director**  
[DIN: 00066497]

**Bindu Chowdhary**  
**Director**  
[01154263]

## Annexure-1

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on  
**31<sup>st</sup> March, 2016**

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: L28910CH1981PLC004522
- ii) Registration Date: 06.05.1981
- iii) Name of the Company: Samrat Forgings Limited
- iv) Category / Sub-Category of the Company: Company Limited by Shares
- v) Address of the Registered office and contact details: # 406, First Floor, Sector 15-A, Chandigarh - 160015
- vi) Whether listed company: At dissemination board of National Stock Exchange (NSE), Earlier listed on Ludhiana Stock Exchange, before dissolution of the said exchange.
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:  
MAS SERVICES LIMITED  
T-34, 2- Floor, Okhla Industrial Area,  
Phase - II, New Delhi - 110 020  
Phone: 011-26387281, 282, 283

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Closed die steel forgings	73269099	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	N.A.	N.A.	N.A.	N.A.	N.A.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	305020	40	305060	6.10	555020	40	555060	11.10	5.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2211200	267701	2478901	49.58	2211200	267701	2478901	49.58	0
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other...	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>2516220</b>	<b>267741</b>	<b>2783961</b>	<b>55.68</b>	<b>2766220</b>	<b>267741</b>	<b>3033961</b>	<b>60.68</b>	<b>5.00</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	<b>2516220</b>	<b>267741</b>	<b>2783961</b>	<b>55.68</b>	<b>2766220</b>	<b>267741</b>	<b>3033961</b>	<b>60.68</b>	<b>5.00</b>
<b>Total shareholding of Promoters (A) = (A)(1) + (A)(2)</b>	<b>2516220</b>	<b>267741</b>	<b>2783961</b>	<b>55.68</b>	<b>2766220</b>	<b>267741</b>	<b>3033961</b>	<b>60.68</b>	<b>5.00</b>
<b>B. Public Shareholding</b>									
a) Mutual Funds/Banks/FI	0	165000	165000	3.30	0	165000	165000	3.30	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Venture Capital funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIs	-	-	-	-	-	-	-	-	-
g) Foreign Venture	-	-	-	-	-	-	-	-	-
h) Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>0</b>	<b>165000</b>	<b>165000</b>	<b>3.30</b>	<b>0</b>	<b>165000</b>	<b>165000</b>	<b>3.30</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	438600	1238650	1677250	33.55	188600	1238650	1427250	28.55	5.00
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual/s									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	300	106260	106560	2.13	300	106260	106560	2.13	0

ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	267229	267229	5.34	0	267229	267229	5.34	0
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	<b>438900</b>	<b>1612139</b>	<b>2051039</b>	<b>41.02</b>	<b>188900</b>	<b>1612139</b>	<b>1801039</b>	<b>36.02</b>	<b>5.00</b>
Total Public shareholding (B) = (B)(1)+(B)(2)	<b>438900</b>	<b>1777139</b>	<b>2216039</b>	<b>44.32</b>	<b>188900</b>	<b>1777139</b>	<b>1966039</b>	<b>39.32</b>	<b>5.00</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>2955120</b>	<b>2044880</b>	<b>5000000</b>	<b>100</b>	<b>2955120</b>	<b>2044880</b>	<b>5000000</b>	<b>100</b>	<b>0</b>

**(ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of 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 shares	% change in shareholding during the year
1	Sh. J C Chowdhary	10	0.00	100	10	0.00	100	Nil
2	Smt. Bindu Chowdhary	10	0.00	Nil	10	0.00	Nil	Nil
3	Sh. Rakesh M Kumar	215000	4.30	Nil	465000	9.30	Nil	5.00
4	Smt. Kiran M Kumar	90000	1.80	Nil	90000	1.80	Nil	Nil
5	Smt. Ritu Joshi	20	0.00	Nil	20	0.00	Nil	Nil
6	Sh. R N Sood	10	0.00	100	10	0.00	100	Nil
7	Sh. S C Chowdhary	10	0.00	100	10	0.00	100	Nil
8	Jandwani Poly Products Pvt Ltd	1361200	27.22	Nil	1361200	27.22	Nil	Nil
9	Natrajan Investments & Finance Pvt Ltd	820000	16.40	Nil	820000	16.40	Nil	Nil
10	Jay Dee Holdings Pvt Ltd	280000	5.60	89.29	280000	5.60	89.29	Nil
11	R Kumar Investments & Finance Pvt Ltd	17701	0.35	100	17701	0.35	100	Nil
	<b>Total</b>	<b>2783961</b>	<b>55.68</b>		<b>3033961</b>	<b>60.68</b>		

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

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

	At the beginning of the year	2783961	55.68	2783961	55.68
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	31.03.2016 Increase: Transfer of 250000 shares from a shareholder	5.00	3033961	60.68
	At the End of the year	3033961	60.68	3033961	60.68

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

Sl. No.		Shareholding at the beginning of the year (as on 01.04.2015)		Date	Increase/decrease in shareholding	Reason	Shareholding at the end of the year (as on 31.03.2016)	
	Name of the shareholder	No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Consolidated Securities Ltd	1107600	22.15	31.03.2016	Decrease	Transfer	857600	17.15
2	Incredible Capital Ltd	500000	10.00	Nil	Nil	Nil	500000	10.00
3	Punjab State Industrial Development Corporation Ltd	165000	3.30	Nil	Nil	Nil	165000	3.30
4	Sh. Gurdeep Singh Basi	133615	2.67	Nil	Nil	Nil	133615	2.67
5	Sh. Jassoo Singh Basi	133614	2.67	Nil	Nil	Nil	133614	2.67
6	Amrex Marketing Pvt Ltd	68000	1.36	Nil	Nil	Nil	68000	1.36
7	Sh. Lakshmi Krishan Iyer	4000	0.08	Nil	Nil	Nil	4000	0.08
8	Sh. Latha Kumar	4000	0.08	Nil	Nil	Nil	4000	0.08
9	Sh. Natwar Lal Rathi	3700	0.07	Nil	Nil	Nil	3700	0.07
10	Sh. C V Chacko	2000	0.04	Nil	Nil	Nil	2000	0.04

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Name of the Director and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Mr. Rakesh M Kumar- Managing Director</b>				
	At the beginning of the year	215000	4.30	215000	4.30
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	31.03.2016: Increase ---- transfer of 250000 equity shares from a shareholder			

	At the End of the year	465000	9.30	465000	9.30
2.	<b>Mrs. Bindu Chowdhary- Non Executive Director</b>				
	At the beginning of the year	10	0.00	10	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil movement during the year			
	At the End of the year	10	0.00	10	0.00
3.	<b>Mrs. Ritu Joshi- Non Executive Director</b>				
	At the beginning of the year	20	0.00	20	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil movement during the year			
	At the End of the year	20	0.00	20	0.00
4.	<b>Mr. Ajay Kapoor- Non Executive Director</b>	0	0	0	0
		Nil holding/movement during the year			
5.	<b>Mr. Ajay K Arora- Non Executive Director</b>	0	0	0	0
		Nil holding/movement during the year			
6.	<b>Mr. Ashok Lakhnarpal- Non Executive Director</b>	0	0	0	0
		Nil holding/movement during the year			
7.	<b>Mr. Sandeep Kumar- Company Secretary</b>	0	0	0	0
		Nil holding/movement during the year			

**V. INDEBTEDNESS (Rs. in Lakhs)****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2374.21	470.65	-	2844.86
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.51	2.70	-	3.21
<b>Total (i+ii+iii)</b>	<b>2374.72</b>	<b>473.35</b>	<b>-</b>	<b>2848.07</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	191.98	189.70	-	381.68
- Reduction	320.21	150.95	-	471.16
<b>Net Change</b>	<b>-128.23</b>	<b>38.75</b>	<b>-</b>	<b>-89.48</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2245.98	509.40	-	2755.38
ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	0.90	2.21	-	3.11
<b>Total (i+ii+iii)</b>	<b>2246.88</b>	<b>511.61</b>	<b>-</b>	<b>2758.49</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL***A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. in Lakhs)*

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. Rakesh M Kumar- MD	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	48.00	48.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.22	0.22
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil
5.	Others, please specify	Nil	Nil
	<b>Total (A)</b>	<b>48.22</b>	<b>48.22</b>
	<b>Ceiling as per the Act</b>	<b>84.00</b>	<b>84.00</b>

**B. Remuneration to other directors: (Amount in Rs.)**

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mrs. Bindu Chowdhary	Mrs. Ritu Joshi	Mr. Ajay Kapoor	Mr. Ajay K Arora	Mr. Ashok Lakhanpal	
1.	Independent Directors						
	- Fee for attending board/ committee meetings	----	----	30000	47500	7500	85000
	- Commission	----	----	----	----	----	----
	- Others, please specify	----	----	----	----	----	----
	Total (1)	----	----	30000	47500	7500	85000
2.	Other Non-Executive Directors						
	- Fee for attending board/ committee meetings	37500	30000	----	----	----	67500
	- Commission	----	----	----	----	----	----
	- Others, please specify	----	----	----	----	----	----
	Total (2)	37500	30000	----	----	----	67500
	Total (B)=(1+2)	37500	30000	30000	47500	7500	152500
	Total Managerial Remuneration						152500
	Overall Ceiling as per the Act						500000

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: (Amount in Rs.)**

Sl. No.	Particulars of Remuneration	Company Secretary	
			Total
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	477900	477900
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	----	----
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	----	----
2.	Stock Option	----	----
3.	Sweat Equity	----	----
4.	Commission - as % of profit - others, specify...	-----	-----
5.	Others, please specify	-----	-----
	Total	477900	477900

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

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

Annexure: 2

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

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

To,  
The Members,  
Samrat Forgings Limited  
#406, First Floor  
Sector 15-A,  
Chandigarh- 160015

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SAMRAT FORGINGS LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the SAMRAT FORGINGS LIMITED'S books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by SAMRAT FORGINGS LIMITED ("the Company") for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) 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;
- (iv) The major provisions and requirements have also been complied with as prescribed under all applicable Labour laws viz. The Factories Act, 1948, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, Industrial Dispute Act, 1947, The Employee's Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Gratuity Act, 1972, The Industrial Employment (Standing Order) Act, 1946.
- (v) Environment Protection Act, 1986 and other environmental laws.
- (vi) Hazardous Waste (Management and Handling) Rules, 1989 and the Amendments Rules, 2003.
- (vii) The Air (Prevention and Control of Pollution) Act, 1981
- (viii) The Water (Prevention and Control of Pollution) Act, 1974.

- (ix) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the company during the audit period, as the Ludhiana Stock Exchange, wherein the company was listed was de-recognized and the company moved into the Dissemination Board of National Stock Exchange:
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.
  - b) The erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 effective from May 15, 2015;
  - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the amendments thereof.
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014.
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from December 01, 2015.
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
  - i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

I have also examined compliance with the Secretarial Standards issued by The Institute of Company Secretaries of India as notified by Government of India, effective from July 01, 2015.

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of Directors during the financial year.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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.
3. All decisions are carried out through majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers and taken on record by the

board of directors in their meeting(s), I am of an opinion that:

1. 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.
2. On examination of the relevant documents and records, on test check basis, the company has complied with the following laws specifically applicable to the company:
  - a. The Indian Electricity Act, 2003 and Indian Electricity Rules, 2005.
  - b. Petroleum Act, 1934

*I further report that the company has not filed the copy of the Board resolution for approval of financial Statements for the financial year ended on March 31, 2015 in Form MGT-14.*

Apart from the business stated above, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

KANWALJIT SINGH THANEWAL

Place: Chandigarh

FCS No. 5901

Date : 26.08.2016

C P No.: 5870

Note: The status of the company has been considered as "un-listed" for the preparation of this report as the company has been transferred to dissemination Board of NSE.

Further, this report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

"Annexure-A"

To,  
The Members,  
Samrat Forgings Limited  
#406, First Floor  
Sector 15-A,  
Chandigarh- 160015

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records, based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, we followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the extent of verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

KANWALJIT SINGH THANEWAL

Place: Chandigarh

FCS No. 5901

Date : 26.08.2016

C P No.: 5870

## Annexure 3

**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 arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	There were no contracts or arrangements or transactions entered into during the year ended March 31, 2016, which were not at arm's length basis.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis

a)	Name (s) of the related party & nature of relationship	There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2016.
b)	Nature of contracts /arrangements/ transactions	
c)	Duration of the contracts/ arrangements/ transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

For and on behalf of the Board of Directors of  
**Samrat Forgings Limited**

Place: Chandigarh  
Dated: 26<sup>th</sup> August, 2016

**Rakesh M. Kumar**  
Managing Director  
[DIN: 00066497]

**Bindu Chowdhary**  
Director  
[01154263]

## Annexure: 4

**DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014**

(i)	The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-2016	<b>Director's Name</b>	<b>Ratio to median remuneration</b>
		Mr. Rakesh M Kumar	63.07
		Mrs. Bindu Chowdhary	0.49
		Mrs. Ritu Joshi	0.39
		Mr. Ajay Kapoor	0.39
		Mr. Ajay K Arora	0.62
		Mr. Ashok Lakhanpal	0.10
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2015-16 compared to financial year 2014-15	<b>Director's/CFO/CEO/CS/ Manager name</b>	<b>% age increase in remuneration</b>
		Mr. Rakesh M Kumar, Managing Director	33.33%
		Mr. Sandeep Kumar, Company Secretary	5.63%
(iii)	Percentage increase in the median remuneration of employees in the financial year 2015-16 compared to financial year 2014-15	7.14	
(iv)	Number of permanent employees on the rolls of company	<b>As on 31.03.2016</b>	<b>As on 31.03.2015</b>
		530	510
(v)	Average percentile increase in salaries of employees other than managerial personnel	<b>During 2014-15</b>	<b>During 2015-16</b>
		5.90%	5.95%
		Justification for increase with reasons for any exceptional circumstances	Normal industry standards applied based on performance of the employees
(vi)	Key parameter for any variable component of remuneration availed by the Directors	No	

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

**Detail of top ten employees in terms of remuneration drawn during 2015-16**

Sr. No.	Name of employee	Designation	Remuneration received	Qualification and experience (in years)	Nature of employment	Date of commencement of employment	Age of employee (in years)	%age of equity held	Whether relative of director(s), if yes give name of the director(s)
1	Mr. Rakesh M Kumar	Managing Director	48,00,000	B.E., MBA 25 years	Permanent	01.06.1994	50	9.30	1. Mrs. Ritu Joshi 2. Mrs. Bindu Chowdhary
2	Mr. Prem Lal	Vice President	17,37,000	B.Sc. Engg. LLB 34 years	Permanent	28.04.2008	59	Nil	N.A.
3	Mr. APS Grover	GM-Finance	15,84,000	B.Com., FCA 34 years	Permanent	02.08.2006	59	Nil	N.A.
4	Mr. Sanjay Jain	DGM-Marketing	12,19,200	B.A. 32 years	Permanent	21.01.1989	57	Nil	N.A.
5	Mr. Naveen Kumar	Asst. General Manager	9,02,000	Mech. Engg. 17 years	Permanent	02.07.2012	43	Nil	N.A.
6	Mr. Faquir Chand	Manager-Maintenance	8,96,100	Diploma in Mechanical 27 years	Permanent	21.06.2010	51	Nil	N.A.
7	Mr. Daljit Sharma	Manager-Tool Room	6,97,450	Diploma in Mechanical 25 years	Permanent	30.08.1991	48	Nil	N.A.
8	Mr. Parveen Kumar	Manager-Forge Shop	6,30,770	M.A. 21 years	Permanent	22.12.1995	44	Nil	N.A.
9	Mr. Rajinder Singh	Manager-Production	5,89,746	Graduation, (TI) 10 years	Permanent	07.11.2007	35	Nil	N.A.
10	Mr. Sandeep Kumar	Company Secretary	4,82,100	B.Com, CS 8 years	Permanent	10.04.2009	32	Nil	N.A.

**Annexure- 5**

**Information as per rule 8(3) of the Companies (Accounts) Rules, 2014, read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988.**

**A. CONSERVATION OF ENERGY****(i) Steps taken or impact on conservation of energy;**

The Company continues its efforts to improve methods for energy conservation and utilization by more usage of electricity purchased from PSPCL and by close watch and regular inspection of the installed equipments and maintenance of the same.

**(ii) Steps taken by the company for utilizing alternate sources of energy;**

Appropriate actions have been taken to improve efficiency of own generation by usage of diesel generators only for emergencies and as stand by. Also, an intensified vigil on wastage/leakage control has been kept by the company to mitigate the wastage of resources.

**(iii) Capital investment on energy conservation equipments;**

Adequate steps have been taken to keep the installed energy conservation equipments in prompt conditions. Exact expenditure incurred in this process is not ascertainable.

Disclosure of particulars with respect to conservation of energy

Power & Fuel consumption			Year Ended 31.03.2016	Year Ended 31.03.2015
1	Electricity			
	a. Purchase	Unit in Lacs	50.89	52.04
	Total Amount	Rs. in lacs	406.92	413.54
	Average Cost per unit	Rs.	8.00	7.95
	b. Own Generation	Unit in Lacs	1.47	3.46
	(Through diesel generation)			
	Unit per Ltr. of Diesel	Units	2.97	3.25
	Cost per Unit	Rs.	16.34	16.47
2	Furnace Oil / R.F.O. / L.D.O.			
	Quantity	KL	1190	1238
	Amount	Rs. in lacs	246.01	468.85
	Average Rates per Ltr.	Rs.	20.67	37.87
3	Consumption per unit of prod.			
	1. Electricity Purchased	Units	855.15	853.62
	2. Electricity Generated	Units	24.70	56.77
	3. Furnace Oil/ R.F.O./L.D.O.	Ltrs.	199.96	203.07
	4. Production	MT	5951	6096

## B. TECHNOLOGY ABSORPTION

Disclosure of particulars with respect to technology absorption:-

### Efforts:

Efforts have been made towards development of products of international quality and implementation of total Quality Assurance System for this purpose.

### Benefits:

As a result of the above said technology absorption, the Company has derived benefits like improvement in quality of products, development of new components etc.

### Research & Development:

Adequate efforts have been made towards quality up-gradation, development of wide range of products/components, productivity enhancement and quality control management. However, specific expenditure of recurring or capital nature is not involved.

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	2015-16 (Rs in lakhs)	2014-15 (Rs in lakhs)
Earnings on account of Exports	269.09	312.56
Outgo on account of import & expenditure	1.84	0.83

## INDEPENDENT AUDITORS' REPORT

To the Members of M/s. SAMRAT FORGINGS LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of M/s SAMRAT FORGINGS LIMITED ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 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 financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so

required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2016;
- (b) in the case of the Statement of Profit and Loss, of the profit of the company for the year ended on that date, and
- (c) in the case of case of cash flow statement, of the cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" ;and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 financial statements – Refer Note XXIV to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

FOR JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regd No.:001361N)

(KRISHAN MANGAWA)  
PARTNER  
Membership No. 513236

PLACE : CHANDIGARH  
DATED : 12.08.2016

## "ANNEXURE-A" TO THE AUDITORS' REPORT

Re: M/s SAMRAT FORGINGS LIMITED ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) According to information and explanations given by the management, the company has a system of physical verification of all its fixed assets over a period of four years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.  
(c) According to information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The Company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.
- (iii) (a) The Company has not granted any loans to Company which is required to be covered in the register maintained under section 189 of the Companies Act, 2013. Hence clause (b) and (c) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.
- (v) The company has not accepted any deposits from the public.
- (vi) The Company is required to maintain cost records under section 148(1) of the Companies Act, 2013, for the products of the company and according to the information and explanations given to us, we are of the opinion that prima facie, the specified accounts and records have been made and maintained.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.  
(c) According to the records of the Company, there are no dues outstanding on account of income-tax, sales-tax, , service tax, duty of custom, duty of excise, value added tax and cess.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank, debenture holder or Government during the year.

- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans availed by the company during the year have been applied for the purpose for which it has been availed.
- (x) According to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/ provided managerial remuneration within limits under section 197 read with Schedule V of the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) 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 non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

FOR JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regd No.:001361N)

(KRISHAN MANGAWA)  
PARTNER  
Membership No. 513236

PLACE : CHANDIGARH  
DATED : 12.08.2016

**BALANCE SHEET AS AT 31st MARCH, 2016**

S.No.	Particulars	NOTES	CURRENT YEAR Amount in Rs.	PREVIOUS YEAR Amount in Rs.
<b>I. EQUITY AND LIABILITIES</b>				
<b>1. Shareholders' Funds</b>				
(a)	Share Capital	2	50066125	50066125
(b)	Reserves and Surplus	3	92482383	89506493
<b>2. Non-current Liabilities</b>				
(a)	Long term borrowings	4	59486539	52119970
(b)	Deferred tax liabilities (Net)	5	18266229	17994735
<b>3. Current Liability</b>				
(a)	Short term borrowings	6	191808554	202526363
(b)	Trade Payables	7	203935515	174635356
(c)	Other current liabilities	8	47714002	55907919
(d)	Short term provisions	9	8019968	7215409
<b>TOTAL</b>			<b>671779315</b>	<b>649972370</b>
<b>II. ASSETS</b>				
<b>1. Non-Current Assets</b>				
(a)	Fixed Assets	10		
	Gross Block		385191655	369596440
	Less : Depreciation		164516688	143246714
(i)	Tangible Assets		220674967	226349726
(ii)	Capital Work in Progress		0	0
(b)	Long Term Loans & Advances	11	15052430	13479115
<b>2. Current assets</b>				
(a)	Inventories	12	307075800	294352707
(b)	Trade Receivables	13	115166347	96767405
(c)	Cash & Cash equivalents	14	5140854	6964060
(d)	Short Term Loans & Advances	15	3059404	3602738
(e)	Other Current Assets	16	5609513	8456619
<b>TOTAL</b>			<b>671779315</b>	<b>649972370</b>
Summary of Significant Accounting Policies		1		

The accompanying notes from 1 to 35 form an integral part of the financial statements.

(A P S GROVER)  
GM-Finance

(SANDEEP KUMAR)  
Company Secretary

(RAKESH M. KUMAR)  
Managing Director  
DIN 00066497

(BINDU CHOWDHARY)  
Director  
DIN 01154263

**AUDITORS' REPORT**

As per our separate report of even date  
FOR JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regd No.:001361N)

PLACE : CHANDIGARH  
DATED : 12-08-2016

(KRISHAN MANGAWA)  
PARTNER  
Membership No. 513236

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016**

S.No.	Particulars	NOTES	CURRENT YEAR	PREVIOUS YEAR
			Amount in Rs.	Amount in Rs.
I.	Revenue from operations (Gross)	17	747625510	760871734
	Less : Excise Duty / Service Tax		80164485	77594120
	Revenue from operations (Net)		<b>667461025</b>	<b>683277614</b>
II.	Other Income	18	2208425	22331505
III.	Total Revenue (I + II)	<b>TOTAL</b>	<b>669669450</b>	<b>705609119</b>
IV.	Expenses:			
	Cost of materials consumed	19	360282297	396800494
	Change in Finished & Semi Finished Stock	20	-17989567	-34145736
	Employee benefit expenses	21	90986174	83041057
	Finance costs	22	40338538	44096602
	Depreciation and amortization expenses	10	21269973	21400574
	Other expenses	23	170918526	189977450
	Total expenses	<b>TOTAL</b>	<b>665805941</b>	<b>701170441</b>
V.	Profit before Tax (III-IV)		<b>3863509</b>	<b>4438678</b>
VI.	Tax expense:			
	(1) Current tax		1011853	44971
	(2) Deferred tax		271494	1821782
	Income tax of last years		-395728	1563599
VII.	Profit for the Year from continuing operations (V-VI)		<b>2975890</b>	<b>1008326</b>
VIII.	Earnings per equity share:			
	Basic & Diluted	27	0.60	0.20
	Nominal Value of each share		10.00	10.00

Summary of Significant Accounting Policies 1

The accompanying notes from 1 to 35 form an integral part of the financial statements.

(A P S GROVER)  
GM-Finance(SANDEEP KUMAR)  
Company Secretary(RAKESH M. KUMAR)  
Managing Director  
DIN 00066497(BINDU CHOWDHARY)  
Director  
DIN 01154263**AUDITORS' REPORT**As per our separate report of even date  
FOR JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regd No.:001361N)PLACE : CHANDIGARH  
DATED : 12-08-2016(KRISHAN MANGAWA)  
PARTNER  
Membership No. 513236

**CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2016**

PARTICULARS	2015-16		2014-15	
	(Amount in Rs.)		(Amount in Rs.)	
<b>A Cash Flow from operating Activities</b>				
Net profit before taxation	3863509		4438678	
Adjustment for:				
Depreciation	21269973		21400574	
Interest paid on Term Loans	10819830		14306094	
Interest Received	-1308685		-1610628	
Provision for Gratuity & Leave Encashment	1093803		1200617	
<b>Operating profit before working capital changes</b>	<b>35738430</b>		<b>39735336</b>	
Adjustment for:				
Trade and other receivables	-15008502		24244709	
Inventories	-12723093		-13958406	
Sundry Creditors & Other payables	21106242		-29360894	
Short term borrowings	-10717809		37327386	
<b>Cash generated from operations</b>	<b>18395267</b>		<b>57988131</b>	
Direct Taxes	-488796		-4302671	
Gratuity / Leave Encashment	-416573		-2052994	
<b>Net cash operating activities</b>	<b>17489898</b>	<b>17489898</b>	<b>51632466</b>	<b>51632466</b>
<b>B Cash flow from investing activities</b>				
Purchase of fixed assets	-15595214		-19878899	
Loans & Advances	-1573315		6451216	
<b>Net Cash Flow from Investing Activities</b>	<b>-17168529</b>	<b>-17168529</b>	<b>-13427683</b>	<b>-13427683</b>
<b>C Cash flow from financing activities</b>				
Net receipt of long term borrowings	10515146		-16232314	
Proceeds from unsecured loans	-3148576		-7034924	
Interest on Term Loans	-10819830		-14306094	
Interest Received	1308685		1610628	
<b>Net cash from financing activities</b>	<b>-2144576</b>	<b>-2144576</b>	<b>-35962704</b>	<b>-35962704</b>
<b>Net increase in cash &amp; cash equivalents</b>		<b>-1823206</b>		<b>2242079</b>
<b>Cash &amp; cash Equivalents as at 31.03.2015</b>	<b>6964060</b>		<b>4721981</b>	
<b>Cash &amp; cash Equivalents as at 31.03.2016</b>	<b>5140854</b>	<b>-1823206</b>	<b>6964060</b>	<b>2242079</b>

(A P S GROVER)  
GM-Finance

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(BINDU CHOWDHARY)  
Director  
DIN 01154263

**AUDITORS' REPORT**

As per our separate report of even date  
FOR JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regd No.:001361N)

PLACE : CHANDIGARH  
DATED : 12-08-2016

(KRISHAN MANGAWA)  
PARTNER  
Membership No. 513236

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

### NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

#### 1 Basis for preparation of Financial Statements:

The financial statements have been prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### 2 Use of Estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, require estimates and assumptions to be made that affect the reported amount of assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialize.

#### 3 Fixed Assets & Depreciation:

Due to application of schedule II to the Companies Act, 2013 with effect from April 1, 2014, the management has re-estimated useful life and residual values of all its fixed assets and determined separate useful life for each major asset, if they have useful life i.e. materially different from that of remaining asset. The management believes that the depreciation rates currently used fairly reflect its estimate of the useful life and residual value of fixed asset. If asset has zero remaining useful life on the date of Schedule II becoming effective, i.e. April 01, 2014, its carrying amount, after retaining any residual value, is charged to the opening balance of retained earnings. The carrying amount of other assets i.e., whose remaining useful life is not nil on April 01, 2014, is depreciated over their remaining useful life. Upto March 2014, the assets are depreciated on Straight Line Method as per Schedule XIV of the Companies Act, 1956

#### 4 Inventories:

- A) Inventories of Raw Material, Stores and Spares are valued at lower of cost or Net realizable value. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.
- B) Finished Goods are valued at weighted average cost / Net realizable value whichever is less including Excise Duty and all expenses attributable to production.
- C) Work in Progress is valued at estimated cost including expenses attributable to production/ Net realizable value whichever is less.
- D) Tools, Dies and Die Blocks are valued at cost less Depreciation at straight Line Method.
- E) Scrap is valued at realizable value including excise duty.

#### 5 Revenue recognition

Revenue from sale of goods is recognised, when all the significant risks and rewards of ownership are transferred to the buyer, as per the terms of contracts and no significant

uncertainty exists regarding the amount of the consideration that will be derived from sale of the goods. It also includes excise duty and price variation (if any) and excludes value added tax/ sales tax, brokerage and commission.

**6 Retirement Benefits:**

The retirement benefits of the employees include gratuity, earned leave encashment and provident fund. The Gratuity is funded through the group gratuity insurance policy of Life Insurance Corporation of India and the liability is provided on actuarial valuation basis. Earned Leave encashment Liability is provided for on actuarial valuation based on employees' entitlement in accordance with the company's rules. Contribution to PF and Pension Scheme is made in accordance with the Employees Provident Fund and Misc. Provisions Act, 1952.

**7 Contingent Liabilities:**

Contingent Liabilities, barring frivolous claims, are disclosed and those liabilities, which are possible of maturing, are provided for.

**8 Foreign Currency Transactions:**

Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of the transactions. Foreign currency denominated current assets & current liabilities are translated at year end exchange rates. The resulting gain or loss is recognized in the statement of Profit & Loss. Foreign currency denominated fixed assets are also translated at year end exchange rates and resulting difference is debited/credited to fixed assets. In respect of fixed assets purchased in foreign currency the difference in exchange rate at year end is adjusted in carrying amount of fixed assets.

**9 Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying assets are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**10 Current and Deferred Tax:**

The provision for current tax is made at the actual rate applicable for the income of the year as given under the Income Tax Act, 1961. However provision for deferred tax is made at the rate applicable to the subsequent financial year.

**11 Other Accounting Policies:**

Accounting Policies not specifically referred to are consistent with generally accepted accounting policies.

(A P S GROVER)  
GM-Finance

(SANDEEP KUMAR)  
Company Secretary

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Managing Director  
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Director  
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FOR JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regd No.:001361N)

(KRISHAN MANGAWA)  
PARTNER  
Membership No. 513236

PLACE : CHANDIGARH  
DATED : 12-08-2016

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

NOTE 2 SHARE CAPITAL		CURRENT YEAR	PREVIOUS YEAR
		Amount in Rs.	Amount in Rs.
1.	<b>A) AUTHORISED</b>		
	10000000 Equity shares of Rs. 10/- each	100000000	100000000
	<b>B) ISSUED :</b>		
	5026200 Equity Shares of Rs. 10/- each	50262000	50262000
	<b>C) ISSUED SUBSCRIBED &amp; PAID UP</b>		
	5000000 Equity Shares of Rs. 10/- each fully called up and paid up.	50000000	50000000
	<b>D) Forfeited Equity Shares</b>		
	26,200 Equity Shares of Rs. 10/- each forfeited	66125	66125
	<b>TOTAL</b>	<b>50066125</b>	<b>50066125</b>

## 2. Right of Shareholders

- A) Each Shareholder is entitled to one vote per share.  
 B) Each Shareholder has the right in profit/surplus in proportion to amount paid up with respect to share holding.  
 C) In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets, if any, in proportionate to their individual shareholding in the paid up equity capital of the company.  
 D) There is no change in the Number of Share outstanding at the beginning and at the end of the Financial year.

## 3. SHAREHOLDERS HOLDING MORE THAN 5% SHARES

	No. of Shares held	No. of Shares held
A) Jandwani Poly Products Pvt Ltd	1361200	1361200
B) Natrajan Investments & Finance Pvt Ltd	820000	820000
C) Jay Dee Holdings Pvt Ltd	280000	280000
D) Incredible Capital Ltd	500000	500000
E) Consolidated Securities Ltd	857600	1107600
F) Mr. Rakesh M. Kumar	465000	215000

NOTE 3 RESERVES & SURPLUS		CURRENT YEAR	PREVIOUS YEAR
1.	<b>Capital Reserve</b>		
	State Capital Subsidy	1500000	1500000
2.	<b>Balance in statement of profit &amp; loss:</b>		
	As per last Balance Sheet	88006493	86789744
	Add: Profit for the year	2975890	1008326
	Add: Adjustment for Depreciation	0	208423
	<b>TOTAL</b>	<b>92482383</b>	<b>89506493</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

NOTE 4 LONG-TERM BORROWINGS		CURRENT YEAR	PREVIOUS YEAR
		Amount in Rs.	Amount in Rs.
1.	<b>SECURED LOANS:</b>		
A)	<b>TERM LOANS FROM BANKS</b> (Secured against Hypothecation of respective vehicle under hire-purchase agreement / Machinery & personal guarantee of directors)	28503381	21213929
B)	<b>TERM LOANS FROM OTHER PARTIES</b> From Non-Banking Financial Companies (Secured against hypothecation of respective Vehicle under hire-purchase agreement / Machinery & personal guarantee of directors)	7946323	4720629
2.	<b>UNSECURED LOANS:</b>		
A)	<b>LOANS &amp; ADVANCES FROM BANKS</b> (Against personal guarantee of directors)	0	2788880
B)	<b>LOAN &amp; ADVANCES FROM RELATED PARTIES</b>	7157779	7157779
C)	<b>OTHER LOANS &amp; ADVANCES</b> (Against personal guarantee of directors)	15879056	16238753
	<b>TOTAL</b>	<b>59486539</b>	<b>52119970</b>
		(Rs. in Lacs)	
3.	<b>Repayment of loans</b>	<b>1st &amp; 2nd years</b>	<b>3rd &amp; 4th years</b>
	<b>SECURED LOANS:</b>		<b>After 4 years</b>
A)	Term Loans From Banks	297.96	3.67
B)	Term Loans From Other Parties	81.65	45.56
	<b>UNSECURED LOANS:</b>		
A)	Loans & Advances From Banks	29.63	-
B)	Loan & Advances From Related Parties		71.58*
C)	Other Loans & Advances	215.87	60.89
			30.49

i) \* Repayment will be reviewed after two years of the reporting period.

ii) Loans from banks and NBFCs are repayable in monthly instalments.

NOTE 5 DEFERRED TAX LIABILITIES		CURRENT YEAR	PREVIOUS YEAR
1.	Deferred Tax Assets due to disallowances u/s.43B	3759105	2525710
2.	Deferred Tax Liability due to depreciation	22025334	20520445
	<b>Net Deferred Tax Liability</b>	<b>18266229</b>	<b>17994735</b>
	Last Year Balance in Deferred Tax Liability	17994735	16172953
	<b>Charged through P&amp;L Account</b>	<b>271494</b>	<b>1821782</b>

These Calculations are in accordance with Accounting Standard 22 "Accounting For Taxes on Income" (AS 22) issued by the Institute of Chartered Accountants of India and these are based on Income tax returns and the books of accounts of the company.

NOTE 6	SHORT TERM BORROWINGS	CURRENT YEAR	PREVIOUS YEAR
		Amount in Rs.	Amount in Rs.
1.	<b>SECURED LOANS:</b>		
	<b>A) LOANS &amp; ADVANCES FROM BANKS</b>		
	The Jammu & Kashmir Bank Ltd (Cash Credit facility) (Secured against hypothecation of stock in trade, Book Debts, Stores & Spares, Tools, Implements, Die Blocks. Further the above loans are secured by the first mortgage of Land, Building and Machinery of the Company and personal guarantees of the Promotor Directors of the Company.)	172093582	183556741
	<b>B) LOANS &amp; ADVANCES FROM OTHERS</b>		
	The National Small Industries Corp. Ltd. (Secured against Bank guarantee)	9620717	9815367
2.	<b>UNSECURED LOANS:</b>		
	<b>A) LOAN &amp; ADVANCES FROM RELATED PARTIES</b>	10094255	9154255
	<b>TOTAL</b>	<b>191808554</b>	<b>202526363</b>

NOTE 7	TRADE PAYABLES	CURRENT YEAR	PREVIOUS YEAR
1.	Sundry Creditors:		
	<b>A) Total outstanding dues of Micro &amp; Small Scale Industrial Enterprises</b>	—	—
	<b>B) Total outstanding dues of Creditors other than Micro &amp; Small Scale Industrial Enterprises</b>	203935515	174635356
	<b>TOTAL</b>	<b>203935515</b>	<b>174635356</b>

NOTE 8	OTHER CURRENT LIABILITIES	CURRENT YEAR	PREVIOUS YEAR
1.	Current Maturities of Long term Borrowings		
	<b>A) Secured Borrowings</b>	6434004	18114106
	<b>B) Unsecured Borrowings</b>	17809003	11725249
2.	Interest Accrued but not due	310740	321034
3.	Payable for Capital Goods	3321717	2737855
4.	Statutory Liabilities	3331971	2506955
5.	Expenses Payable	14852987	17018135
6.	Advances from Customers	817180	2630485
7.	Director Remuneration & Fee payable	836400	854100
	<b>TOTAL</b>	<b>47714002</b>	<b>55907919</b>

NOTE 9	SHORT TERM PROVISIONS	CURRENT YEAR	PREVIOUS YEAR
1.	<b>PROVISION FOR EMPLOYEES' BENEFITS</b>		
	Provision for Gratuity	5746792	5065993
	Provision for Leave Encashment	1261323	1264892
2.	<b>OTHERS</b>		
	Income Tax Provision	1011853	884524
	<b>TOTAL</b>	<b>8019968</b>	<b>7215409</b>

## NOTE 10 : FIXED ASSETS SCHEDULE AS ON 31ST MARCH 2016

Amount in Rs.

PARTICULARS	ORIGINAL COST AS ON 01.04.2015	ADD DUR. THE YEAR	SALE/ TRANSFER	TOTAL COST AS ON 31.03.2016	DEP UPTO 31.03.2015	DEPRECIATION DURING THE YEAR	DEPRECIATION WRITTEN BACK	Depreciation Adjustment from Opening Reserve	TOTAL DEP. UPTO 31.03.2016	W.D.V. AS ON 31.03.2016	W.D.V. AS ON 31.03.2015
LAND	441426	0	0	441426	0	0	0	0	0	441426	441426
FACTORY BUILDING	45692768	3776187	0	49468954	13487978	1257528	0	0	14745506	34723448	32204789
ADMINISTRATIVE BUILDING	6569432	0	0	6569432	1890555	194770	0	0	2085324	4504107	4698877
PLANT & MACHINERY	288819119	11573472	0	300392591	108491193	16927505	0	0	125416698	174973894	188327926
FURNITURE & FIXTURE	2849480	30725	0	2879205	1699289	254875	0	0	1954164	923041	1149191
AIR CONDITIONERS	734842	0	0	734842	609751	64552	0	0	674303	60538	125090
COMPUTERS	4232773	103000	0	4335773	3111683	924182	0	0	4035865	299908	1121090
OFFICE EQUIPMENT	2172235	111830	0	2289065	1862899	130519	0	0	1993418	295647	314336
VEHICLES	18060366	0	0	18060366	12093366	1516042	0	0	13609408	4450958	5967000
TOTAL	369596440	15595214	0	385191655	143246714	21269973	0	0	164516688	220674967	226349726
CAPITAL WORK IN PROGRESS	0	0	0	0	0	0	0	0	0	0	0
TOTAL	369596440	15595214	0	385191655	143246714	21269973	0	0	164516688	220674967	226349726
PREVIOUS YEAR	349717542	50822083	30943184	369596440	122054562	21400374	0	(208423)	143246714	226349726	227662980

Notes: Additions in Plant & Machinery and Factory Building includes interest on borrowed funds amounting to Rs. 3.00 lacs & Rs. 2.31 lacs respectively capitalised for acquiring these assets.

NOTE 11 LONG TERM LOANS & ADVANCES	CURRENT YEAR	PREVIOUS YEAR
( Unsecured but considered good)	Amount in Rs.	Amount in Rs.
1. Capital Advances	969340	1788961
2. Security Deposits	14083090	11690154
<b>TOTAL</b>	<b>15052430</b>	<b>13479115</b>

NOTE 12 INVENTORIES	CURRENT YEAR	PREVIOUS YEAR
(As per inventories taken, valued & certified by the management)		
1. Raw Materials	14702378	17223706
2. Work In Progress	219726227	202837547
3. Finished Goods	11642403	11030026
4. Stores & Spares	13951304	13805444
5. Tools & Dies	46191167	49082173
6. Scrap	862321	373811
<b>TOTAL</b>	<b>307075800</b>	<b>294352707</b>

NOTE 13 TRADE RECEIVABLES	CURRENT YEAR	PREVIOUS YEAR
(Unsecured but considered good)		
1. Debts outstanding for a period exceeding six months	4105971	5036439
2. Other Debts	111060376	91730966
<b>TOTAL</b>	<b>115166347</b>	<b>96767405</b>

NOTE 14 CASH & CASH EQUIVALENTS	CURRENT YEAR	PREVIOUS YEAR
1. Cash in Hand	97176	898419
2. Balance with Scheduled Banks		
A) Current Accounts	270854	551529
B) Fixed Deposits maturing within 12 Months (the above Fixed Deposits are provided as security as margin money against borrowings, guarantee, and other commitments)	4493958	5327088
C) Interest accrued on Fixed Deposits	278866	187024
<b>TOTAL</b>	<b>5140854</b>	<b>6964060</b>

NOTE 15 SHORT TERM LOANS & ADVANCES	CURRENT YEAR	PREVIOUS YEAR
(Unsecured but considered good)		
1. Advances recoverable in cash or in kind or for value to be received	1825489	2596275
2. Advance to Material suppliers	1233915	1006463
<b>TOTAL</b>	<b>3059404</b>	<b>3602738</b>

NOTE 16	OTHER CURRENT ASSETS	CURRENT YEAR	PREVIOUS YEAR
		Amount in Rs.	Amount in Rs.
1.	Advance Income Tax	985420	1183384
2.	Recoverable from Government agencies	4491325	7199792
3.	Interest Accrued but not Received	132768	73443
	<b>TOTAL</b>	<b>5609513</b>	<b>8456619</b>

NOTE 17	REVENUE FROM OPERATIONS	CURRENT YEAR	PREVIOUS YEAR
1.	<b>Sale of Product</b>		
	Gross Sales	746823531	755590943
2.	<b>Sale of Services</b>		
	Conversion/Job Work Charges	801979	5280791
		747625510	760871734
	<b>Less: Excise Duty/ Service Tax</b>	80164485	77594120
	<b>TOTAL</b>	<b>667461025</b>	<b>683277614</b>

NOTE 18	OTHER INCOME	CURRENT YEAR	PREVIOUS YEAR
1.	<b>Interest Income</b>		
	Interest Received on FDRs	579649	356141
	Interest Received - Others	729036	1254487
2.	<b>Other non-operative Income</b>		
	Miscellaneous Income	899740	207220877
	<b>TOTAL</b>	<b>2208425</b>	<b>22331505</b>

NOTE 19	COST OF RAW MATERIAL CONSUMED	CURRENT YEAR	PREVIOUS YEAR
	Opening Stock of Raw Materials	17223706	34772362
	Purchases during the year	357760969	379251838
		374984675	414024200
	Less : Closing Stock	14702378	17223706
	<b>TOTAL</b>	<b>360282297</b>	<b>396800494</b>

NOTE 20 CHANGES IN FINISHED & SEMI-FINISHED STOCK		CURRENT YEAR	PREVIOUS YEAR
		Amount in Rs.	Amount in Rs.
<b>Opening Stock</b>			
Work In Progress		202837547	165976055
FG. Stock		11030026	13847500
Scrap		373811	272093
	<b>TOTAL 'A'</b>	<b>214241384</b>	<b>180095648</b>
<b>Closing Stock</b>			
Work In Progress		219726227	202837547
FG. Stock		11642403	11030026
Scrap		862321	373811
	<b>TOTAL 'B'</b>	<b>232230951</b>	<b>214241384</b>
	<b>TOTAL ( A - B )</b>	<b>-17989567</b>	<b>-34145736</b>

NOTE 21 EMPLOYEE BENEFIT EXPENSES		CURRENT YEAR	PREVIOUS YEAR
1.	Remuneration to Directors	4800000	3600000
2.	Salaries & Wages	75178718	71751165
3.	Bonus	4937773	1646120
4.	Provident Fund- Directors	21600	16500
5.	Provident Fund & Others	3278225	3240927
6.	Staff & Labour Welfare	2714882	2716412
7.	Medical Expenses	54976	69933
	<b>TOTAL</b>	<b>90986174</b>	<b>83041057</b>

NOTE 22 FINANCE COSTS		CURRENT YEAR	PREVIOUS YEAR
1.	<b>Interest Expense</b>		
	A) Interest on Working Capital Loan	27074269	26947576
	B) Interest on Term Loans	10819830	14306094
	C) Interest Others	319679	281829
2	<b>Other Expenses</b>		
	A) Bank Charges	2124760	2561103
	<b>TOTAL</b>	<b>40338538</b>	<b>44096602</b>

NOTE 23 OTHER EXPENSES		CURRENT YEAR	PREVIOUS YEAR
		Amount in Rs.	Amount in Rs.
<b>1. Manufacturing Expenses</b>			
A) Power & Fuel		44623530	47898071
B) Tools & Dies Consumed		4920400	4920000
C) Stores & Consumables		76426425	90164046
D) Production/Job Work Expenses		9745625	10871293
E) Repair & Maintenance Machinery		6677276	5213114
F) Excise Duty on Finished Stock		122321	0
<b>Total A</b>		<b>142515577</b>	<b>159066524</b>
<b>2. Selling Expenses</b>			
A) Freight & Forwarding		4233206	4760244
B) Business Promotion		1061597	941892
C) Rebates & Discounts		9121538	10109940
D) R & M Vehicles (LCV)		2839712	2934599
E) LD Charges		691131	2253919
<b>Total B</b>		<b>17947184</b>	<b>21000594</b>
<b>3. Administrative &amp; Other Expenses</b>			
A) Travelling & Conveyance			
i) Directors		665437	415460
ii) Others		881307	875821
B) Professional Expenses		543175	832723
C) Telephone & Postage		506592	589333
D) Printing & Stationary		402080	419743
E) Running & Maintenance-Vehicles		1017848	1088144
F) Miscellaneous Expenses		126792	180573
G) R & M - General		182884	308141
H) R & M - Building		853934	177368
I) Subscription & Membership Fee		26440	23596
J) Rates, Fee & Taxes		538261	340143
K) Insurance		873795	767015
L) Auditors' Remuneration			
i) Audit Fee		70000	70000
ii) Tax Audit Fee		10000	10000
iii) Tax Matters Fee		30000	30000
iv) Certification work Fee		6000	6000
M) Advertisement		71600	41904
N) Rent		3497120	3479200
O) Board Meeting Fees		152500	197500
P) Foreign Exchange Rate Difference		0	57668
<b>Total C</b>		<b>10455765</b>	<b>9910332</b>
<b>Grand Total (A+B+C)</b>		<b>170918526</b>	<b>189977450</b>

NOTE 24 CONTINGENT LIABILITIES		CURRENT YEAR	PREVIOUS YEAR
		Rs. in Lacs	Rs. in Lacs
1.	Claim against company not acknowledged as Debts.	NIL	NIL
2.	Estimated amount of contracts remaining to be executed on capital account.	28.28	17.23
3.	Contingent Liabilities in respect of un-assessed cases of Income Tax, Excise Duty, Sales Tax & Service Tax.	Undeterminable	Undeterminable
4.	Bank Guarantee provided in a sales tax case for which appeal is lying pending before DETC.	0.00	0.75
5.	Excise Duty demand for which appeals are pending before appellent authorities.	1.09	1.09

NOTE 25 REMUNERATION PAID TO WHOLE TIME DIRECTORS		Rs. in Lacs	Rs. in Lacs
Financial Year	Managing Director		
	2015-16	2014-15	
1. Salary	48.00	36.00	
2. Provident Fund	0.22	0.17	
	<b>48.22</b>	<b>36.17</b>	

The Remuneration to Directors is paid in accordance with Part B of Schedule VI of Companies Act, 2013.

#### NOTE 26 RELATED PARTY DISCLOSURES

##### 1. List of Related party and their relationship

###### Associates

Punjab Pre-Stressed Concrete Works Pvt Ltd.  
Jandwani Poly Products Private Ltd.  
Jay Dee Holdings Private Ltd.  
Natrajan Investments & Finance Pvt. Ltd.  
Gee Cee Investments & Finance Pvt. Ltd.  
Alacrity Holdings Private Limited  
R. Kumar Investments & Finance Pvt. Ltd.

###### Key Management Personnel & Their Relatives

Mr. Rakesh M. Kumar, Managing Director  
Mrs. Bindu Chowdhary, Director  
Mrs. Ritu Joshi, Director  
Mr. Sandeep Kumar, Company Secretary

**2. Details of Related Party Transactions**

(Rs. in Lacs)

Name of the Party		Jandwani Poly Products Pvt. Ltd.	Mr. Rakesh M. Kumar	Mrs. Bindu Chowdhary
Loan A/C	Opening Balance	91.54 (81.04)	25.17 (15.17)	46.41 (46.41)
	Received during the year	9.40 (25.50)	0.00 (21.80)	- 0.00
	Paid during the year	0.00 (15.00)	0.00 (11.80)	(-) (-)
	Interest Credited	- (-)	- (-)	- (-)
	Closing Balance	100.94 (91.54)	25.17 (25.17)	46.41 (46.41)
	Rent Paid	37.58 (37.08)	- (-)	- (-)

\*Remuneration to Directors (Key Management Personnel) are given in Note No. 25.

\*Figures in brackets relate to Previous Year.

**NOTE 27 EARNING PER SHARE**

The Company has calculated earning per share in accordance with Accounting Standard 20 'Earning Per Share' issued by the Institute of Chartered Accountants of India and accordingly the net Profit of Rs. 29.76 Lacs (10.08 Lacs) is divided by weighted average number of 50 Lacs (50 Lacs) equity shares for calculating Basic Earning Per Share and Diluted Earning Per Share.

**NOTE 28 NOTE REGARDING PAYABLES & RECEIVABLES**

Balance of certain sundry debtors, loans & advances (including capital advances), creditors and other liabilities are in process of confirmation/reconcilliation. The management is of the opinion that adjustment, if any, arising out of such reconcilliation would not be material.

**NOTE 29 VALUATION OF CURRENT ASSETS & CURRENT LIABILITIES**

In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated if realised in the ordinary course of business. The provision for known liabilities is adequate and not in excess of amount reasonable and necessary.

**NOTE 30 MICRO SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006**

The company is purchasing material generally from traders, medium & large scale industry. The company has asked information regarding their registration status under Micro Small & Medium Enterprises Development Act 2006. In the absence of any intimation received from suppliers, the company is unable to give information relating to amounts unpaid as at the year end together with the interest paid/payable as required under the said Act.

**NOTE 31 CALCULATION OF GRATUITY**

The Gratuity liability is provided for on the basis of an actuarial valuation made at the end of the financial year. The gratuity scheme is funded with the Life Insurance Corporation of India in the form of group gratuity insurance policy. The same is in compliance with Accounting Standard 15 'Employee Benefits'.

**NOTE 32 SEGMENT REPORTING AS PER ACCOUNTING STANDARD 17**

The company operates only in the manufacturing of Closed Die Steel Forgings and therefore there are no reportable Segments as per Accounting Standard 17 'Segment Reporting' issued by The Institute of Chartered Accountants of India.

<b>NOTE 33 FOREIGN EXCHANGE TRANSACTION</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
	Rs. In Lacs	Rs. In Lacs
1. <b>Value of imports</b> calculated on C.I.F. basis		
A) Components and Spare parts	-	-
B) Capital Goods	-	-
2. <b>Expenditure in Foreign currency</b>		
Director's Travelling Expenses	1.84	0.83
3. <b>Total value of Imported Goods consumed and their percentage</b>		
A) Components and Spare parts	-	-
B) Components and Spare parts percentage	-	-
4. <b>Earnings in Foreign Exchange</b>		
Export of goods calculated on F.O.B. Basis	269.09	312.56

**NOTE 34 OPERATING LEASE DISCLOSURES AS PER AS 19 CURRENT YEAR PREVIOUS YEAR**

The Company has taken Land and office premises under operating lease agreements. These are generally not non-cancelable and are renewable by mutual consent on mutually agreed terms. There is no sublease payments expected to be received under non-cancelable subleases at the balance sheet date and no restrictions is imposed by lease agreements.

	Rs. In Lacs	
<b>Lease payments for the year</b>	34.97	34.79
<b>Total of Future Minimum Lease Payments under non cancelable operating lease:</b>		
Payable within 1 Year	33.68	34.97
Latter than 1 year but not latter than 5 years	165.00	165.68
Latter than 5 years	330.00	330.00

**NOTE 35 RESTATEMENT OF PREVIOUS YEAR FIGURES**

Previous year figures have been regrouped & rearranged wherever it is necessary to make them comparable with those of current year.

(A P S GROVER)  
GM-Finance

(SANDEEP KUMAR)  
Company Secretary

(RAKESH M. KUMAR)  
Managing Director  
DIN 00066497

(BINDU CHOWDHARY)  
Director  
DIN 01154263

AUDITORS' REPORT  
As per our separate report of even date.  
FOR JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regd No.:001361N)

PLACE : CHANDIGARH  
DATED : 12-08-2016

(KRISHAN MANGAWA)  
PARTNER  
Membership No. 513236



## SAMRAT FORGINGS LIMITED

### REGD. OFFICE:

# 406, FIRST FLOOR, SECTOR 15-A, CHANDIGARH-160015  
CIN: L28910CH1981PLC004522, Phone: 0172-2774555  
Email: info@samratforgings.com, Website: www.samratforgings.com

### PROXY FORM

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

**Folio No(s) /DP ID\*/Client ID\*.....**

**No. of Shares held.....**

I/We.....

of.....being

a Member/Members of **SAMRAT FORGINGS LIMITED** hereby appoint.....

of ..... or failing him.....

of.....as my/our Proxy to attend and vote for me/us on my/our behalf at the 35<sup>th</sup> ANNUAL GENERAL MEETING of the company to be held on Friday, the 30<sup>th</sup> day of September, 2016 at 11:00 AM, at the Registered Office of the Company at # 406, First Floor, Sector 15-A, Chandigarh- 160015 and at any adjournment thereof, in respect of such resolutions as are indicated below:-

#### Resolutions

Ordinary Business	
1	Adoption of Financial Statements for the year ended 31 <sup>st</sup> March, 2016 along with Reports of the Directors and Auditors thereon
2	To reappoint Mrs. Bindu Chowdhary (DIN: 01154263), Director who retires by rotation
3	To appoint auditors and fix their remuneration

Signed on .....day of....., 2016

Signature(s) of the Shareholder(s)

\* To be used for shares held in electronic form

Please  
affix  
Rupee One  
Revenue  
Stamp here

**NOTE:** *The Proxy Form duly completed must be returned so as to reach the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. A Proxy need not be a Member of Company*

#### E-voting particulars

EVSN	User ID	Password
160825011	Please refer Note No. 16 of the Notice	

12/10

12/10/2020

12/10/2020

12

12/10/2020

12/10/2020

12/10/2020

**SAMRAT FORGINGS LIMITED****REGD. OFFICE:**

# 406, FIRST FLOOR, SECTOR 15-A, CHANDIGARH-160015

CIN: L28910CH1981PLC004522, Phone: 0172-2774555

Email: info@samratforgings.com, Website: www.samratforgings.com

**ATTENDANCE SLIP**

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. JOINT SHAREHOLDERS MAY OBTAIN ADDITIONAL ATTENDANCE SLIPS ON REQUEST**

NAME OF THE SHAREHOLDER/PROXY:

Folio No. ....

ADDRESS:

DP ID\* .....

No. of Shares held:

Client ID\* .....

I hereby record my presence at the 35<sup>th</sup> Annual General Meeting of the Company at # 406, First Floor, Sector 15-A, Chandigarh-160 015 on Friday, the 30<sup>th</sup> September, 2016 at 11:00 AM

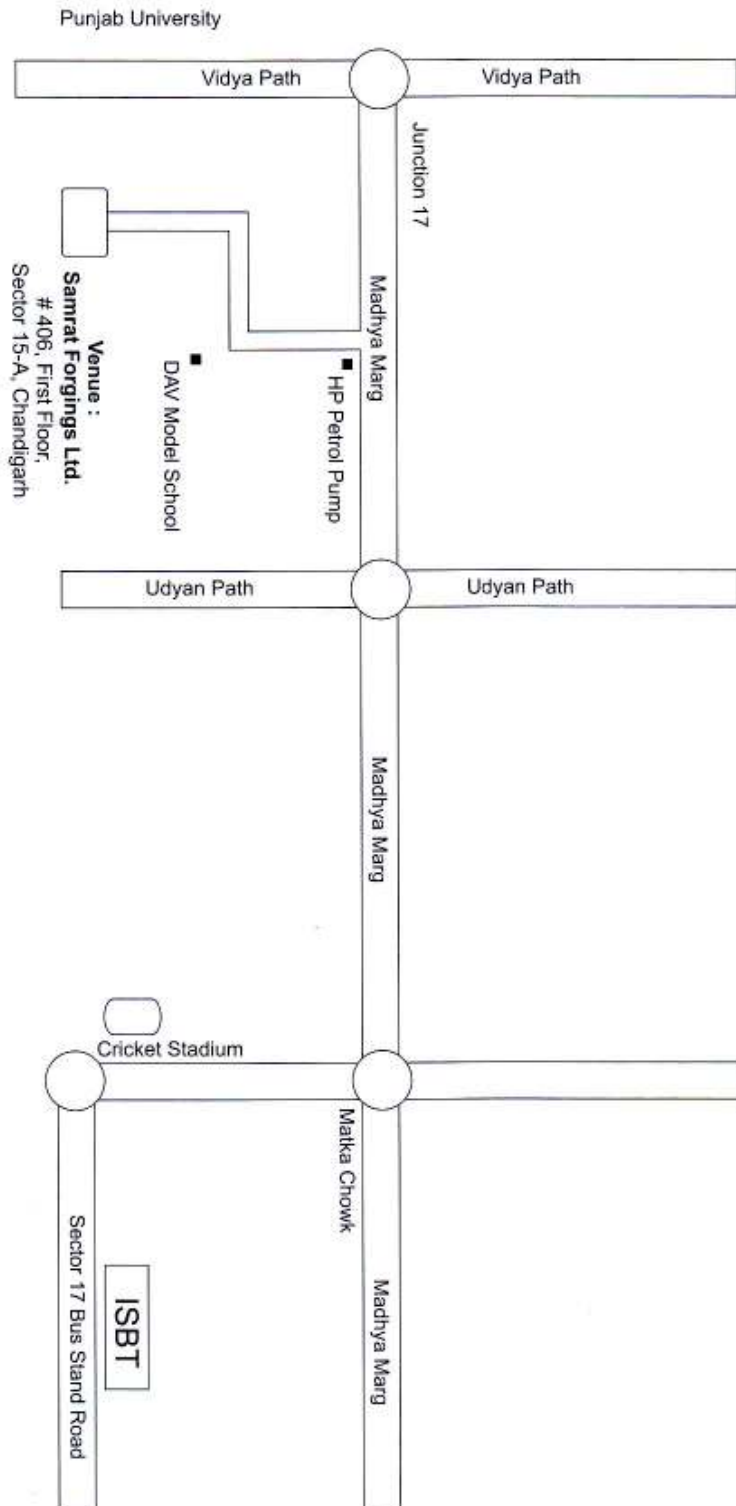
SIGNATURE OF THE SHARE HOLDER / PROXY (To be signed at the time of handing over this slip)

**MEMBER/PROXY HOLDERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT TO THE MEETING**

\* To be used for shares held in electronic form



**Route Map of the Venue of the AGM**  
Venue :  
**# 406, First Floor, Sector 15-A, Chandigarh**



## **Samrat Forgings Limited**

CIN : L28910CH1981PLC004522



REGISTERED OFFICE :

# 406, First Floor, Sector 15-A,  
Chandigarh-160 015

Phone : 0172-2774555

E-mail : [info@samratforgings.com](mailto:info@samratforgings.com)

Website : [www.samratforgings.com](http://www.samratforgings.com)