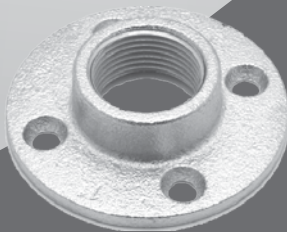
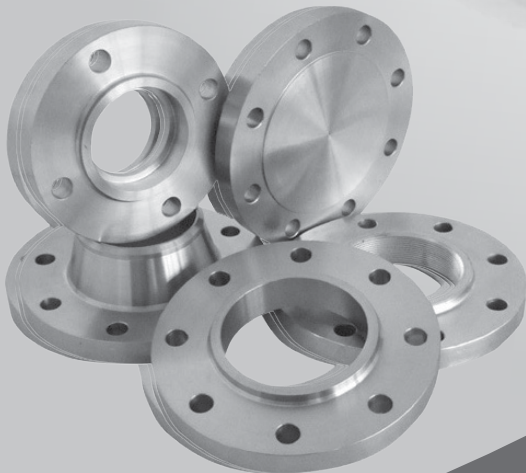
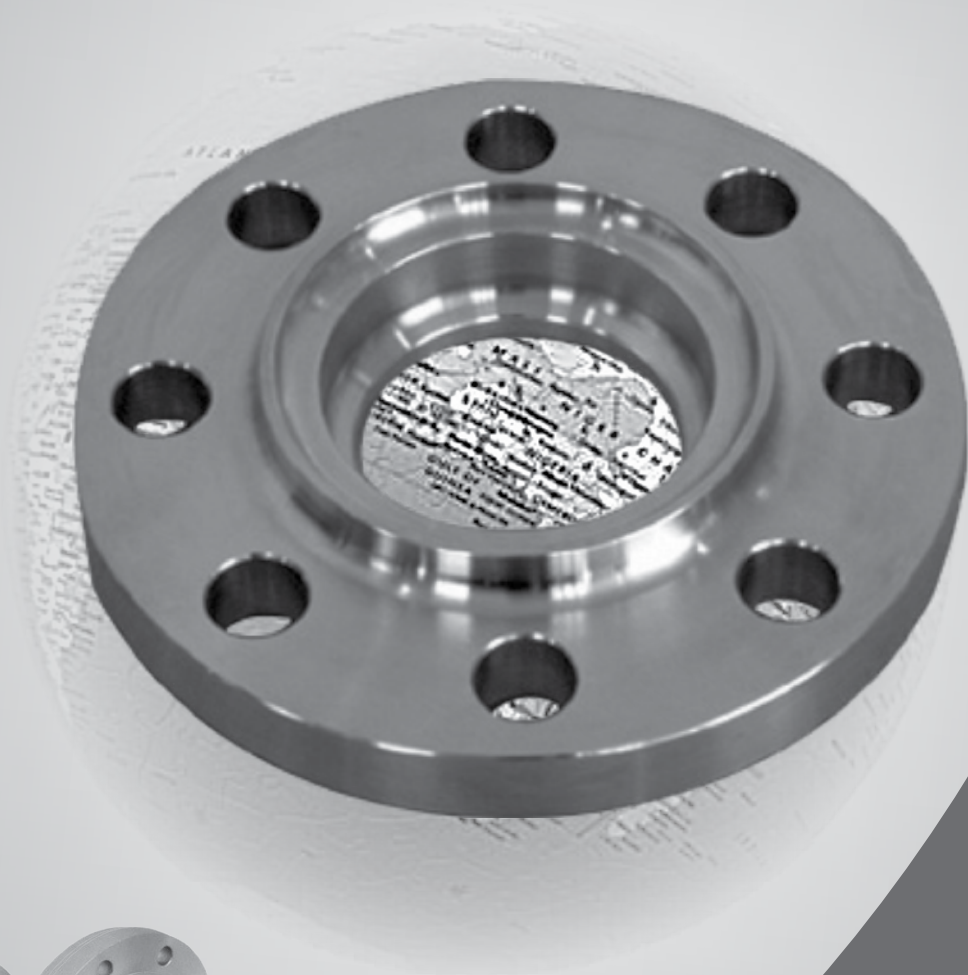




Shree Ganesh Forgings Ltd.



Annual Report 2016



SHREE GANESH FORGINGS LIMITED
43rd ANNUAL REPORT
2015-16

BOARD OF DIRECTOR

Mr. Deepak Balkrishan Sekhri	- Managing Director
Mrs. Anita Deepak Sekhri	- Whole Time Director
Mr. Gain Prakash Singh	- Independent Director

AUDITORS

M/s. Batliboi & Purohit,
Chartered Accountants

REGISTERED OFFICE

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

BANKERS

The HDFC Bank Limited

SHARE TRANSFER AGENT

M/s Bigshare Services Private Limited,
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka Andheri- East
Mumbai-400072.



SHREE GANESH FORGINGS LIMITED

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

NOTICE

Notice is hereby given that the 43rd Annual General Meeting of the shareholders of M/s Shree Ganesh Forgings Limited shall be held on Monday, 12th day of September, 2016 at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai-400001 at 3.30 PM at to transact the following business as:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the year ended March 31, 2016 together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Anita Deepak Sekhri (DIN: 00054725) who retires by rotation and being eligible, seeks re - appointment.
3. 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(2) and 142(1) of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Batliboi & Purohit (Firm Registration No.101048W), Chartered Accountants, be and is hereby reappointed as Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of Forty Fourth Annual General Meeting of the Company to be held in the year 2017, at such remuneration plus service tax, out of pocket ,travelling expenses, etc. as may be mutually agreed between the Board of Directors of the Company and Auditor.”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification(s) the following Resolution as **Ordinary Resolution**:-
“**RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) (subject to any modification and re-enactment thereof) and Regulation 23of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the consent, sanction, permission or approval as the case may be of the members of the company be and is hereby given to the Board of Directors to enter into a contract(s)/ arrangement (s)/ transaction(s) with M/s Namha Metals Limited, M/s Dean Akshatt Exim Private Limited, M/s Anglo Piping International Private Limited and Namha Euro Enterprises, related parties within the meaning of the aforesaid law, on such terms and conditions as may be mutually agreed upon, upto a maximum amount of Rs. 25 crores from the financial year 2015-2016 and onward and includes the transactions carried with its related parties during the previous financial year.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution; sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as maybe necessary or in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings in this regard.
RESOLVED FURTHER THAT the board of directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this Resolution.”

Place:Mumbai
Date:13/08/2016

By Order Of The Board Of Directors
FOR **SHREE GANESH FORGINGS LIMITED**

DEEPAK BALKRISHAN SEKHRI
CHAIRMAN
DIN NO. 00054671



Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE THIRTY FIFTH ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
2. A Person Act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total shares capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the meeting.
3. If a Person is appointed as Proxy for more than 50 Members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the Meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.
4. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but shall not have a right to vote.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 10thSeptember 2016 to Monday, 12thSeptember 2016 (both days inclusive) for the purpose of Annual General Meeting.
6. Duly executed and stamped transfer deeds, along with the share certificates, should be submitted to the Company's Registrar and Share Transfer Agents before the closure of the Register of Members for registration.
7. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
8. Members holding shares in physical form and wishing to make / change in a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company.
9. The Company has entered into necessary arrangement with Central Depository Services (India) Limited (CDSL) to enable the Shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant.
10. Electronic copy of the Annual Report, Notice of the Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
11. In view of Go Green initiative being undertaken by the Company, Members who have not yet registered their e-mail address so far are requested to register/update their e-mail addresses with the Company's RTA or with the Company. Shareholders holding shares in dematerialized form are requested to register their e-mail addresses and changes therein with the concerned Depositories through their Depository Participant.
12. Members are requested to bring their copy of Annual Report to the Meeting. A member desirous of getting any information with regard to Accounts of the Company is requested to send the queries to the Company at least 10 days before the meeting to the Company Secretary at the Registered Office of the Company.
13. Members are requested to mention their Folio Number/ Client ID/DP ID Number (in case of shares held in dematerialized form) | all their correspondence with the Company / Depository Participant in order to facilitate response to their queries promptly.
14. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission at the entrance to the place of the meeting.
15. Members who are holding shares of the Company in physical form through multiple folios in identical order of names are requested to write to the Company, enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.
16. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote, whether in person or by proxy.
17. Pursuant to the provisions of section 205A of the Companies Act, 1956 as amended, dividend for the Financial year 2005-06 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of 7 years are transferring to IEPF Account.



18. **Members are requested to contact the Company’s RTA for reply to their queries/redressal of complaints.**

BIGSHARE SERVICES PRIVATE LIMITED

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

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

Name	Ms. Anita Sekhri
Date of Birth	28.01.1958
Directors Identification Number (DIN)	00054725
Age	58
Qualification	B.A
Expertise in Specific Area	Entrepreneur having more than two decades experience in material Management.
Date of first Appointment on board of the Company	02.06.1993
Shareholding in SHREE GANESH FORGINGS LIMITED	7.34%
List of Directorship held in other companies	Synergy papers Pvt. Ltd Dean Akshatt Exim Pvt. Ltd. Namha Metals Limited Mouse Metal Trading Co. Pvt. Ltd.
Membership/Chairmanships of Audit and stakeholders relationship committees	Audit Committee Nomination & Remuneration Committee stakeholders relationship committees

20. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder will be available for inspection by the members at the Meeting.
21. The relevant documents referred to in this Notice and Explanatory Statement are open for inspection at the Meeting and such documents will also be available for inspection in physical or in electronic form at the registered office and copies thereof shall also be available for inspection in physical or electronic form at the registered office from the date of dispatch of the Notice till the date of the Meeting on all working days, from 10 A.M TO 12 P.M., except Saturdays.
22. Voting through electronic means:
- I. In Compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Amendment Rules, 2015(‘Amendment Rules’) and the regulation 44 of SEBI Listing Regulations, 2015, and Secretarial Standard, on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 43rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India)Limited (CDSL).

voting process in a fair and transparent manner

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Friday, 09th September, 2016 (9.00 A.M. IST) and ends on Sunday, 11th September, 2016 (5.00 P.M. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) on Monday, 05th September 2016 may cast their vote electronically.
The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. **For CDSL: 16 digits beneficiary ID,**
 - b. For NSDL: 8 Character DP ID followed by 8 Digits ClientID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.



- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

For Members holding shares in Demat Form and Physical Form	
PAN	<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"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<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"> • 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).

- (viii) If you are a first time user follow the steps given below:
- (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 <SHREE GANESH 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF COMPANIES ACT, 2013

The Company in its ordinary course of business and/or on arm's length basis trade in the various products from different customers in India and outside India. Given that M/s Namha Metals Limited, M/s Dean Akshatt Exim Private Limited and M/s Anglo Piping International



Private Limited are in the similar line of business, the Company also carries some transactions with these companies. The transactions from these companies are dependent on the requirement of the Company for its products from time to time and the ability of supply of specified material by these companies. During the course of its business the Company also sells its products to these companies.

The Company has noted that M/s Namha Metals Limited, M/s Dean Akshatt Exim Private Limited, M/s Anglo Piping International Private Limited and Namah Euro Enterprises, fall under the category of a related party of the Company in terms of the provisions of the revised Guidelines of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The provisions of the LODR Guidelines consider a transaction with a related party material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company. Further, the Listing Agreement requires all material related party transactions to be approved by the shareholders through a Ordinary resolution and the related parties shall abstain from voting on such resolutions.

The Company envisages that the transaction(s) entered into with related parties whether individually and/or in aggregate may exceed the stipulated threshold of ten percent of the annual consolidated turnover of the Company as per the last audited and financial statements of the Company during a financial year of the Company. The Company therefore requires approval of the shareholders through a ordinary resolution for entering into contract(s)/ arrangement (s)/ transaction(s) with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 upto a maximum amount as mentioned in the respective resolutions from the financial year 2015-2016 and onward and includes the transactions carried with its related parties during the previous financial year.

All related parties shall abstain from voting on these resolutions.

The disclosures required to be provided under the provisions of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 The particulars of the transaction which is proposed to be entered into by the Company , are provided n brief, herein below:-

S. No.	Particulars	Details
1	Name of Related Party	1. Namha Metals Limited, 2. Dean Akshatt Exim Private Limited 3. Anglo Piping International Private Limited 4. Namah Euro Enterprise
2	Name of Director of Key Managerial Personnel who is related	Mrs. Anita Deepak Sekhri Mr. Deepak Sekhri
3	Nature of Relationship	Director and Relatives
4	Monetary Value	₹25 Crore
5	Material Terms and other relevant information	Purchase of material by the Company from and the sale of Company's product(s) to these companies are dependent on the requirement of the Company for its products from time to time and ability of supply of specified material by these companies.
6	Any advance paid or received for the arrangement ,If any.	As per industry norms, custom and uses

The Audit committee and the Board of the Directors of the Company have considered these proposed arrangements and limits at their meeting held on 25th May, 2016 and have approved the proposed arrangements with the Related Party(ies) and have also decided to seek approval of shareholders by way of ordinary resolution pursuant to section 188 of the Companies Act 2013 read with the Companies (Meeting of Board and its Powers) Rules , 2014 and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Mr. Deepak Sekhri, Managing Director, Ms. Anita Sekhri, Whole Time Director and their relatives who directly hold in aggregate 7165340 equity shares of the Company are concerned or interested in the ordinary resolutions at Item No. 4.

None of the other Directors and Key Managerial Personnel or their relatives is in any way concerned or interested in the resolution. The Board of Directors recommends the above ordinary resolutions for your approval.

Place: Mumbai

Date:13/08/2016

**By Order Of The Board Of Directors
FOR SHREE GANESH FORGINGS LIMITED**

DEEPAK BALKRISHAN SEKHRI
CHAIRMAN
DIN NO. 00054671

**DIRECTORS' REPORT TO THE MEMBERS**

To,
The Members

Your Directors have pleasure in presenting the Forty Third Annual Report along with the Audited Financial statements of the Company for the financial year ended 31st March, 2016.

FINANCIAL RESULTS:

Particulars	For the Year ended on 31.03.2016	For the Year ended on 31.03.2015
Total Income	3295412	6114058
Total Expenditure	100074889	69739161
Profit/(Loss) before taxation	(84968144)	(55260846)
Provision for Tax	-	-
Profit/(Loss) after Taxation	(84968144)	(55260846)

During the year, the company has net loss of `8,49,68,144/- (Previous Year loss of `5,52,60,846/-).

BUSINESS OUTLOOK:

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

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

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

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

We are pleased to inform you that we have been able to settle and have an agreement with two Banks i.e State Bank of Patiala with Invent assets reconstruction and securitization pvt. ltd. and State Bank of Hyderabad with Asrec (India) Ltd.

We are also trying to have negotiation with State Bank of India and Bank of Maharashtra, we definitely hope that we would be successful

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

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

The Company has now received an order dated 27th January, 2016 by the Board of Industrial and Financial Reconstruction (BIFR) declaring a Company as a Sick Company.

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

For the financial year ended 31st March, 2016, the Company has incurred loss therefore no amount is transferred to General Reserve Account.

DIVIDEND:

In view of past losses, Directors did not recommend any dividend for the equity shareholders for the financial year 2015-16.

DEPOSITS:

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Particulars of Loans, Guarantees or Investments under Section 186 of Companies Act, 2013, are given in the notes forming part of Financial Statements for the year ended 31st March, 2016.

SHARE CAPITAL:

Presently, the Paid up Share Capital of the Company ₹12,50,04,740/- divided in to 12500474 equity Shares of ₹10/- each.

SUBSIDIARY COMPANIES:

The Company has one subsidiary viz. SGFL International BV.

Pursuant to the requirements of 34 of the SEBI LODR Guidelines, the details of Investments made in subsidiary joint venture company have been furnished in Notes forming part of the Accounts.

The statement containing the salient features of the Financial Statement of the Company's pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 has been annexed in the prescribed form AOC-1 (Annexure A).

The subsidiary was constrained to sell off its investments in view of the fall in global demand and due to serious operational problems. The consolidated financial statements of the Company and its subsidiary forms part of the Annual Report.

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

In accordance with the provisions of the Companies Act, 2013, Mrs. Anita Sekhri, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment.

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



CORPORATE GOVERNANCE:

Your Company complies with the provisions laid down in Corporate Governance laws to the extent possible. It believes in and practices good corporate governance. The Company maintains transparency and also enhances corporate accountability. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges and Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, the following forms part of this Annual Report:

- i. Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel;
- ii. Management Discussion and Analysis;
- iii. Report on the Corporate Governance; and
Auditors' Certificate regarding compliance of conditions of Corporate Governance.

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

During the year the Company has received an Order from Board for Industrial and Financial Reconstruction dated 27th January, 2016 taken reference of our company as sick company under section 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985.

Further, no material changes and commitments have occurred subsequent to the close of FY 2015-16 till date of this report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

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

(a) Conservation of energy measures taken:

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

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

Impact:

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

(b) Technology absorption measures:

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

**(c) Foreign Exchange Earnings and Outgo**

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

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The Company does not have any employees drawing remuneration in excess of the limits specified in Section 197(12) read with Rule 5 of (Appointment and remuneration of managerial Personnel) Rules, 2014.

RATIO OF REMUNERATION OF EACH DIRECTOR

The information required pursuant to Section 197 read with Rule 5(1)(i) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company, as the Company has not paid any remuneration to the Managerial Personnel during the year 31st March, 2016.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

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

RISK POLICY:

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

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

DIRECTORS:

Changes in Board constitution, Directors & Key Managerial Personnel:

In accordance with the provisions of the Companies Act, 2013, Mrs. Anita Deepak Sekhri, (DIN No. 00054725) retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment.

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

Board Meetings

The Board of Directors of your Company met 7(Seven) Times during the year to carry the various matters. The Meetings were convened on 05th June, 2015, 30th July, 2015, 25th Aug, 2015, 9th Nov, 2015, 20th Jan, 2016, 27th Jan, 2016, 22nd Mar, 2016 and further details of which are given in the Corporate Governance Report forming part of this Annual Report.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations pursuant to Section 149(7) from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchange.

BOARD EVALUATION:

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

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

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

NOMINATION AND REMUNERATION COMMITTEE:

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

KEY MANAGERIAL PERSONNEL:

Pursuant to the provision of Section 203 of the Act, the key managerial personnel of the Company are Mr. Deepak Balkrishan Sekhri, Managing Director and Mr. Pronab Kumar Chakravarty, Chief Financial Officer. During the year Mr. Pronab Kumar Chakravarty is appointed as CFO.

AUDIT COMMITTEE:

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

VIGIL MECHANISM:

The Company has a vigil mechanism in terms of Section 177 of



the Companies Act, 2013 and revised Clause 49 of the Listing Agreement to deal with instance of fraud and mismanagement, if any, and to report concerns about unethical behavior, wrongful conduct and violation of the Company's code of conduct or ethics policy.

AUDITORS:

At the Annual General Meeting held on 22nd December, 2014, M/s. Batliboi & Purohit, Chartered Accountants, were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the financial year 2016. The term of appointment of the auditors is expiring at the conclusion of the ensuing Annual General Meeting. Accordingly, the appointment of M/s. Batliboi & Purohit, Chartered Accountants, as statutory auditors of the Company, is placed for re-appointment for further term of 1 year from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. In this regard, the Company has received a certificate from the auditors to the effect that if their re-appointment is confirmed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

STATUTORY AUDITORS' OBSERVATIONS & COMMENTS FROM BOARD:

1. Remark:- The company has defaulted in payment of statutory dues and the company has defaulted in repayment of interest and loans borrowed from banks.
2. Remark:- Bank balance confirmations have not been provided to us during the audit and hence we are not able to comment on the actual balances and the consequent impact on the loss and reserves of the Company.
3. Remark:- The company was not able to produce the fixed deposit receipts which casts an uncertainty to its right. We are thus not able to comment on the actual balances.
4. Remark:- The Company has failed to provide the necessary information and data and has not disclosed the impact of pending litigations as on March 31, 2016 on its financial position in its financial statements.

Comment for 1 and 4: The Company being a sick company and due to financial constraints, could not retain the experienced staff and higher qualified staff. However management is taking all necessary steps to revive the company and to provide all possible information and documents to the auditors with the existing setup.

Comment for 2 and 3 : The Company is under DRT and thus banks are not providing the company the statement of accounts.

5. Remark:- There has been a reduction in the value of investment in Shree Ganesh Forgings Limited due to erosion in the net worth of Shree Ganesh Forgings International Limited (wholly owned subsidiary). The investment should be valued as per AS13 on valuation of investment which states that in case of permanent diminution in the value of investment a provision for reduction in value should be provided which has not been complied by the Company. The management has valued investment at cost.

Comment: The Board will take necessary advice from the auditor and make suitable provisions and changes.

6. Remark:- The Company has accumulated losses and its

net worth has substantially eroded.

Comment:- The Company was registered as sick company under the provisions of Sick Industrial and Companies (special provisions) Act, 1985 with the board for Industrial and Financial Reconstruction (BIFR) on 27th January, 2016. The Management is putting its best efforts for its revival.

7. Remark:- The Company has Unpaid/ Unclaimed Dividend and Share Application Money of Rs. 183957 and 154786 respectively for more than 8 years and which is required to be transferred to IEPF Account.

Comment: Due to financial constraints, management is unable to do the compliance.

8. Remark:- The Company is not regular in depositing undisputed statutory dues

Comments: Due to financial constraints, management is unable to pay the dues in time.

SECRETARIAL AUDITORS:

In terms of the provisions of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has appointed M/s. Anish Gupta & Associates, Company Secretaries, Mumbai as Secretarial Auditor for conducting Secretarial Audit of your Company for the financial year 31.3.2016. The report of the Secretarial Auditor is annexed herewith as "Annexure B"

SECRETARIAL AUDITORS' OBSERVATIONS & COMMENTS FROM BOARD:

- a) The Company has not appointed Company Secretary as KMP as required under section 203 of Companies Act, 2013 and Compliance Officer as required under regulation 6 of SEBI (LODR) Regulations 2015:- The Company is looking for a suitable candidate for the same, but being a sick company and due to weak financial problem, no candidate is willing to join the company.
- b) The Company has not updated its website and uploaded the documents and information as required under the Companies Act 2013 and Regulation 46 of SEBI (LODR) Regulations 2015:- Due to financial problems, it is unable to continue the services of consultant to update the website.
- c) The company has not adopted and disclosed the audited financial results within 60 day as per Clause 41 of Listing Guidelines for the financial year 31.3.2015:- Due to non-availability of professional staff the Company could not approve the audited results in the prescribed time limit.
- d) The Company has not appointed Internal Auditor during the period under review:- Being a sick company, it is unable to appoint internal auditor.
- e) The Constitution of the Nomination & Remuneration Committee is not in accordance with section 178 of Companies Act 2013 and Regulation 19 of SEBI (LODR) Regulations 2015:- since the Company is sick company no one is interested to be an Independent Director.
- f) There is delay and non-submission in filing the forms and returns during the period under review including the filing of balance sheet:- The Company will ensure the compliances.



- g) The Company has Unpaid/ Unclaimed Dividend and Share Application Money of Rs. 183957 and 154786 respectively for more than 7 years and which is required to be transferred to IEPF Account, which is yet to be complied with:- Due to financial problem, the company is unable to transfer the funds.
- h) The Company has not paid statutory dues such as PF, herefore, violation of Industrial Law:- The Company has a financial crunch therefore we are not in position to clear statutory dues.
- i) The company has defaulted in payment of statutory dues and the company has defaulted in repayment of interest and loans borrowed from banks:- The Company has a financial crunch therefore we are not in position to clear statutory dues.

thanks to the Members of the Company, Bankers, Staff and workers at all levels for their continuous co-operation and assistance.

Place: Mumbai
Date:13.08.2016

**By Order of the Board of Directors
For Shree Ganesh Forgings Limited
Mr. Deepak B. Sekhri
Chairman
Din No. 00054671**

EXTRACT OF ANNUAL RETURN:

In terms of the provisions of Section 92 (3) of the Act read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of your Company for the financial year ended 31st March, 2016 is given in Annexure C.

OTHER DICLOSURES:

- There were no material changes and commitments affecting the financial position of your Company between end of the financial year and the date of this report.
- Your Company has not issued any shares with differential voting.
- There was no revision in the financial statements.
- Your Company has not issued any sweat equity shares.
- During the year your Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

The compliance regarding Disclosures under Section 22 of Sexual Harassment of Women at Work (Prevention, Prohibition and Redressal) Act does not apply to the Company. However the Company is committed to provide a safe & conducive work environment to its employees. At present the company has no female staff.

PREVENTION OF INSIDER TRADING:

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

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

APPRECIATIONS:

Your Company and its Directors wish to extend their sincerest



ANNEXURE-1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Euro.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	SGFL International B V
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2015– 2016
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Euro
4.	Share capital	18000
5.	Reserves & surplus- share premium	1,029,227
6.	Other Reserves	-970,951
7.	Total assets	33,267
8.	Total Liabilities	0
9.	Investments	0
10.	Turnover	0
11.	Profit before taxation	-43009
12.	Provision for taxation	0
13.	Profit after taxation	-43009
14.	Proposed Dividend	0
15.	% of shareholding	100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

The Company has no other associate or joint venture companies.

Place: Mumbai
Date: 13.8.2016

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

DEEPAK SEKHRI
CHAIRMAN
DIN NO. 00054671



ANNEXURE B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

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

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shree Ganesh Forgings Limited (herein after called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 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:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder by the Depositories with regard to dematerialization/ rematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (No Transactions during the period under review);
- (v) The following Regulations and Guidelines, to the extent applicable, prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(Not applicable to the Company during the Audit Period);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; ;(Not applicable to the Company during the Audit Period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009;(Not applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities), Regulation, 2008; ;(Not applicable to the Company during the Audit Period);
- (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;

(vi) Other Laws applicable specifically to the Company:

During the year under audit, the company has not carried any operational activities. However the company being an manufacturing unit till few years back, it has all necessary licenses under the factory act to carry on its manufacturing activities. However from last few years the company is not carrying any manufacturing activities, thus the specific acts applicable to the manufacturing unit is not applicable to the company during the year under review.

Further, the number of employees in the company is less than the limit prescribed under the various Industrial Law; hence no industrial or labour law is applicable to the company.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India on meetings of the Board of Directors and General Meeting, notified with effect from July 1, 2015 and it was noted that the Company has complied with the same to the extent possible, however the stricter applicability of the Secretarial Standards is to be observed by the company.
2. Listing Agreements entered into by the Company with the Stock Exchange:



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

- a) The Company has not appointed Company Secretary as KMP as required under section 203 of Companies Act, 2013 and Compliance Officer as required under regulation 6 of SEBI (LODR) Regulations 2015.
- b) The Company has not updated its website and uploaded the documents and information as required under the Companies Act 2013 and Regulation 46 of SEBI (LODR) Regulations 2015.
- c) The company has not adopted and disclosed the audited financial results within 60 day as per Clause 41 of Listing Guidelines for the financial year 31.3.2015.
- d) The Company has not published notices in the newspaper as required under Listing Guidelines and Regulation 47 of SEBI (LODR) Regulations 2015 and as required under section 91 read with Rule 10 of Companies (Management and Administration) Rules, 2014 for closure of Register of Member.
- e) The Company has not appointed Internal Auditor during the period under review.
- f) The Constitution of the Nomination & Remuneration Committee is not in accordance with section 178 of Companies Act 2013 and Regulation 19 of SEBI (LODR) Regulations 2015.
- g) There is delay and non-submission in filing the forms and returns during the period under review including the filing of balance sheet.
- h) Code of Conduct for independent director and meeting at least one meeting in a year not held as per under Schedule IV.
- i) The Company has Unpaid/ Unclaimed Dividend and Share Application Money of Rs. 183957 and 154786 respectively for more than 7 years and which is required to be transferred to IEPF Account,

which is yet to be complied with.

- j) The Company has not paid statutory dues such as PF, therefore, violation of Industrial Law.
- k) The company has defaulted in payment of statutory dues and the company has defaulted in repayment of interest and loans borrowed from banks.

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

We further report that,

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

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

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

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

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

Place: Mumbai
Date: 13.8.2016

**For Anish Gupta & Associates
Company Secretaries**

**Anish Gupta
Proprietor
FCS 5733 / CP No. 4092**



ANNEXURE A

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

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. My responsibility is to express an opinion on those records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices I followed provide a reasonable basis for our opinion.
3. 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's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai

Date: 13.08.2016

**For Anish Gupta & Associates
Company Secretaries**

**Anish Gupta
Proprietor
FCS 5733 / CP No. 4092**



FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L17200MH1972PLC016008
2	Registration No.	16008
3	Name of the Company	Shree Ganesh Forgings Limited
4	Category/Sub-category of the Company	Scrap
5	Address of the Registered office & contact details	412, EMCA House, S.B.S. Road, Fort, Mumbai – 400 001.
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Bigshare Services Private Limited, Add:- E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka Andheri - East Mumbai – 400 072. Phn No.022-40430200

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Steel Scrap	46901	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	SGFL International B V	-	Subsidiary Company	100%	2(87)

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

A) Category-wise Share Holding

Statement Showing Shareholding Pattern										
Category of Shareholder		No. of Shares held at the beginning of the year: 02/04/2015				No. of Shares held at the end of the year : 31/03/2016				
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% Change
(A) Shareholding of Promoter and Promoter Group2										
Indian										
(a)	INDIVIDUAL / HUF									
		0	0	0	0	5802715	1112500	6915215	55.32	55.32
(b)	Central / State government(s)									
		0	0	0	0	0	0	0	0	0
(c)	BODIES CORPORATE									
		0	0	0	0	0	0	0	0	0
(d)	FINANCIAL INSTITUTIONS / BANKS									
		0	0	0	0	0	0	0	0	0
(e)	ANY OTHERS (Specify)									
(i)	GROUP COMPANIES	0	0	0	0	0	250125	250125	2	2



Statement Showing Shareholding Pattern										
Category of Shareholder		No. of Shares held at the beginning of the year: 02/04/2015				No. of Shares held at the end of the year : 31/03/2016				
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% Change
(ii)	TRUSTS	0	0	0	0	0	0	0	0	0
(iii)	DIRECTORS RELATIVES	0	0	0	0	0	0	0	0	0
	SUB TOTAL (A)(1) :	0	0	0	0	5802715	1362625	7165340	57.32	57.32
(a)	BODIES CORPORATE									
		0	0	0	0	0	0	0	0	0
(b)	INDIVIDUAL									
		0	0	0	0	0	0	0	0	0
(c)	INSTITUTIONS									
		0	0	0	0	0	0	0	0	0
(d)	QUALIFIED FOREIGN INVESTOR									
		0	0	0	0	0	0	0	0	0
(e)	ANY OTHERS (Specify)									
		0	0	0	0	0	0	0	0	0
	SUB TOTAL (A)(2) :	0	0	0	0	0	0	0	0	0
	Total holding for promoters									
	(A)=(A)(1) + (A)(2)	0	0	0	0	5802715	1362625	7165340	57.32	57.32
(B)	Public shareholding									
	Institutions									
(a)	Central / State government(s)									
		0	0	0	0	0	0	0	0	0
(b)	FINANCIAL INSTITUTIONS / BANKS									
		0	0	0	0	0	0	0	0	0
(c)	MUTUAL FUNDS / UTI									
		0	0	0	0	0	0	0	0	0
(d)	VENTURE CAPITAL FUNDS									
		0	0	0	0	0	0	0	0	0
(e)	INSURANCE COMPANIES									
		0	0	0	0	0	0	0	0	0
(f)	FII'S									
		0	0	0	0	0	0	0	0	0
(g)	FOREIGN VENTURE CAPITAL INVESTORS									
		0	0	0	0	0	0	0	0	0
(h)	QUALIFIED FOREIGN INVESTOR									
		0	0	0	0	0	0	0	0	0
(i)	ANY OTHERS (Specify)									
		0	0	0	0	0	0	0	0	0
(j)	FOREIGN PORTFOLIO INVESTOR									
		0	0	0	0	0	0	0	0	0



Statement Showing Shareholding Pattern										
Category of Shareholder		No. of Shares held at the beginning of the year: 02/04/2015				No. of Shares held at the end of the year : 31/03/2016				
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% Change
(k)	ALTERNATE INVESTMENT FUND									
		0	0	0	0	0	0	0	0	0
	SUB TOTAL (B)(1) :	0	0	0	0	0	0	0	0	0
	Non-institutions									
(a)	BODIES CORPORATE									
		0	0	0	0	373889	0	373889	2.99	2.99
(b)	INDIVIDUAL									
(i)	(CAPITAL UPTO TO Rs. 1 Lakh)	0	0	0	0	2769710	697	2770407	22.16	22.16
(ii)	(CAPITAL GREATER THAN Rs. 1 Lakh)					2035813	0	2035813	16.29	
(c)	ANY OTHERS (Specify)									
(i)	TRUSTS	0	0	0	0	0	0	0	0	0
(ii)	CLEARING MEMBER	0	0	0	0	15412	0	15412	0.12	0.12
(iii)	NON RESIDENT INDIANS (NRI)	0	0	0	0	139613	0	139613	1.12	1.12
(iv)	DIRECTORS RELATIVES	0	0	0	0	0	0	0	0	0
(v)	EMPLOYEE	0	0	0	0	0	0	0	0	0
(vi)	OVERSEAS BODIES CORPORATES	0	0	0	0	0	0	0	0	0
(vii)	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0	0	0	0	0	0
(d)	QUALIFIED FOREIGN INVESTOR									
		0	0	0	0	0	0	0	0	0
	SUB TOTAL (B)(2) :	0	0	0	0	5334437	697	5335134	42.68	26.39
	Total Public Shareholding									
	(B)=(B)(1) + (B)(2)	0	0	0	0	5334437	697	5335134	42.68	26.39
(C)	Shares held by Custodians and against which Depository Receipts have been issued									
(a)	SHARES HELD BY CUSTODIANS									
		0	0	0	0	0	0	0	0	0
(i)	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(ii)	Public	0	0	0	0	0	0	0	0	0
	SUB TOTAL (C)(1) :	0	0	0	0	0	0	0	0	0
	(C)=(C)(1)		0		0	0	0	0	0	0
	Grand Total (A) + (B) + (C)	0	0	0	0	11137152	1363322	12500474	100	83.71



B. SHAREHOLDING OF PROMOTERS : NO CHANGES

Sr. No	NAME	Shareholding at the beginning of the year 02/04/2015			Shareholding at the end of the year 31/03/2016			
		Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	% Change in shareholding during the year
1	Anita Deepak Sekhri	100000	0.8	0	100000	0.8	0	0
2	M/S Namha Profile Inc	250125	2.0009	0	250125	2.0009	0	0
3	Deepak Balkrishan Sekhri	348720	2.7897	0	348720	2.7897	0	0
4	Anita Deepak Sekhri	817499	6.5397	0	817499	6.5397	0	0
5	NamhaSekhri	840348	6.7225	0	840348	6.7225	0	0
6	Akshatt Deepak Sekhri	1015779	8.1259	0	1015779	8.1259	0	0
7	Deepak SekhriHuf	1112500	8.8997	0	1112500	8.8997	0	0
8	Deepak BalkrishanSekhri	2680369	21.4421	2525072	2680369	21.4421	2525072	0
		7165340	57.3205	2525072	7165340	57.3205	2525072	0

C) Change in Promoters' Shareholding (please specify, if there is no change)- There is no change in shareholdings

Particulars	Share holding at the beginning of the year 02/04/2015		Share holding at the end of the year 31/03/2016	
	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
Promoters	7165340	57.32	7165340	57.32

D) Shareholding Pattern of top ten Shareholders:

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

Sr. No	NAME	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the company
1	VANDANA RAKESH MAHNOT	2,45,440	03-Apr-15	0	Transfer	2,45,440	1.96
		2,45,440	31-Mar-16	0	Transfer	2,45,440	1.96
2	KEWALCHAND JAIN	2,23,150	03-Apr-15	0	Transfer	2,23,150	1.79
		2,23,150	31-Mar-16	0	Transfer	2,23,150	1.79
3	JYOTI PORTFOLIO PRIVATE LIMITED	1,44,992	03-Apr-15	0	Transfer	1,44,992	1.16
			10-Apr-15	-41984	Transfer	1,03,008	0.82
			17-Apr-15	1413	Transfer	1,04,421	0.84
			24-Apr-15	-30	Transfer	1,04,391	0.84
			29-May-15	39769	Transfer	1,44,160	1.15
			16-Oct-15	-1	Transfer	1,44,159	1.15
			23-Oct-15	-50	Transfer	1,44,109	1.15
			30-Oct-15	-700	Transfer	1,43,409	1.15
			06-Nov-15	-4523	Transfer	1,38,886	1.11
			13-Nov-15	-550	Transfer	1,38,336	1.11
			20-Nov-15	-90	Transfer	1,38,246	1.11
			11-Dec-15	-7468	Transfer	1,30,778	1.05
			08-Jan-16	-3500	Transfer	1,27,278	1.02
			29-Jan-16	-215	Transfer	1,27,063	1.02
			18-Mar-16	-1775	Transfer	1,25,288	1
		1,25,288	31-Mar-16	0	Transfer	1,25,288	1
4	RAJESH DOULATRAM BHATIA	0	03-Apr-15	0	Transfer	0	0
			04-Mar-16	112000	Transfer	1,12,000	0.9
		1,12,000	31-Mar-16	0	Transfer	1,12,000	0.9



Sr. No	NAME	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
5	GIRDHARI BHATIA	94,345	03-Apr-15	0	Transfer	94,345	0.75
		94,345	31-Mar-16	0	Transfer	94,345	0.75
6	BINENDRA M	57,529	03-Apr-15	0	Transfer	57,529	0.46
			10-Apr-15	2975	Transfer	60,504	0.48
			17-Apr-15	3500	Transfer	64,004	0.51
			24-Apr-15	1850	Transfer	65,854	0.53
			09-Oct-15	100	Transfer	65,954	0.53
			27-Nov-15	6450	Transfer	72,404	0.58
			04-Dec-15	1000	Transfer	73,404	0.59
			11-Dec-15	9000	Transfer	82,404	0.66
			08-Jan-16	-200	Transfer	82,204	0.66
			29-Jan-16	875	Transfer	83,079	0.66
		83,099	31-Mar-16	0	Transfer	83,099	0.66
			31-Mar-16	20	Transfer	83,099	0.66
7	NARESH DEVAYA	62,000	03-Apr-15	0	Transfer	62,000	0.5
			31-Jul-15	1000	Transfer	63,000	0.5
			21-Aug-15	1005	Transfer	64,005	0.51
			28-Aug-15	1376	Transfer	65,381	0.52
			04-Sep-15	1170	Transfer	66,551	0.53
			11-Sep-15	2000	Transfer	68,551	0.55
			18-Sep-15	1000	Transfer	69,551	0.56
		69,551	31-Mar-16	0	Transfer	69,551	0.56
8	LALIT AMARSHIBHAI SORIA	65,000	03-Apr-15	0	Transfer	65,000	0.52
		65,000	31-Mar-16	0	Transfer	65,000	0.52
9	NINJA SECURTIES PRAVITE LIMITED	58,101	03-Apr-15	0	Transfer	58,101	0.46
			23-Oct-15	750	Transfer	58,851	0.47
			19-Feb-16	-3000	Transfer	55,851	0.45
		55,851	31-Mar-16	0	Transfer	55,851	0.45
10	Ashok Vinayakrao Warade	53,725	03-Apr-15	0	Transfer	53,725	0.43
		53,725	31-Mar-16	0	Transfer	53,725	0.43

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding end of the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Deepak B Sekhri	3029089	24.2%	3029089	24.2%
2	Anita Deepak Sekhri	917499	7.3%	917499	7.3%

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

Secured Loans excluding deposits	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	1377480581	121199.26	2954477.5	1380556257
i) Principal Amount	0	121199.26	2954477.5	3075676.76
ii) Interest due but not paid	0			0
iii) Interest accrued but not due	0			0
Total (i+ii+iii)	1377480581	121199.26	2954477.5	1380556257
Change in Indebtedness during the financial year				0
* Addition	-	49687771.04	0	49687771.04
* Reduction	-	16776	0	16776.00



Secured Loans excluding deposits	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Net Change	0	0	0	0.00
Indebtedness at the end of the financial year	1377480581	49792194	2954477.5	1430227252
i) Principal Amount		0		0
ii) Interest due but not paid	-	0	-	0
iii) Interest accrued but not due	-	0	-	0
Total (i+ii+iii)	1377480581	49792194.3	2954477.5	1430227252

* The Secured borrowings of the Companies are declared NPA by the banks.

G. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

B. Remuneration to other directors: N.A.

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



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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Pronab Kumar			
1	Gross salary	40,0000	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-

H. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Place: Mumbai

Date: 13.8.2016

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

**DEEPAK SEKHRI
CHAIRMAN
DIN NO. 00054671**



MANAGEMENT DISCUSSION & ANALYSIS REPORT

I. Industry Structure, Opportunities and Threats:

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

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

II. Segment-wise or Product-wise performance

During the year company was not in operation

III. Outlook for the Company:

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

IV. Risks and concerns:

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

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

V. Internal Control Systems and their adequacy:

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

VI. Financial and Operating Performance:

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

VII. Human Resources:

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

VIII. Cautionary Statement

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

For Shree Ganesh Forgings Limited

Deepak Sekhri

Chairman

DIN No.00054671

Date: 13.08.2016

Place: Mumbai



REPORT ON CORPORATE GOVERNANCE

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

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

II. BOARD OF DIRECTORS

a) Composition

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

The Board of your company at present consists of 3 directors. The company does not have an optimum combination of Executive and Non-Executive directors, where the company does not have fifty percent of the Board of Directors comprising of Non-Executive and independent directors. The Company has only one Non-Executive director and independent director. The audit committee and Nomination and Remuneration Committee do not have required number of non-executive and independent directors. The company is a Sick and loss making Company, thus no one is willing to join the Board of Directors of the Company.

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

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

Din No.	Name of Directorship	Category -1	Board Meetings during FY 2015-16		Last AGM Attended held on 28.09.2015	No. of outside directorship (s) held -2	No. of outside committee position(s) held -3		Relationship with Director	No. of shares and Convertible instruments held by non-executive director
			Held	Attendance			Public	Chairman		
54671	Mr. Deepak B. Sekhri	P & C	7	7	Yes	-	-	-	Husband of Mrs Anita Sekhri	N.A.
54725	Mrs. Anita D.Sekhri	E.D	7	1	No	1	-	-	Wife of Mr. Deepak Sekhri	N.A.
55331	Mr. Gyan Prakash Singh	I & N.E.D.	7	7	No	-	-	-	Nil	-

b) Board Meetings

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

Sr. No.	Date of Meetings	Board Strength	No. of Directors present
1	05th June, 2015	3	2
2	30th July, 2015	3	2
3	25th Aug, 2015	3	2
4	09th Nov, 2015	3	2
5	20th Jan, 2016	3	2
6	27th Jan, 2016	3	3
7	22nd March, 2016	3	2

**III. AUDIT COMMITTEE:**

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

a) Composition

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement/LODR Guidelines except that the Committee does not have majority of directors as Independent. The Chairman of the audit Committee is a Non-executive and Independent Director. The present composition of the Audit Committee and particulars of meetings attended by them are given below:

Sr. No.	Name of Directorship	Chairman/Member	Category	No. of Meetings during FY 2015-16	
				Held	Attended
1	Gyan Prakash Singh	Chairman	I & N.E.D.	4	4
2	Deepak B. Sekhri	Member	P & C	4	4
3	Anita D. Sekhri	Member	E.D	4	1

During the Financial Year 2015-16, 4 Meetings were held on 5th June, 2015, 30th July, 2015, 9th Nov, 2015, 27th Jan, 2016.

b) Terms of reference:

The terms of reference of the Audit Committee are wide enough to cover the matters specified for Audit Committee under Clause 49 of the Listing Agreements/ LODR Guidelines as well as in Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are broadly as under:

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

c) Review of Information by Audit Committee:

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

IV. NOMINATION AND REMUNERATION COMMITTEE:

During the year no committee meeting took place.

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

- (a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- (b) Formulation of criteria for evaluation of Independent Directors and the Board;
- (c) Devising a policy on Board diversity;
- (d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of



every director's performance.

- (e) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- (f) To perform such other functions as may be necessary or appropriate for the performance of its duties.
- d) Composition:

The composition of the Committee and the details of meeting attended by the members of the Committee are given below:

Sr. No.	Name of Directorship	Chairman/Member	No. of Meetings during FY 2015-16	
			Held	Attended
1	Mr. Gyan Prakash Singh	Chairman	-	-
2	Mr. Deepak B. Sekhri	Member	-	-
3	Mr. Anita D. Sekhri	Member	-	-

V. REMUNERATION TO DIRECTORS

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

- b) Remuneration to Non-Executive Directors:

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

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

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

- c) Remuneration to Executive Directors:

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

- d) Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement and SEBI LODR Guidelines, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Chairman and Managing Director and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

- e) Remuneration Policy:

Service contract, severance fees and notice period:

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

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

- f) ESOP Scheme:

No Stock Options were to any Employee of the Company during the year 2015-16. The Executive and Non-Executive Directors of the Company have not been granted any stock options in terms of the provisions under the SEBI Guidelines/Regulations.

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors of the Company in its meeting held on 02nd June, 2014 changed the nomenclature of "Shareholders'/ Investors' Grievances Committee" to "Stakeholders' Relationship Committee" and also modified its terms of reference to comply with the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement/LODR Guidelines. The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement/ LODR Guidelines.

Terms of Reference:

- (a) Oversee and review all matters connected with the transfer of the Company's securities.
- (b) Monitor redressal of investors' / shareholders' / security holders' grievances.
- (c) Oversee the performance of the Company's Registrar and Transfer Agents.
- (d) Recommend methods to upgrade the standard of services to investors.



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

During the year 2015-16, four meetings of "Stakeholders' Relationship Committee" were held on 5th June, 2015, 30th July, 2015, 9th Nov, 2015, 27th Jan, 2016.

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

Sr. No.	Name of Directorship	Chairman/Member	Category	No. of Meetings during FY 2015-16	
				Held	Attended
1	Mr. Gyan Prakash Singh	Chairman	ID	4	4
2	Mr. Deepak B. Sekhri	Member	P & C	4	4
3	Mr. Anita D. Sekhri	Member	EC	4	1

- (i) Details of Share Holders' Complaints received and redressed during the year 2015-16:

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

- (ii) Investors' Grievance Redressal Cell:

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

VII. General Body Meeting :

F.Y.	Meeting and Venue	Day, Date and Time	Special Resolution Passed
2012-13	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai - 400001	Wednesday, 12th February, 2014 at 2.30 P.M	(i) Re-appointment of Mr. Deepak Sekhri as MD (ii) Re-appointment of Mrs. Anita Sekhri as Whole time Director
2013-14	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai - 400001	Monday, 22nd December, 2014 at 2. 30 P.M	-
2014-15	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai - 400001	Monday 28th September, 2015 at 3.30 P.M	(i) Alteration of Articles of Association (ii) Appointment of Independent Director

No resolution was passed through Postal Ballot during the Financial Year 2015-16.

The company is considering a proposal to take shareholders' approval by way of special resolution through postal ballot to close its Foreign Subsidiary Company.

VIII. MEANS OF COMMUNICATION:

- Financial Results: The annual, half yearly and quarterly results are submitted to the Stock Exchanges.
- The company does not publish financial result in the news-paper due to financial problem.
- No Press Releases were made by the Company during the period under review.
- No Corporate presentations were made to institutional investors or to analysts during the period under review.

IX. GENERAL SHAREHOLDERS INFORMATION:

- 43rd Annual General Meeting

Day, Date and Time	Monday, 12th Day of September, 2016 at 3.30 P.M.
Venue	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai - 400001
Book Closure	Saturday, September 10, 2016 to Monday, September 12, 2016 (both days inclusive)
Dividend Payment Date	No dividend is declared



b) Financial Calendar

The Company follows the period of 1st April to 31st March, as the Financial Year. For the Financial year 2016-17, Financial Results will be announced as per the following tentative schedule:

Reporting of Un-audited In respect of financial year 2015-2016	
Results for the quarter ending June 30, 2016	On or before 15th August, 2016
Results for the quarter ending September 30 2016	On or before 15th November, 2016
Results for the quarter ending December 31, 2016	On or before 15th February, 2017
Results for the quarter ending March 31, 2017	On or before 15th May ,2017
Annual General Meeting for financial year	On or before 30th September, 2017

c) Dividend Payment Date:- Not Applicable

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

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

e) Market Price Data:

The share price data of the Company from 1st April, 2015 to 31st March, 2016 as compared to BSE Sensex are as follows:

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread	
										H-L	C-O
Apr 15	2.94	3.40	2.53	2.53	25,791	176	76,572	25,791	100.00	0.87	-0.41
May 15	2.65	2.78	1.90	1.90	6,794	83	15,505	6,794	100.00	0.88	-0.75
Jun 15	1.85	1.94	1.56	1.63	2,596	27	4,498	2,596	100.00	0.38	-0.22
Jul 15	1.71	1.79	1.64	1.65	2,220	10	3,817	2,220	100.00	0.15	-0.06
Aug 15	1.65	1.94	1.36	1.85	7,461	41	11,940	7,461	100.00	0.58	0.20
Sep 15	1.94	2.13	1.45	1.45	10,528	39	18,174	10,528	100.00	0.68	-0.49
Oct 15	1.40	2.18	1.34	2.18	29,569	63	47,184	29,569	100.00	0.84	0.78
Nov 15	2.28	2.37	2.06	2.26	14,906	29	31,925	14,906	100.00	0.31	-0.02
Dec 15	2.35	2.46	2.22	2.40	28,053	31	64,599	28,053	100.00	0.24	0.05
Jan 16	2.50	2.70	2.28	2.52	7,813	28	19,486	7,813	100.00	0.42	0.02
Feb 16	2.40	2.40	2.24	2.35	4,200	4	9,873	4,200	100.00	0.16	-0.05
Mar 16	2.40	2.40	1.97	1.97	2,536	13	5,493	2,536	100.00	0.43	-0.43

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

Not Applicable.

g) Registrar to an Issue and Share Transfer Agent

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



h) Share Transfer System

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

i) Distribution of Shareholding as on 31.03.2016

Holding of Nominal Value of Shares	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Up to 5000	3579	74.578	633859	5.0707
5001 to 10000	544	11.3357	467659	3.7411
10001 to 20000	284	5.9179	448080	3.5845
20001 to 30000	125	2.6047	323250	2.5859
30001 to 40000	55	1.1461	194865	1.5589
40001 to 50000	52	1.0836	246581	1.9726
50001 & above	160	3.334	10186180	81.4864
	4799	100.00	12500474	100.00

j) Categories of Shareholders as on 31st March, 2016

Category	No of Shares Held	% of Shares holders	% of Shares Held	No of Shares holders
Promoters Holding	7165340	0.1667	57.3205	8
Individuals / Public/ Other	4806220	97.1036	38.4483	4660
Financial Institutions/Banks				
Mutual Funds/UTI				
NRIs / OCBs/QFI	139613	0.5835	1.1169	28
FIIS				
Domestic Companies/Bodies Corporate	373889	2.0838	2.9910	100
Trusts/Clearing Members/Others	15412	0.625	0.1233	3
TOTAL	12500474		100	4799

K) Dematerialization of Shares & Liquidity:

The Shares are compulsorily traded in dematerialized form. The details of dematerialization of shares as on 31st March, 2016 are as below:

Electronic/ Physical	No. of Shares	Percentage (%)
Electronic – CDSL/NSDL	11137152	89.09
Physical	1363322	10.91
TOTAL	12500474	100.00%

l) Outstanding GDR/ADR/Warrants/Convertible instruments

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



- m) Commodity price risk or foreign exchange risk and hedging activities.
The Company did not engage in hedging activities.
- n) Plant Location :-
Industrial Area, Pawane, Navi Mumbai
- o) Address for correspondence:-
(a) For Transfer of Shares, request for dematerialization of shares, change of address or any other query
M/s. Bigshare Services Private Limited.
E-2/3, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (E), Mumbai-400 072
Tel no: 2852 3474, 2856 0652/53, 2690 1335
Fax-2852 5207, Email ID: bigshare@bom7.vsnl.net.in
- (b) For other investor grievance
Mr. Deepal Sekhri
412, EMCA HOUSE, S.B.S. Road, Fort, Mumbai-400001.
Email: edp@shreeganeshforgings.com

X. OTHER DISCLOSURES:

- a) Disclosure on materially significant related party transactions:
No transactions of material nature has been entered into by your Company with any related parties as per Accounting Standard that may have any potential conflict with the interests of your Company. The related party transactions have been disclosed under Note forming part of the financial statements. The Audit Committee reviewed the related party transactions undertaken by the Company in the ordinary course of business.
- b) Details of non-compliance by the Company:
There were no instances of non-compliance by the Company on any matters relate to various capital markets or penalties imposed on the Company by the Stock Exchange or SEBI or any statutory authority during the last 3 financial years
During the last three years, no penalties have been imposed by stock exchange or any other statutory authority on any matter related to capital market.
- c) Details of Vigil Mechanism & Whistle Blower Policy:
The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with the requirements under the Companies Act, 2013 and Listing Agreement:
- For employees to report concerns about unethical behavior;
 - To establish a mechanism to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Integrity Policy; and
 - To ensure that adequate safeguards shall be provided to the whistle blowers against any victimization or vindictive practices like retaliation, threat or any adverse (direct or indirect) action on their employment and direct access to the Chairperson of the Audit Committee in exceptional cases. The Policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.
- No personnel/ person have been denied access to the Audit Committee.
- d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;
The Company has to the extent possible complied with the mandatory and non-mandatory requirements.
- e) Web link where policy for determining material' subsidiaries is disclosed
The Company has yet to upload the policy on website.
- f) Web link where policy on dealing with related party transactions
The Company has yet to upload on the website.
- g) Disclosure of commodity price risks and commodity hedging activities.
Not Applicable.

XI. Non-compliance of any requirement of corporate governance report

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



- XII. The corporate governance report shall also disclose the extent to which the discretionary requirements have been adopted. The board of directors has to the extent possible adopted and complied with the discretionary requirements.
- XIII. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report. Pursuant to Schedule V of the SEBI Listing Regulations, 2015, the company hereby confirms that it has to the extent possible complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) inter-alia.

CEO AND CFO CERTIFICATION

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

Certificate on Compliance with Code of Conduct

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

Date: 13th August, 2016

Place: Mumbai

For Shree Ganesh Forgings Limited
Deepak B. Sekhri
Chairman
(DIN No. 00054671)

CEO/CFO CERTIFICATE

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

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

We hereby certify that:-

- A.** We have reviewed the financial statements and cash flow statement for the said period and that to the best of our knowledge and belief:
- (i) These statements together present true and fair view of the Company and are in compliance with existing accounting standards, applicable laws & regulations.
 - (ii) There are, to the best of our knowledge and belief, no transaction entered into by the company during the period which are fraudulent, illegal or violate of the Company's code of conduct.
- B.** We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors, and to the audit committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- C.** We have indicated to the auditor and the audit committee that:
- (i) there has not been significant changes in internal control during the period.
 - (ii) there has not been Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
 - (iii) we are not aware any significant fraud of with involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date: 13th August, 2016

Place: Mumbai

For Shree Ganesh Forgings Limited
Deepak B. Sekhri
Chairman
(DIN No. 00054671)

Mr. Pronab Chakravarty
CFO



AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Shree Ganesh Forgings Limited
Mumbai

We have examined the compliance of conditions of Corporate Governance by Shree Ganesh Forgings Limited for the year ended on 31st March, 2016 as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of the Corporate Governance except that

- the Company has not appointed the Company Secretary's
- delay in submission of documents as required under the Listing Agreement and SEBI LODR Guidelines
- Updation of website
- Publication of notice and results in the news paper
- some of the other clauses are not properly complied.

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

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

Place: Mumbai
Date: 13.8.2016

**For Anish Gupta & Associates
Company Secretaries**

**Anish Gupta
Proprietor
FCS 5733 / CP No. 4092**



Independent Auditor's Report

To

The Members of Shree Ganesh Forgings Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Shree Ganesh Forgings Limited** which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the 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 and presentation 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 the 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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.

Basis for Qualified Opinion

5. The company has defaulted in payment of statutory dues, such as Sales Tax, Property Tax, TDS, NMMC Cess and for TCS, TDS, the company has not filed any return during the year.
6. The company has defaulted in repayment of interest and loans borrowed from banks.
7. Bank balance confirmation have not been provided to us during the audit & hence we are not able to comment on the actual balances & the consequent impact on the loss & reserves of the company. The Banks are not Cooperating to provide any confirmations of balances as the matter is pending with DEBTS RECOVERY TRIBUNAL COURT, MUMBAI
8. The company was not able to produce the Fixed deposit receipts which casts an uncertainty to its right. We are thus not able to comment on the actual balances. Banks are not Cooperating to provide Fixed Deposit details due to which we are unable to produce the same
9. There has been a reduction in the value of Investment in Shree Ganesh Forgings limited due to the erosion in the net worth of SGFL International B. V. (wholly owned subsidiary). The Investment should be valued as per AS 13 on Valuation of Investment **which states that in case of permanent diminution in the value of investment a provision for reduction in value should be provided which has not been complied by the company.** The management has valued investment at Cost.

Our opinion is qualified in this matter.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements other than those mentioned above give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its Loss and its cash flows for the year ended on that date



Emphasis of Matters

We draw your attention to the following matters in the Notes to the financial statements:

4. ***The financial statements indicate that the company has accumulated losses and its net worth has been substantially eroded; the company has incurred net loss during the current and previous year. These conditions, along with other matters set forth in note, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis. Our opinion is not modified in respect of these matters.***
5. ***During the year, Loan of State Bank of India and State Bank of Patiala have been transferred by the bank to Asset reconstruction company. This ARC has assigned the liability of payment of these loans to the Guarantor of Shree Ganesh Forgings Ltd at a reconstructed amount. This does not have any impact or adjustment to the financial statement during the year.***

Report on Other Legal and Regulatory Requirements

6. 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 the paragraph 3 and 4 of the order.
7. As required by Section 143 (3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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;
 - The Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - 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 except the valuation of Investment on SGFL International;
 - On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - 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**"
 - 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:
 - The Company has failed to provide the necessary information & data and has not disclosed the impact of pending litigations as on March 31, 2016 on its financial position in its financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - The company has failed to transfer the amount of Unclaimed dividend of ₹1,83,957.00 pending from more than 8 years and *Pending Share application Money of ₹1,54,786.00* required to be transferred, to the Investor Education and Protection Fund by the Company.

ANNEXURE- A to the Audit Report

With reference to the Annexure referred in the Auditors' Report to the members of the company on the financial statements for the year ended on March 31, 2016, we report that:

8. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 13. The fixed assets have been physically verified by the management at reasonable intervals; 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.
 14. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
9. The physical verification of inventory was conducted at year end by the management and no material discrepancies were noticed.
10. The company has granted unsecured loans to Namha Metal Ltd, Akshat Warehousing corporation (2 parties) and Loans are repaid by Akshat Warehousing corporation, Namha Metal Limited, Deepak Sekhri and Anita Sekhri (4 parties) in the register maintained under section 189 of the Companies Act, 2013.



11. 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, with respect to the loans and investments made.
12. The company has not accepted any deposits from public during the year.
- {vi} The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
16. The company is not regular in depositing undisputed statutory dues including provident fund, Sales-tax, Value added tax, CST, TCS, Gratuity, Income Tax, Professional tax, ESIC and any other statutory dues to the appropriate authorities. (Dues pending from more than 6 months)

Head	Assessment Year	Amount (in ₹)
NMMCESS	2012-13	10,50,184.00
Property Tax	2012-13	44,68,088.00
Property Tax	2013-14	29,80,392.00
Property Tax	2014-15	33,94,170.00
Property Tax	2015-16	1,60,05,747.00
Property Tax	2016-17	76,40,045.00
CST	2013-14	1,56,580.00
VAT	2015-16	48,44,942.21
VAT	2016-17	1,32,202.00
TCS	2016-17	26,581.00
Gratuity	2014-15	9,67,844.00
Income Tax	2006-07	1,85,25,222.00
Professional Tax	2015-16	78,146.00
ESIC	2016-17	5,417.00

17. The company **has defaulted** in repayment of loans or borrowing to Banks.
18. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
19. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
20. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
21. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
22. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
23. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
24. 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.
25. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for **BATLIBOI & PUROHIT**
Chartered Accountants
Firm's Registration Number: 101048W

Raman Hangekar
Partner
Membership Number: 30615
Mumbai,



ANNEXURE-B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Shree Ganesh Forgings Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion:

In our opinion, the company does not have defined Standard operating procedures but during the course of audit we found reasonable control in the operating areas of the company.

Our Opinion is qualified in this matter.



Opinion:

In our opinion, the Company does not have the standard operating procedures, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **BATLIBOI & PUROHIT**
Chartered Accountants
Firm's Registration Number:101048W

Raman Hangekar
Partner
Membership Number: 30615
Mumbai



BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	NOTE	AS AT 31.03.16 ₹	AS AT 31.03.15 ₹
1 EQUITY AND LIABILITIES			
• Shareholders' Funds			
• Share Capital	3	125,004,740.00	125,004,740.00
• Reserves & Surplus	4	(762,399,440.38)	(674,967,315.32)
		(637,394,700.38)	(549,962,575.32)
2 Share Application Money Pending Allotment		-	60,000,000.00
3 Non-Current Liabilities			
II. Long Term Borrowings	5	1,108,879,738.03	1,059,208,742.99
III. Deferred Tax Liability (net)			
IV. Other Long Term Liabilities			
V. Long Term Provisions	6	2,577,553.00	2,577,553.00
		1,111,457,291.03	1,061,786,295.99
4 Current Liabilities			
a. Short Term Borrowings	7	321,347,514.35	321,347,514.35
b. Trade Payables	8	44,059,926.56	43,932,197.56
c. Other Current Liabilities	9	47,059,629.80	38,759,955.81
d. Short Term Provisions	10	21,500,673.00	22,012,417.00
		433,967,743.71	426,052,084.72
TOTAL		908,030,334.36	997,875,805.39
B ASSETS			
• Non-Current Assets			
• Fixed Assets			
(i) Tangible Assets	11A	291,658,452.82	337,602,905.75
(ii) Intangible Assets			
• Non-Current Investments	12	63,232,390.00	63,232,390.00
Deferred Tax Asset		297,885,851.37	285,587,192.99
• Long Term Loans and Advances	13	679,974.50	11,649,221.50
• Other Non-Current Assets	14	72,142,725.17	72,142,725.17
• Current Assets			
• Current Investments			
• Inventories	15	39,217,203.00	49,758,924.17
• Trade Receivables	16	54,473,910.20	81,666,962.44
• Cash & Bank Balances	17	19,979,707.38	20,094,707.49
• Short-Term Loans and Advances	18	13,771,454.88	10,247,219.88
• Other Current Assets	19	54,988,665.04	65,893,556.00
		182,430,940.50	227,661,369.98
TOTAL		908,030,334.36	997,875,805.39

The schedules referred to above, form an integral part of the Balance Sheet.

In Terms of Our Report Attached

For Batliboi & Purohit

Chartered Accountants

For and on behalf of the Board

(Raman Hangekar)

Partner

Membership No. 30615

Firm No. 101048W

Mumbai, dated :04 - 08 - 2016

Deepak Sekhri

(Director)

P.K. Chakravarthy

(CFO)

Mrs. Anita Sekhri

(Director)

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st March 2016**

PARTICULARS	Note No.	FOR THE YEAR ENDED	FOR THE YEAR ENDED
		31st March,2016	31st March,2015
		₹	₹
A. CONTINUING OPERATIONS			
1 Revenue from operations	20	2,250,250.00	6,107,162.10
2 Other Income		1,045,162.00	6,896.00
Total Revenue		3,295,412.00	6,114,058.10
3 Expenses:			
Cost of Material Consumed	21	-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	10,541,721.17	3,459,511.37
Employee benefits expense	23	2,505,057.00	4,406,005.00
Finance costs	24	4,537,115.11	12,644,819.42
Depreciation and amortization expense		43,114,060.92	35,420,629.66
Other expenses	25	39,376,935.23	13,808,195.79
Total expenses		100,074,889.43	69,739,161.24
4 Profit before exceptional and extraordinary items and tax		(96,779,477.43)	(63,625,103.14)
5 Exceptional items		-	-
6 Profit before extraordinary items and tax		(96,779,477.43)	(63,625,103.14)
7 Extraordinary Items		-	-
8 Profit before tax		(96,779,477.43)	(63,625,103.14)
(a) Current tax expense for current year		-	-
(b) (Less): MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		487,325.00	-
(d) Net current tax expense		-	-
(e) Deferred tax		(12,298,658.38)	(8,364,256.54)
9 Profit (Loss) for the period from continuing operations		(84,968,144.05)	(55,260,846.60)
10 Profit/(loss) from discontinuing operations		-	-
11 Tax expense of discontinuing operations		-	-
12 Profit/(loss) from Discontinuing operations (after tax)		-	-
13 Profit/ (Loss) for the period		(84,968,144.05)	(55,260,846.60)
14 Earnings per equity share:			
(1) Basic		(6.80)	(4.42)
(2) Diluted		-	-

The schedules referred to above, form an integral part of the Profit & Loss Account.

In Terms of Our Report Attached

For Batliboi & Purohit

Chartered Accountants

For and on behalf of the Board

(Raman Hangekar)

Partner

Membership No. 30615

Firm No.101048W

Mumbai, dated :04 - 08 - 2016

Deepak Sekhri

(Director)

P.K. Chakravarthy

(CFO)

Mrs. Anita

(Director)



SHREE GANESH FORGINGS LIMITED

Notes to the Financial Statements for the period ended March 31, 2016

Notes to Accounts

NOTE 1: COMPANY OVERVIEW

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

The company is involved in manufacturing of steel flanges. Company was a leading company in forging industry for nearly 15 to 20 years But during the last 5 years company is on the decline due to financial problems.

2) Secured Loans:

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

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

3) Contingent Liabilities:

- i) Interest on secured loans for the period under review has not been debited by the banks and accordingly, not provided for, amount is not ascertainable as of date.
 - ii) The sales tax department has raised demand on the company which has been contested. In the opinion of the management, this amount will not be payable, therefore not Provided for.
- 4) The Income Tax Assessments of the company have been completed upto assessment Year ended 31st March, 2007.
 - 5) Sales Tax Assessment has been completed upto the year ended 31st March, 2006.
 - 6) The balances of Sundry debtors, Sundry creditors, advances and deposits are subject to Reconciliation, conformation and acceptance from the parties.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1) Related Party Disclosures

(A) Related Parties and their relationship:

- I) Holding Company:
Shree Ganesh Forgings Ltd.
- II) Subsidiary:
SFGL International B.V., Amsterdam, The Netherlands
- III) Companies & Concerns Under the Same Management:
 - 1) Namha Metal Ltd.
 - 2) Akshat Warehousing Corporation
 - 3) Hertecant Middle East FZCO
 - 4) Namha Euro Enterprises
- iv) Key Managerial Personnel
 - 1) Mr. Deepak Sekhri
 - 2) Mrs. Anita D. Sekhri
- V) Relatives of Directors
 - 1) Mr. Akshat Sekhri
 - 2) Miss Namha Sekhri

Company do not have any transactions with subsidiary company during 2015-16

**B) Transactions with Related Parties for the year ended March 31, 2016.**

	Transactions with Company under same management	Key Management Personnel and their relatives	Transactions with Business Under Same Management	Total
Sale of Goods	0	0	0	0
Loans Given	1,20,00,080	0	17,08,0014	2,90,80,094
Sales Written off	1,20,88,508	0	0	1,20,88,508
Loans Repaid	1,64,08,213	1,61,99,792	0	3,26,08,005
Loans Received	0	2,33,91,889	62,70,533	2,96,62,422
Rent Paid	0	0	60,000	60,000

(C) Disclosure of material transactions with related parties:	2016	2015
Sale of Goods :		
Namha Metal Ltd.	0.00	21,43,773.00
Loans and Advances given during the year		
Namha Metal Ltd	1,31,330.00	1,20,00,080
Mr .D. B. Sekhri	0.00	108,01,568
Akshat Warehousing Corporation	10,940	1,70,80,014
Sales Written Off		
Hertecant Middle East FZCO	0.00	1,55,92,225
Rent Paid		
Namha Euro Enterprises	60,000.00	60,000.00
Loan Repaid		
Akshat Warehousing Corporation	1,09,70,610.00	62,70,533.00

(D) Disclosure of Material balances with Related Parties:

Trade Receivables:		
Hertecant Middle East FZCO (DR)	27,54,403.40	2,754,403.40
Namha Metal Limited (DR)	3,20,16,945.94	4,92,80,396.40
Other Liabilities:		
Mr. D. B. Sekhri (DR)	(2,33,91,689.00)	1,00,01,175.00
Mrs. Anita Sekhri (DR)	0	70,41,18.00
Ms. Namha Sekhri (DR)	8,000.00	8,000.00
Mr. Akshat Sekhri (CR)	0.00	16,776.00
Trade Paybles:		
Akshat Warehousing Corporation (DR)	0.00	1,09,59,669.96
Namha Euro Enterprises (CR)	0.00	1,70,900.00



NOTES FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED 31st March, 2016.

Note 3 Share capital

Ref. No.	Particulars	As at 31 March, 2016		As at 31 March, 2015	
		Number of shares	₹	Number of shares	₹
	(a) Authorised				
	Equity shares of 205,00,000 each with voting rights ₹10/-Each	20,500,000	205,000,000.00	20,500,000	205,000,000.00
	20,00,000 Compulsorily convertible Preference Shares of ₹ 10/-each	2,000,000	20,000,000.00	2,000,000	20,000,000.00
		22,500,000.00	225,000,000.00	22,500,000.00	225,000,000.00
	(b) Issued				
	Equity shares of 1,25,00,474 of ₹ 10/ each fully paid.	12,500,474.00	125,004,740.00	12,500,474.00	125,004,740.00
	(c) Subscribed and fully paid up				
	Equity shares of 1,25,00,474 of ₹ 10/-each.	12,500,474.00	125,004,740.00	12,500,474.00	125,004,740.00
	Total	12,500,474.00	125,004,740.00	12,500,474.00	125,004,740.00

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

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	₹	Number of shares	₹
Shares outstanding at the beginning of the year	12,500,474	125,004,740.00	12,500,474	125,004,740.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	12,500,474	125,004,740.00	12,500,474	1,250,047,400.00

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

Name of Shareholder	As at 31st March,2016		As at 31st March,2015	
	Number of shares	% of Holding	Number of shares	% of Holding
Deepak B.Sekhri	3029089	24.2%	3029089	24.2%
Deepak Sekhri H.U.F.	1112500	8.9%	1112500	8.9%
Akshat Deepak Sekhri	1015779	8.1%	1015779	8.1%
Namha Sekhri	840348	6.7%	840348	6.7%
Anita Deepak Sekhri	917499	7.3%	917499	7.3%
Total	6915215		6915215	

Note:

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



NOTE 4-RESERVES AND SURPLUS

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
(xviii) General Reserves		
Opening Balance	8,159,000.00	8,159,000.00
(+) Current Year Transfer		
(-) Written Back in Current Year	-	-
Closing Balance	8,159,000.00	8,159,000.00
(xix) Deficit In Statement of Profit & Loss A/C		
Opening Balance	(822,966,189.32)	(767,705,342.72)
Add:(Loss) for the year	(84,968,144.05)	(55,260,846.60)
Less:Trf from Depreciation	9,855,924.00	-
	(898,078,409.37)	(822,966,189.32)
b. Share Premium	100,009,480.00	100,009,480.00
c. Revaluation Reserve	39,830,394.00	39,830,394.00
Less: Trf from Depreciation	2,463,981.01	-
: Trf for Depreciation for Earlier Years	9,855,924.00	-
Closing Balance	127,519,968.99	139,839,874.00
Total	(762,399,440.38)	(674,967,315.32)

NOTE 5-LONG TERM BORROWINGS

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
(xx) Term Loans		
From Banks		
Secured	845,816,609.73	845,816,609.73
Unsecured		
(xxi) Loans & Advances From Related Parties	49,792,194.30	121,199.26
(xxii) Other Loans & Advances		
Secured	213,270,934.00	213,270,934.00
Unsecured		
Total	1,108,879,738.03	1,059,208,742.99

Note:

The consortium bankers viz. State Bank of India, State Bank of Patiala, State Bank of Hyderabad and Bank of Maharashtra hold pari passu charge over the entire fixed assets and current assets of the company in respect of the various facilities granted to the company. Also ,secured by personal security of Directors.

The loans received by the company from related parties as above and are on an interest free basis with no covenant in respect of the tenure thereof.

- The Company has defaulted in repayment of loans and interest in respect of the following:

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Period of default	₹	Period of default	₹
Term loans from banks				
Principal	N.P.A. FOR 8 YEARS	740,400,000	N.P.A. FOR 7 YEARS	740,400,000
Interest	N.P.A. FOR 8 YEARS	318,022,074	N.P.A. FOR 7 YEARS	318,022,074
Term loans from other parties				
Principal	8 YEARS	9,489,469	7 YEARS	9,489,469
Interest	7 YEARS	20,561	7 YEARS	20,561



NOTE 6- LONG TERM PROVISIONS

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a) Provision for employee benefits:		
(i) Provision for compensated absences	1,609,709.00	1,609,709.00
(ii) Provision for gratuity (net)	967,844.00	967,844.00
Total	2,577,553.00	2,577,553.00

NOTE 7-SHORT TERM BORROWINGS

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a) Loans Repayable On Demand From Banks Secured-Cash Credit Unsecured	315,259,036.85	315,259,036.85
(c) Deposits Secured Unsecured	2,954,477.50	2,954,477.50
(d) Other Loans & Advances Secured Unsecured	3,134,000.00	3,134,000.00
Total	321,347,514.35	321,347,514.35

NOTE 8-TRADE PAYBLES

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a) Trade Paybles Acceptances Other than Acceptances	44,059,926.56	43,932,197.56
Total	44,059,926.56	43,932,197.56

NOTE 9-OTHER CURRENT LIABILITIES

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
5. Unclaimed dividends	183,957.60	183,957.60
6. Application money received for allotment of securities and due for refund and interest accrued thereon #	154,786.00	154,786.00
7. Unpaid matured deposits and interest accrued thereon		
8. Unpaid matured debentures and interest accrued thereon		
9. Other payables		
• Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, etc.)	40,478,088.21	32,073,238.22
• Payables on purchase of fixed assets		
• Contractually reimbursable expenses	1,054,930.81	1,160,106.81
• Interest accrued on trade payables		
• Interest accrued on others		
• Trade / security deposits received	1,361,682.00	1,361,682.00
• Advances from customers	2,776,001.18	2,776,001.18
• Others (specify nature)-NMMC CESS	1,050,184.00	1,050,184.00
Total	47,059,629.80	38,759,955.81

**NOTE 10- SHORT TERM PROVISIONS**

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a) Provision for employee benefits:		
(i) Provision for bonus	823,766.00	823,766.00
(ii) Provision for other employee benefits	406,082.00	398,372.00
(b) Provision - Others:		
(i) Provision for tax (As at 31 March)	20,270,825.00	20,790,279.00
Total	21,500,673.00	22,012,417.00

NOTE 12-NON CURRENT INVESTMENTS

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
Investments(At cost)		
A. Trade		
iv. Investments in Equity Instruments of joint venture companies		
• SGFL-Geldbach(UK) Ltd.	-	-
• SGFL-International B.V.	63,232,390.00	63,232,390.00
(iiii) SGFL-Geldbach(UK) Ltd.-Interest on Investments	-	-
Total	63,232,390.00	63,232,390.00

NOTE 13- LONG TERM LOANS & ADVANCES

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
(d) Loans and advances to related parties		
Secured, considered good	8,000.00	10,713,293.00
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful loans and advances		
(e) Advance income tax -net of provisions - Unsecured, considered good	671,974.50	935,928.50
Total	679,974.50	11,649,221.50

NOTE 14-OTHER NON-CURRENT ASSETS

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a) Long-term trade receivables (including trade receivables on deferred credit terms)		
Secured, considered good	72,142,725.17	72,142,725.17
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful trade receivables		
Total	72,142,725.17	72,142,725.17



11A. STATEMENT OF FIXED ASSETS

PARTICULARS	RATE	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK			
		COST AS AT 1.4.2015	ADDITION	DELETIONS	TOTAL COST AS AT 31.03.16	UP TO 01-04-15	FOR THE YEAR	DEDUCTION TRF TO REV. RESERVE	Deduction For Sale	UP TO 31.03.16	AS ON 31.03.16	AS ON 31.03.15
Lease Hold Land		45,480,656.00	-	-	45,480,656.00	-	-	-	-	-	45,480,656.00	45,480,656.00
Factory Building	3.17%	107,656,975.16	-	-	107,656,975.16	34,862,026.57	3,412,726.11	-	-	38,274,752.68	69,382,222.48	72,794,948.59
Plant & Machinery	6.33%	653,183,587.79	-	575,000.00	652,608,587.79	436,573,434.70	41,310,123.61	-	175,252.00	477,708,306.31	174,900,281.48	216,610,153.09
Furniture & Fixtures	9.50%	5,225,854.27	-	-	5,225,854.27	3,526,138.48	496,456.16	-	-	4,022,594.64	1,203,259.63	1,699,715.79
Office Equipments	19.00%	1,505,327.30	33,337.00	-	1,538,664.30	865,089.45	286,012.19	-	-	1,151,101.64	387,562.66	640,237.85
Computer & Software	15.83%	12,581,073.57	-	-	12,581,073.57	12,565,501.14	-	-	-	12,565,501.14	15,572.43	15,572.43
Other Assets	6.33%	1,148,876.32	-	-	1,148,876.32	956,734.40	72,723.87	-	-	1,029,458.27	119,418.05	192,141.92
Vehicles	15.83%	3,528,720.00	-	-	3,528,720.00	3,359,239.92	-	-	-	3,359,239.92	169,480.08	169,480.08
TOTAL	-	830,311,070.41	33,337.00	575,000.00	829,769,407.41	492,708,164.66	45,578,041.93	-	175,252.00	538,110,954.59	291,658,452.82	337,602,905.75
LESS: Trf to Revalu. Reserve.	-	-	-	-	-	-	2,463,981.01	-	-	-	-	-
Trf to P & L Account	-	-	-	-	-	-	43,114,060.92	-	-	-	-	-
PREVIOUS YEAR	-	830,295,020.41	16,050.00	-	830,311,070.41	457,287,535.00	35,420,629.66	-	-	492,708,164.66	337,602,905.75	373,007,485.42

Note: Depreciation has been provided on the Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956.

**NOTE 15-INVENTORIES**

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
(a) Raw Material	-	-
(b) Semi-Finished Goods	20,444,200.00	4,656,816.92
(c) Finished Goods	-	19,649,510.63
(d) Stores and Spares	7,184,653.00	7,184,653.00
(e) Loose Tools	11,588,350.00	18,267,943.62
(f) Others	-	-
Total	39,217,203.00	49,758,924.17

NOTE 16-TRADE RECEIVABLES

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	54,473,910.20	81,666,962.44
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful trade receivables	54,473,910.20	81,666,962.44
Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good		
Less: Provision for doubtful trade receivables	-	-
Total	54,473,910.20	81,666,962.44

NOTE-17Cash & Cash Equivalents

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
c. Cash on hand	10,651.49	15,605.49
d. Cheques, drafts on hand		
e. Balances with banks		
• In current accounts	1,493,185.67	1,608,373.78
• In EEFC accounts		
• In deposit accounts		
• In earmarked accounts		
g. Unpaid dividend accounts	183,956.60	183,956.60
h. Unpaid matured deposits		
i. Unpaid matured debentures		
j. Share application money received for allotment of securities and due for refund	93,586.00	154,786.00
k. Balances held as margin money or security against borrowings, guarantees and other commitments	18,198,327.62	18,131,985.62
- Other earmarked accounts (specify)		
Total	19,979,707.38	20,094,707.49



NOTE-18 Short Term Loans & Advances

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a) Security deposits		
Secured, considered good	8,464,136.10	5,482,424.10
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful deposits		
(b) Loans and advances to employees		
Secured, considered good	-	137,896.00
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful loans and advances		
(c) Prepaid expenses - Unsecured, considered good	126,502.00	53,271.00
(d) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	3,685,486.15	3,152,582.15
(ii) VAT credit receivable	30,100.00	30,100.00
(iii) Service Tax credit receivable	1,465,230.63	1,390,946.63
Total	13,771,454.88	10,247,219.88

NOTE-19 Other Current Assets

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a) Unamortised expenses		
(i) Ancillary borrowing costs		
(ii) Share issue expenses (where applicable)	-	-
(iii) Discount on shares (where applicable)		
(b) Others		
(i) Interest Receivable	37,933.00	-
(ii) Receivables on sale of fixed assets		
(iii) Contractually reimbursable expenses	16,746.00	-
(iv) Others-Advances to Creditors	54,933,986.04	65,893,556.00
Total	54,988,665.04	65,893,556.00

NOTE 20-REVENUE FROM OPERATIONS

PARTICULARS	2015-16 ₹	2014-15 ₹
Sale of Goods	2,250,250.00	6,107,162.10
Total	2,250,250.00	6,107,162.10

**NOTE 21-Cost of Material Consumed**

PARTICULARS	2015-16 ₹	2014-15 ₹
Opening Stock-Raw Materials	-	-
Purchases	-	-
Less:Closing Stock-Raw Materials	-	-
Total	-	-

NOTE 22-Changes in Inventories of Finished Goods, Work in Progress and stock-in-trade

PARTICULARS	2015-16 ₹	2014-15 ₹
Inventories at the End of the Year		
Finished Goods	-	19,649,510.63
Semi-finished Goods	20,444,200.00	4,656,816.92
Stock-in-trade	18,773,003.00	25,452,596.62
	39,217,203.00	49,758,924.17
Inventories at the Beginning of the Year		
Finished Goods	19,649,510.63	20,065,547.64
Semi-finished Goods	4,656,816.92	6,873,991.32
Stock-in-trade	25,452,596.62	26,278,896.58
Total	10,541,721.17	3,459,511.37

NOTE 23-EMPLOYEE BENEFITS EXPENSES

PARTICULARS	2015-16 ₹	2014-15 ₹
(a) Salaries and incentives	1,433,871.00	1,763,088.00
(b) Contribution to Provident & Other Funds	-	5,327.00
(c) Staff welfare expenses	136,866.00	163,290.00
(d) Labour Charges Paid	934,320.00	2,474,300.00
Total	2,505,057.00	4,406,005.00

NOTE 24-FINANCE COST

PARTICULARS	2015-16 ₹	2014-15 ₹
(a) Interest Expenses	-	-
(b) Bank Charges	103,640.11	15,606.42
(c) Interest On Delayed Payment	4,433,475.00	12,629,213.00
Total	4,537,115.11	12,644,819.42



NOTE 25-OTHER EXPENSES

PARTICULARS	2015-16	2014-15
	₹	₹
Advertisement Expenses	195,549.00	49,176.00
Stores Consumed	-	14,724.00
Consumption of Packing Material	-	-
Power & Fuel & Water	867,166.00	1,196,773.00
Rent Rates & Taxes	3,454,170.00	3,454,490.00
Repairs and maintenance	375,993.00	411,978.00
Repairs to Machinery	-	-
Repairs to Building	47,712.00	26,553.00
Motor Car Expenses	397,951.00	521,214.00
Insurance	151,746.00	232,919.12
Oil & Lubricants	-	-
Other Manufacturing Expenses	842,351.00	936,032.00
Communication		
(a) Telephone Expenses	225,809.00	302,153.00
(b) Internet Expenses	22,935.00	-
(c) Postage & Courier	73,498.00	109,677.00
Travelling and conveyance	1,432,513.00	579,691.00
Office Expenses	164,814.00	35,393.00
Printing and stationery	84,698.00	97,455.00
Freight & Forwarding	16,100.00	-
Loss On Sale Of Fixed Assets	299,748.00	-
Business promotion	217,941.00	269,242.00
Selling & Distribution Exp.	-	-
Membership & Subscription	183,799.00	285,637.00
Legal and professional	7,920,351.00	2,525,610.00
Payments to auditors		
(a) Statutory Audit Fees	100,000.00	100,000.00
(b) Out of Pocket Expenses	1,605.00	5,895.00
Bad trade and other receivables, loans and advances written off	22,161,984.23	2,800,801.67
Net Loss on Foreign Currency	-	-
Prior period items (net)	27,000.00	(780,507.00)
Miscellaneous expenses	111,502.00	612,289.00
Fines & Penalties	-	21,000.00
Total	39,376,935.23	13,808,195.79



CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March,2016.

	For the year ended 31.03.2016	For the year ended 31.03.2015
4. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax & Extra ordinary items	(96,779,477)	(63,625,103)
Adjustment for		
Depreciation	42,938,809	35,420,630
Interest & Financial Expense	4,537,115	12,644,819
Miscellaneous Expenditure Written Off	-	-
Interest Income	(1,034,312)	-
Profit on Sale of Investments	-	-
Profit on Sale of Asset	-	-
Operating profit before Working Capital Changes (a)	(50,337,865)	(15,559,654)
Adjustment for (increase)/Decrease in Working Capital		
Inventories	10,541,721	3,459,511
Sundry Debtors	27,193,052	1,340,531
Loans and Advances	7,378,670	(4,611,369)
Other Current Assets	10,904,891	(10,499,647)
Current Liabilities and Provisions	7,915,659	3,036,031
(b)	63,933,993	(7,274,943)
Prior Year Adjustments (c)	487,325	-
Net Cash From/(used in) Operating Activities (a)+(b)+(c)	13,108,803	(22,834,597)
5. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/Pre-Operative Expenses	(33,337)	(16,050)
(Purchase)/Sale of Assets (Net)	575,000	-
(Purchase)/Sale of Investments	-	-
(Purchase)/Sale of Investments(Net)	-	-
Interest Income	1,034,312	0
Net Cash Form Investing Activities (d)	1,575,975	(16,050)
6. CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Loans Availed/(Paid) (Net)	49,670,995	(3,561)
Share Application Money (Pending Allotment)	(60,000,000)	-
Interest Paid	(4,537,115)	(12,644,819)
Net cash from/(used in) Financing Activities (e)	(14,866,120)	(12,648,380)
NET INCREASE / (DECREASE) IN CASH & CASH EQUVT.	(181,342)	(35,499,027)
Cash & Cash equivalents at the commencement of the year	1,962,722	37,461,750
Cash & Cash equivalents at the end of the year	1,781,380	1,962,722

The schedules referred to above, form an integral part of the Balance Sheet.

In Terms of Our Report Attached

For Batliboi & Purohit

Chartered Accountants

For and on behalf of the Board

(Raman Hangekar)

Partner

Membership No. 30615 Firm No.101048W

Mumbai, dated :04.08.2016

Deepak Sekhri

(Director)

P.K. Chakravarthy

(CFO)

Mrs. Anita Sekhri

(Director)



Independent Auditor's Report

To

The Members of Shree Ganesh Forgings Limited
Report on the Financial Statements

We have audited the consolidated financial statements of **Shree Ganesh Forgings Limited** which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the 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 and presentation 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 the 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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.

Basis for Qualified Opinion

9. The company has defaulted in payment of statutory dues, such as Sales Tax, Property Tax, TDS, NMMC Cess and for TCS, TDS, the company has not filed any return during the year.
10. The company has defaulted in repayment of interest and loans borrowed from banks.
11. Bank balance confirmation have not been provided to us during the audit & hence we are not able to comment on the actual balances & the consequent impact on the loss & reserves of the company. The Banks are not Cooperating to provide any confirmations of balances as the matter is pending with DEBTS RECOVERY TRIBUNAL COURT, MUMBAI
12. The company was not able to produce the Fixed deposit receipts which casts an uncertainty to its right. We are thus not able to comment on the actual balances. Banks are not Cooperating to provide Fixed Deposit details due to which we are unable to produce the same
13. There has been a reduction in the value of Investment in Shree Ganesh Forgings limited due to the erosion in the net worth of SGFL International B. V. (wholly owned subsidiary). The Investment should be valued as per AS 13 on Valuation of Investment **which states that in case of permanent diminution in the value of investment a provision for reduction in value should be provided which has not been complied by the company.** The management has valued investment at Cost.

Our opinion is qualified in this matter.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements other than those mentioned above give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its Loss and its cash flows for the year ended on that date



Emphasis of Matters

We draw your attention to the following matters in the Notes to the financial statements:

- **The financial statements indicate that the company has accumulated losses and its net worth has been substantially eroded; the company has incurred net loss during the current and previous year. These conditions, along with other matters set forth in note, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis. Our opinion is not modified in respect of these matters.**
- **During the year, Loan of State Bank of India and State Bank of Patiala have been transferred by the bank to Asset reconstruction company. This ARC has assigned the liability of payment of these loans to the Guarantor of Shree Ganesh Forgings Ltd at a reconstructed amount. This does not have any impact or adjustment to the financial statement during the year.**

Report on Other Legal and Regulatory Requirements

8. 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 the paragraph 3 and 4 of the order.
9. As required by Section 143 (3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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;
 - The Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - 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 except the valuation of Investment on SGFL International;
 - On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - 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**"
 - 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:
 - The Company has failed to provide the necessary information & data and has not disclosed the impact of pending litigations as on March 31, 2016 on its financial position in its financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - The company has failed to transfer the amount of Unclaimed dividend of ₹1,83,957.00 pending from more than 8 years and *Pending Share application Money of ₹1,54,786.00* required to be transferred, to the Investor Education and Protection Fund by the Company.

ANNEXURE- A to the Audit Report

With reference to the Annexure referred in the Auditors' Report to the members of the company on the financial statements for the year ended on March 31, 2016, we report that:

- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- The fixed assets have been physically verified by the management at reasonable intervals; 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.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- The physical verification of inventory was conducted at year end by the management and no material discrepancies were noticed.
- The company has granted unsecured loans to Namha Metal Ltd, Akshat Warehousing corporation (2 parties) and Loans are repaid by Akshat Warehousing corporation, Namha Metal Limited, Deepak Sekhri and Anita Sekhri (4 parties) in the register maintained under section 189 of the Companies Act, 2013.



- 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, with respect to the loans and investments made.
- The company has not accepted any deposits from public during the year.

{vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vi) The company is not regular in depositing undisputed statutory dues including provident fund, Sales-tax, Value added tax, CST, TCS, Gratuity, Income Tax, Professional tax, ESIC and any other statutory dues to the appropriate authorities. (Dues pending from more than 6 months)

Head	Assessment Year	Amount (in ₹)
NMMCESS	2012-13	10,50,184.00
Property Tax	2012-13	44,68,088.00
Property Tax	2013-14	29,80,392.00
Property Tax	2014-15	33,94,170.00
Property Tax	2015-16	1,60,05,747.00
Property Tax	2016-17	76,40,045.00
CST	2013-14	1,56,580.00
VAT	2015-16	48,44,942.21
VAT	2016-17	1,32,202.00
TCS	2016-17	26,581.00
Gratuity	2014-15	9,67,844.00
Income Tax	2006-07	1,85,25,222.00
Professional Tax	2015-16	78,146.00
ESIC	2016-17	5,417.00

- (vii) The company **has defaulted** in repayment of loans or borrowing to Banks.
- (viii) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (ix) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (x) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xi) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xiv) 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.
- (xv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for **BATLIBOI & PUROHIT**

Chartered Accountants

Firm's Registration Number: 101048W

Raman Hangekar

Partner

Membership Number: 30615

Mumbai,

Date : 4th August, 2016



ANNEXURE-B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Shree Ganesh Forgings Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion:

In our opinion, the company does not have defined Standard operating procedures but during the course of audit we found reasonable control in the operating areas of the company.

Our Opinion is qualified in this matter.



Opinion:

In our opinion, the Company does not have the standard operating procedures, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **BATLIBOI & PUROHIT**

Chartered Accountants

Firm's Registration Number:101048W

Raman Hangekar

Partner

Membership Number: 30615

Mumbai

Date : 4th August, 2016



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	Notes	As at 31.3.2016 ₹	As at 31.3.2015 ₹
1 EQUITY AND LIABILITIES			
g) Shareholders' Funds			
• Share Capital	3	125,004,740.00	125,004,740.00
• Reserves & Surplus	4	(808,872,132.18)	(718,198,418.80)
		(683,867,392.18)	(593,193,678.80)
2. Share Application Money Pending Allotment		-	60,000,000.00
l) Non-Current Liabilities			
• Long Term Borrowings	5	1,108,879,738.03	1,059,208,742.99
• Deferred Tax Liability(net)			
• Other Long Term Liabilities			
• Long Term Provisions	6	2,577,553.00	2,577,553.00
		1,111,457,291.03	1,061,786,295.99
3. Current Liabilities			
• Short Term Borrowings	7	321,347,514.35	321,347,514.35
6. Trade Payables	8	44,059,926.56	43,932,197.56
7. Other Current Liabilities	9	46,704,571.10	38,299,721.11
8. Short Term Provisions	10	21,500,673.00	22,012,417.00
		433,612,685.01	425,591,850.02
TOTAL		861,202,583.86	954,184,467.21
B. ASSETS			
(i) Non-Current Assets			
• Fixed Assets			
• Tangible Assets	11A	291,658,452.82	337,602,905.75
• Intangible Assets	11B		
• Capital Work-in-Progress			
• Intangible Assets under Development			
• Non-Current Investments	12	-	-
Deferred Tax Asset		297,885,851.37	285,587,192.99
• Long Term Loans and Advances	13	679,974.50	14,556,821.44
• Other Non-Current Assets	14	86,033,509.88	86,440,172.57
2. Current Assets			
a) Current Investments			
b) Inventories	15	39,217,203.00	49,758,924.17
c) Trade Receivables	16	54,473,910.20	81,666,962.44
d) Cash & Bank Balances	17	22,548,241.17	22,430,711.97
e) Short-Term Loans and Advances	18	13,771,454.88	10,247,219.88
f) Other Current Assets	19	54,933,986.04	65,893,556.00
		184,944,795.29	229,997,374.46
TOTAL		861,202,583.86	954,184,467.21

The schedules referred to above, form an integral part of the Balance Sheet.

In Terms of Our Report Attached

For Batliboi & Purohit
Chartered Accountants

For and on behalf of the Board

(Raman Hangekar)
Partner
Membership No. 30615
Firm No.101048W
Mumbai, dated :04 - 08 - 2016

Deepak Sekhri
(Director)
P.K. Chakravarthy
(CFO)

Mrs.Anita Sekhri
(Director)


CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st March 2016

PARTICULARS	Note No.	FOR THE YEAR ENDED 31st March, 2016 ₹.	FOR THE PERIOD ENDED 31st March, 2015 ₹
A. CONTINUING OPERATIONS			
1 Revenue from operations	20	2,250,250.00	6,107,162.10
2 Other Income		1,045,162.00	6,896.00
Total Revenue		3,295,412.00	6,114,058.10
3 Expenses:			
Cost of Material Consumed	21	-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	10,541,721.17	3,459,511.37
Employee benefits expense	23	2,505,057.00	4,406,005.00
Finance costs	24	4,550,757.08	12,659,656.34
Depreciation and amortization expense		43,114,060.92	35,420,629.66
Other expenses	25	42,604,881.59	14,216,460.45
Total expenses		103,316,477.76	70,162,262.82
4 Profit before exceptional and extraordinary items and tax		(100,021,065.76)	(64,048,204.72)
5 Exceptional items			-
6 Profit before extraordinary items and tax		(100,021,065.76)	(64,048,204.72)
7 Extraordinary Items		-	-
8 Profit before tax		(100,021,065.76)	(64,048,204.72)
(a) Current tax expense for current year		-	-
(b) (Less): MAT credit (where applicable)			
(c) Current tax expense relating to prior years		487,325.00	-
(d) Net current tax expense			
(e) Deferred tax		(12,298,658.38)	(8,364,256.54)
9 Profit (Loss) for the period from continuing operations		(88,209,732.38)	(55,683,948.18)
10 Profit/(loss) from discontinuing operations		-	-
11 Tax expense of discontinuing operations		-	-
12 Profit/(loss) from Discontinuing operations (after tax)		-	-
13 Profit/ (Loss) for the period		(88,209,732.38)	(55,683,948.18)
14 Earnings per equity share:			
(1) Basic		(8.00)	(5.12)
(2) Diluted		-	-

The schedules referred to above, form an integral part of the Profit & Loss Account.

In Terms of Our Report Attached

For Batliboi & Purohit

Chartered Accountants

For and on behalf of the Board

(Raman Hangekar)

Partner

Membership No. 30615

Firm No.101048W

Mumbai, dated :04 - 08 - 2016

Deepak Sekhri

(Director)

P.K. Chakravarthy

(CFO)

Mrs.Anita Sekhri

(Director)

**NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31st March, 2016.****Note 3 Share capital**

Ref. No.	Particulars	As at 31st March, 2016		As at 31st March, 2015	
		Number of shares	₹	Number of shares	₹
(a)	Authorised				
	Equity shares of 205,00,000 each with voting rights ₹10/-Each	20,500,000	205,000,000.00	20,500,000	205,000,000.00
	20,00,000 Compulsorily convertible Preference Shares of ₹10/-each	2,000,000	20,000,000.00	2,000,000	20,000,000.00
		22,500,000.00	225,000,000.00	22,500,000.00	225,000,000.00
(b)	Issued				
	Equity shares of 1,25,00,474 of ₹10/ each fully paid.	12,500,474.00	125,004,740.00	12,500,474.00	125,004,740.00
(c)	Subscribed and fully paid up				
	Equity shares of 1,25,00,474 of ₹10/-each.	12,500,474.00	25,004,740.00	2,500,474.00	125,004,740.00
	Total	12,500,474.00	125,004,740.00	12,500,474.00	125,004,740.00

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

Particulars	As at 31st March,2016		As at 31st March,2015	
	Number of shares	₹	Number of shares	₹
Shares outstanding at the beginning of the year	12,500,474	125,004,740.00	12,500,474	1,250,047,400.00
Shares Issued during the year			-	-
Shares bought back during the year			-	-
Shares outstanding at the end of the year	12,500,474	125,004,740.00	12,500,474	1,250,047,400.00

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

Name of Shareholder	As at 31st March,2016		As at 31st March,2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Deepak B.Sekhri	2680369	21.4%	2680369	21.4%
Deepak Sekhri H.U.F.	1112500	8.9%	1112500	8.9%
Akshat Deepak Sekhri	1015779	8.1%	1015779	8.1%
Namha Sekhri	840348	6.7%	840348	6.7%
Anita Deepak Sekhri	817499	6.5%	817499	6.5%
TOTAL	6466495		6466495	

Note:

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

**NOTE 4-RESERVES AND SURPLUS**

PARTICULARS		As at 31.3.2016 ₹	As at 31.3.2015 ₹
I.	General Reserves		
	Opening Balance	8,159,000.00	8,159,000.00
	(+) Current Year Transfer	-	-
	(-) Written Back in Current Year	-	-
	Closing Balance	8,159,000.00	8,159,000.00
J.	Deficit In Statement of Profit & Loss A\C		
	Opening Balance	(1,218,750,378.80)	(1,163,066,430.62)
		-	-
	Add:(Loss) for the year	(88,209,732.38)	(55,683,948.18)
	Trf from Revaluation Reserve	9,855,924.00	-
		(1,297,104,187.18)	(1,218,750,378.80)
IV.	Share Premium	100,009,480.00	100,009,480.00
V.	Revaluation Reserve	27,510,489.00	39,830,394.00
e	Capital Reserve	33,001,000.00	33,001,000.00
f	Minority Interest	319,552,086.00	319,552,086.00
	Closing Balance	480,073,055.00	492,392,960.00
Total		(808,872,132.18)	(718,198,418.80)

NOTE 5-LONG TERM BORROWINGS

PARTICULARS		As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a)	Term Loans	-	-
	From Banks	-	-
	Secured	845,816,609.73	845,816,609.73
	Unsecured	-	-
(b)	Loans & Advances From Related Parties	49,792,194.30	121,199.26
(c)	Other Loans & Advances	-	-
	Secured	213,270,934.00	213,270,934.00
	Unsecured	-	-
Total		1,108,879,738.03	1,059,208,742.99

Note:

The loans received by the company from related parties as above and are on an interest free basis with no covenant in respect of the tenure thereof.

NOTE 6-LONG TERM PROVISIONS

PARTICULARS		As at 31.3.2016 ₹	As at 31.3.2015 ₹
VIII.	Provision for employee benefits:		
	• Provision for compensated absences	1,609,709.00	1,609,709.00
	• Provision for gratuity (net)	967,844.00	967,844.00
	• Provision for post-employment medical benefits	-	-
	• Provision for other defined benefit plans (net)-Bonus	-	-
	• Provision for other employee benefits (give details)	-	-
Total		2,577,553.00	2,577,553.00

**NOTE 7-SHORT TERM BORROWING**

PARTICULARS		As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a)	Loans Repayable On Demand From Banks Secured-Cash Credit Unsecured	315,259,036.85	315,259,036.85
(c)	Deposits Secured Unsecured	2,954,477.50	2,954,477.50
(d)	Other Loans & Advances(specify Nature) Secured Unsecured	3,134,000.00	3,134,000.00
Total		321,347,514.35	321,347,514.35

NOTE 8-TRADE PAYBLES

PARTICULARS		As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a)	Trade Paybles Acceptances Other than Acceptances	44,059,926.56	43,932,197.56
Total		44,059,926.56	43,932,197.56

Note:

There are no delays in payments to Micro and Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified, on the basis of information available with the company.

NOTE 9-OTHER CURRENT LIABILITIES

PARTICULARS		As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a)	Unclaimed dividends	183,957.60	183,957.60
"(b)	Application money received for allotment of securities and due for refund and interest accrued thereon #"	154,786.00	154,786.00
VII.	Unpaid matured deposits and interest accrued thereon		
VIII.	Unpaid matured debentures and interest accrued thereon		
IX.	Other payables		
"(i)	Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT etc.) Excise Duty, VAT, etc.) "	40,478,088.21	32,073,238.22
a)	Payables on purchase of fixed assets		
b)	Contractually reimbursable expenses	880,603.11	880,603.11
c)	Interest accrued on trade payables		
d)	Interest accrued on others		
e)	Trade / security deposits received	1,361,682.00	1,361,682.00
f)	Advances from customers	2,595,270.18	2,595,270.18
g)	Others (specify nature)-NMMC CESS	1,050,184.00	1,050,184.00
Total		46,704,571.10	38,299,721.11



11A. STATEMENT OF FIXED ASSETS

PARTICULARS	RATE	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK			
		COST AS AT 1.4.2015	ADDITION	DELETIONS	TOTAL COST AS AT 31.03.16	UP TO 01-04-15	FOR THE YEAR	DEDUCTION TRF TO REV. RESERVE	Deduction For Sale	UP TO 31.03.16	AS ON 31.03.16	AS ON 31.03.15
Lease Hold Land		45,480,656.00	-	-	45,480,656.00	-	-	-	-	-	45,480,656.00	45,480,656.00
Factory Building	3.17%	107,656,975.16	-	-	107,656,975.16	34,862,026.57	3,412,726.11	-	38,274,752.68	69,382,222.48	72,794,948.59	72,794,948.59
Plant & Machinery	6.33%	653,183,587.79	-	575,000.00	652,608,587.79	436,573,434.70	41,310,123.61	-	477,708,306.31	174,900,281.48	216,610,153.09	216,610,153.09
Furniture & Fixtures	9.50%	5,225,854.27	-	-	5,225,854.27	3,526,138.48	496,456.16	-	4,022,594.64	1,203,259.63	1,699,715.79	1,699,715.79
Office Equipments	19.00%	1,505,327.30	33,337.00	-	1,538,664.30	865,089.45	286,012.19	-	1,151,101.64	387,562.66	640,237.85	640,237.85
Computer & Software	15.83%	12,581,073.57	-	-	12,581,073.57	12,565,501.14	-	-	12,565,501.14	15,572.43	15,572.43	15,572.43
Other Assets	6.33%	1,148,876.32	-	-	1,148,876.32	956,734.40	72,723.87	-	1,029,458.27	119,418.05	192,141.92	192,141.92
Vehicles	15.83%	3,528,720.00	-	-	3,528,720.00	3,359,239.92	-	-	3,359,239.92	169,480.08	169,480.08	169,480.08
TOTAL	-	830,311,070.41	33,337.00	575,000.00	829,769,407.41	492,708,164.66	45,573,041.93	-	538,110,954.59	291,658,452.82	337,602,905.75	337,602,905.75
LESS:Trf to Revalu Reserv.	-	-	-	-	-	-	2,463,981.01	-	-	-	-	-
Trf to P & L Account	-	-	-	-	-	-	43,114,060.92	-	-	-	-	-
PREVIOUS YEAR	-	830,295,020.41	16,050.00	-	830,311,070.41	457,287,535.00	35,420,629.66	-	492,708,164.66	337,602,905.75	373,007,485.42	373,007,485.42

Note: Depreciation has been provided on the Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956.

**NOTE 10- SHORT TERM PROVISIONS**

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
(a) Provision for employee benefits:		
(i) Provision for bonus	823,766.00	823,766.00
(ii) Provision for compensated absences	-	-
(iii) Provision for gratuity (net)	-	-
(iv) Provision for post-employment medical benefits (Refer Note 30.4.b)	-	-
(v) Provision for other defined benefit plans (net) (give details) (Refer Note 30.4.b)	-	-
(vi) Provision for other employee benefits (give details)	406,082.00	398,372.00
(b) Provision - Others:	-	-
(i) Provision for tax (As at 31 March)	20,270,825.00	20,790,279.00
Total	21,500,673.00	22,012,417.00

NOTE 12-NON CURRENT INVESTMENTS

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
Investments(At cost)		
A. Trade		
(a) Investments in Equity Instruments		
(iii) of joint venture companies		
SGFL-Geldbach(UK) Ltd.	-	-
SGFL-Geldbach(UK) Ltd.-Interest On Investment	-	-
Total	-	-

NOTE 13- LONG TERM LOANS & ADVANCES

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
"(a Loans and advances to related parties "		
Secured, considered good	8,000.00	13,620,892.94
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful loans and advances		
"(b) Advance income tax -net of provisions(As at 31 March, 2014) - Unsecured, considered good"	671,974.50	935,928.50
Total	679,974.50	14,556,821.44

NOTE 14-OTHER NON-CURRENT ASSETS

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
(a) Long-term trade receivables (including trade receivables on deferred credit terms)		
Secured, considered good	86,033,509.88	86,440,172.57
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
Total	86,033,509.8800	86,440,172.5700

**NOTE 15-INVENTORIES**

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
a) Raw Material	-	-
b) Semi-Finished Goods	20,444,200.00	4,656,816.92
(c) Finished Goods	-	19,649,510.63
(d) Stock-in-Trade(acquired for trading)	-	-
(e) Stores and Spares	7,184,653.00	7,184,653.00
(f) Loose Tools	11,588,350.00	18,267,943.62
(g) Others	-	-
Total	39,217,203.00	49,758,924.17

NOTE 16-TRADE RECEIVABLES

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	54,473,910.20	81,666,962.44
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful trade receivables		
	54,473,910.20	81,666,962.44
Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful trade receivables		
Total	54,473,910.20	81,666,962.44

NOTE-17 Cash & Cash Equivalents

PARTICULARS	As at 31.3.2016	As at 31.3.2015
	₹	₹
4. Cash on hand	10,651.49	15,605.49
5. Cheques, drafts on hand		
6. Balances with banks		
• In current accounts	4,000,519.46	3,944,378.26
• In EEFC accounts		
• In deposit accounts		
• In earmarked accounts		
• Unpaid dividend accounts	183,956.60	183,956.60
• Unpaid matured deposits		
• Unpaid matured debentures		
• Share application money received for allotment of securities and due for refund	154,786.00	154,786.00
• Balances held as margin money or security against borrowings, guarantees and other commitments	18,198,327.62	18,131,985.62
- Other earmarked accounts (specify)		
(d) Others (specify nature)		
TOTAL	22,548,241.17	22,430,711.97

**NOTE-18 Short Term Loans & Advances**

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a) Security deposits		
Secured, considered good	8,464,136.10	5,482,424.10
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful deposits		
(b) Loans and advances to employees		
Secured, considered good	-	137,896.00
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful loans and advances		
(c) Prepaid expenses - Unsecured, considered good	126,502.00	53,271.00
(d) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	3,685,486.15	3,152,582.15
(ii) VAT credit receivable	30,100.00	30,100.00
(iii) Service Tax credit receivable	1,465,230.63	1,390,946.63
(e) Inter-corporate deposits		
Secured, considered good		
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful inter-corporate deposits		
Total	13,771,454.88	10,247,219.88

NOTE-19 Other Current Assets

PARTICULARS	As at 31.3.2016 ₹	As at 31.3.2015 ₹
(a) Unamortised expenses		
(i) Ancillary borrowing costs		
(ii) Share issue expenses (where applicable)	-	-
(iii) Discount on shares (where applicable)		
(b) Others		
(i) Insurance claims	-	-
(ii) Receivables on sale of fixed assets		
(iii) Contractually reimbursable expenses		
(iv) Others-Advances to Creditors	54,933,986.04	65,893,556.00
	54,933,986.04	65,893,556.00

**NOTE 20-REVENUE FROM OPERATIONS**

PARTICULARS	2015-16 ₹	2014-15 ₹
Sale of Goods	2,250,250.00	6,107,162.10
Total	2,250,250.00	6,107,162.10

NOTE 21-Cost of Material Consumed

PARTICULARS	2015-16 ₹	2014-15 ₹
Opening Stock-Raw Materials	-	-
Purchases	-	-
Less: Closing Stock-Raw Materials	-	-
Total	-	-

NOTE 22-Changes in Inventories of Finished Goods, Work in Progress and stock-in-trade

PARTICULARS	2015-16 ₹	2014-15 ₹
Inventories at the End of the Year		
Finished Goods	-	19,649,510.63
Semi-finished Goods	20,444,200.00	4,656,816.92
Stock-in-trade	18,773,003.00	25,452,596.62
	39,217,203.00	49,758,924.17
Inventories at the Beginning of the Year		
Finished Goods	19,649,510.63	20,065,547.64
Semi-finished Goods	4,656,816.92	6,873,991.32
Stock-in-trade	25,452,596.62	26,278,896.58
Total	10,541,721.17	3,459,511.37

NOTE 23-EMPLOYEE BENEFITS EXPENSES

PARTICULARS	2015-16 ₹	2014-15 ₹
(a) Salaries and incentives	1,433,871.00	1,763,088.00
(b) Contribution to Provident & Other Funds	-	5,327.00
(c) Staff welfare expenses	136,866.00	163,290.00
(d) Labour Charges Paid	934,320.00	2,474,300.00
Total	2,505,057.00	4,406,005.00

NOTE 24-FINANCE COST

PARTICULARS	2015-16 ₹	2014-15 ₹
(a) Interest Expenses	-	-
(b) Bank Charges	117,282.08	30,443.34
(c) Interest On Delayed Payment	4,433,475.00	12,629,213.00
Total	4,550,757.08	12,659,656.34



NOTE 25-OTHER EXPENSES

PARTICULARS	2015-16 ₹	2014-15 ₹
Advertisement Expenses	195,549.00	49,176.00
Accounting & Data entry exp.	-	231,967.14
Stores Consumed	-	14,724.00
Consumption of Packing Material	-	-
Power & Fuel & Water	867,166.00	1,196,773.00
Rent Rates & Taxes	3,454,170.00	3,454,490.00
Repairs and maintenance	375,993.00	411,978.00
Repairs to Machinery	-	-
Repairs to Building	47,712.00	26,553.00
Motor Car Expenses	397,951.00	521,214.00
Insurance	151,746.00	232,919.12
Oil & Lubricants	-	-
Other Manufacturing Expenses	842,351.00	936,032.00
<u>Communication Expenses</u>		
(a) Telephone Expenses	225,809.00	302,153.00
(b) Internet Expenses	22,935.00	-
(c) Postage & Courier	73,498.00	109,677.00
Travelling and conveyance	1,432,513.00	579,691.00
Office Expenses	164,814.00	35,393.00
Printing and stationery	84,698.00	97,455.00
Freight & Forwarding	16,100.00	-
Misc Exp. Written Off	299,748.00	-
Business promotion	217,941.00	269,242.00
Selling & Distribution Exp.	-	-
Membership & Subscription	183,799.00	285,637.00
Legal and professional	8,011,548.70	2,595,493.14
<u>Payments to auditors</u>		
(a) Statutory Audit Fees	100,000.00	100,000.00
(b) Out of Pocket Expenses	1,605.00	5,895.00
Bad trade and other receivables, loans and advances written off	25,298,732.89	2,800,801.67
Loss on sale of Fixed Assets	-	-
Net Loss on Foreign Currency	-	-
Prior period items (net)	27,000.00	(780,507.00)
Miscellaneous expenses	111,502.00	7,18703.38
Fines & Penalties	-	21,000.00
Total	42,604,881.59	14,216,460.45


CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March,2016.

	For the year ended 31.03.2016	For the year ended 31.03.2015
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax & Extra ordinary items	(100,021,066)	(64,048,205)
Adjustment for		
Depreciation	42,938,803	35,420,630
Interest & Financial Expense	4,550,757	12,659,656
Miscellaneous Expenditure Written Off	-	-
Interest Income	(1,034,312)	-
Profit on Sale of Investments	-	-
Profit on Sale of Asset	-	-
Operating profit before Working Capital Changes (a)	(53,565,818)	(15,967,919)
Adjustment for (increase)/Decrease in Working Capital		
Inventories	10,541,721	3,459,511
Sundry Debtors	27,193,052	1,340,531
Loans and Advances	10,286,270	(3,668,289)
Other Non-Current Assets	11,366,239	(11,412,427)
Current Liabilities and Provisions	8,020,835	2,082,412
	(b)	(8,198,262)
Prior Year Adjustments (c)	487,325	-
Net Cash From/(used in) Operating Activities (a)+(b)+(c)	13,354,975	(24,166,181)
6. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/Pre-Operative Expenses	(33,337)	(16,050)
(Purchase)/Sale of Investments (Net)	575,000	0
(Purchase)/Sale of Investments	0	0
(Purchase)/Sale of Investments(Net)	-	-
Interest Income	1,034,312	0
Net Cash Form Investing Activities (d)	1,575,975	(16,050)
7. CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Loans Availed/(Paid) (Net)	49,670,995	(3,561)
Share Application Money (Pending Allotment)	(60,000,000)	-
Interest Paid	(4,550,757)	(12,659,656)
Net cash from/(used in) Financing Activities (e)	(14,879,762)	(12,663,217)
NET INCREASE / (DECREASE) IN CASH & CASH EQUVT.	51,187	(36,845,448)
Cash & Cash equivalents at the commencement of the year	4,298,726	41,144,174
Cash & Cash equivalents at the end of the year	4,349,914	4,298,726
Cash & Cash equivalents Comprises:		
Cash & Cheques on Hand	-	-
Balances with Scheduled Banks in		
Current Accounts	4,000,520	3,944,378
Unpaid Dividend Accounts	183,957	183,957
Unclaimed share application	154,786	154,786
money	10,651	15,605
Cash & Cash Equivalents as at the end of the year		

The schedules referred to above, form an integral part of the Balance Sheet.

As per our report of even date

for **Batliboi & Purohit**
(Chartered Accountants)

For & on Behalf of the Board of Directors

CA Raman Hangekar)

M.No. 30615

Firm No. 101048W

Place : Mumbai

Date : 4th August 2016

Deepak B Sekhri

(Chairman & Managing Director)

Anita D Sekhri

(Executive Director)

P.K. Chakravarthy

(CFO)



SHREE GANESH FORGINGS LTD

Factory: C-3/C, TTC Industrial Area, Thane Belapur Road, Pawne, Navi Mumbai 400 705

Registered Office: 412, EMCA HOUSE, S.B.S.Road, Fort, Mumbai 400 001.

CIN No.L17200MH1972PLC016008

ATTENDANCE SLIP

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

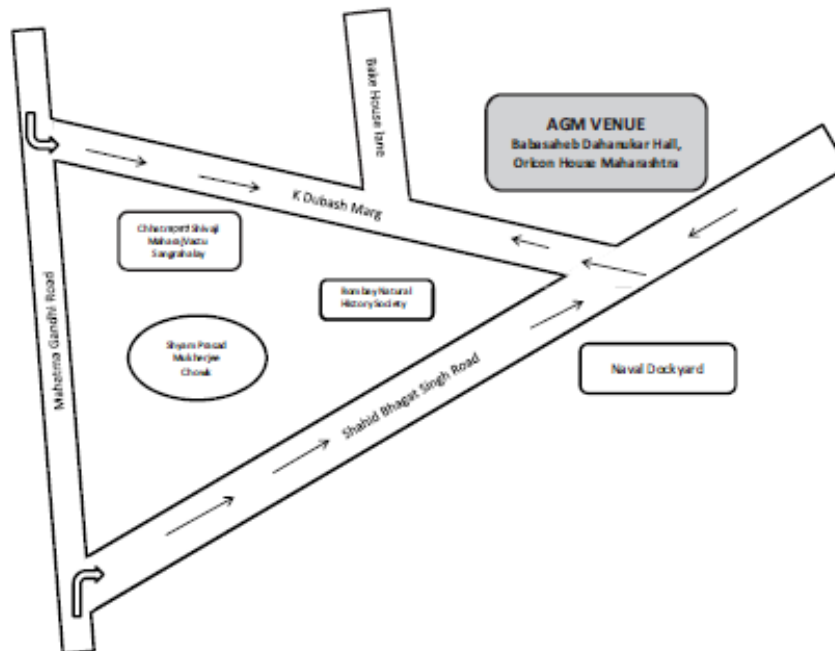
DP ID.*	Client ID*	Folio No.	No. ofShare(s) held

* Applicable for members who are holding shares in dematerialized form

I hereby record my presence at the 43rdAnnual General Meeting of the Company on 12th September 2016 at 03.30 p.m. at BabasahebDahanukarSabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai – 400 001.

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

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





SHREE GANESH FORGINGS LTD

Factory: C-3/C, TTC Industrial Area, Thane Belapur Road, Pawne, Navi Mumbai 400 705
 Registered Office: 412, EMCA HOUSE, S.B.S.Road, Fort, Mumbai 400 001.

CIN No.L17200MH1972PLC016008

PROXY FORM NO. MGT-11

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

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

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

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

- Name:.....Address:.....
 Email Id:.....,
 or failing him
- Name:.....Address:.....
 Email Id:.....,
 or failing him
- Name:.....Address:.....
 Email Id:.....,
 or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 43rd Annual General Meeting of the company to be held on 12th September, 2016 at 03.30 p.m. at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, MCC Path, Fort, Mumbai – 400 001or at any adjournment thereof in respect of such resolutions as are indicated below

Resolution No.	Resolutions
1	Adoption of the Audited Financial Statement for the financial year ended 31st March, 2016 together with the Auditor's and Director's Report thereon
2	Re-appointment of Mrs. Anita Sekhri, Director retiring by rotation
3	To Re-appointment of M/s. Batliboi & Purohit, Chartered Accountants, Mumbai as Statutory Auditors of the Company
4	Approval for Board of Directors to enter into a contract(s)/ arrangement (s)/ transaction(s)

Signed this.....day of2016.

Signature of Shareholder:.....

Affix Rs. 1/-
 Revenue
 Stamp
 Signature

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

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

**SHREE GANESH FORGINGS LTD**

Factory: C-3/C, TTC Industrial Area, Thane Belapur Road, Pawne, Navi Mumbai 400 705

Registered Office: 412, EMCA HOUSE, S.B.S.Road, Fort, Mumbai 400 001.

CIN No.L17200MH1972PLC016008

BALLOT FORM

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

I / We hereby exercise my / our vote(s) in respect of the Resolutions set out in the Notice of the 43rd Annual General Meeting (AGM) of the Company to be held on Monday, September 12, 2016 at 3:30 p.m. and at any adjournment thereof by sending my / our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Resolution	Type of Resolution	No. of Shares	For	Against
1	Adoption of the Audited Financial Statement for the financial year ended 31st March, 2016 together with the Auditor's and Director's Report thereon	Ordinary			
2	Re-appointment of Mrs. Anita Sekhri, Director retiring by rotation	Ordinary			
3	To Re-appointment of M/s. Batliboi & Purohit, Chartered Accountants, Mumbai as Statutory Auditors of the Company	Ordinary			
4	Approval for Board of Directors to enter into a contract(s)/ arrangement (s)/ transaction(s)	Ordinary			

Place: Date:

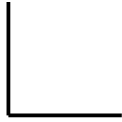
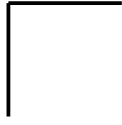
INSTRUCTIONS

(Signature of Member)

1. A Member desiring to exercise vote by ballot form may complete this ballot form and send it to the Scrutiniser, appointed by the Board of Directors of the Company viz. Mr. Anish Gupta, Anish Gupta & Associates, Practicing Company Secretaries at M/s Bigshare Services Private Limited, Add:- E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka Andheri – East, Mumbai – 400 072.
2. In case of shares held by companies, trusts, societies etc., the duly completed ballot form should be accompanied by a certified true copy of Board Resolution/Authority.
3. Unsigned ballot forms will be rejected.
4. A member need not cast all the votes in the same manner.
5. Duly completed ballot form should reach the Scrutiniser not later than 5:00 p.m. on Sunday, 11th September, 2016.
6. The Scrutiniser's decision on the validity of the ballot form will be final.



BOOK - POST



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